

HARRIS & HARRIS GROUP INC /NY/  
 Form 4  
 July 03, 2007

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 Forman Sandra Matrick

2. Issuer Name and Ticker or Trading Symbol  
 HARRIS & HARRIS GROUP INC /NY/ [TINY]

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

(Last) (First) (Middle)  
 111 WEST 57TH STREET, SUITE 1100  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 07/02/2007

\_\_\_ Director \_\_\_ 10% Owner  
 Officer (give title below) \_\_\_ Other (specify below)  
 General Counsel

NEW YORK, NY 10019

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 \_\_\_ Form filed by More than One Reporting Person

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) |   |        | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |            |       |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--------|---|--|-----------------------------------|------------|-------|
|                                 |                                      |  |                                | Code  | V | Amount |   |  |                                   | (A) or (D) | Price |
| Common Stock                    | 07/02/2007                           |  | M                              |   |   | 30,000 | A   | \$ 10.11   | 35,852                            | D          |       |
| Common Stock                    | 07/02/2007                           |  | S <sup>(1)</sup>               |   |   | 30,000 | D   | \$ 11.0978   | 5,852                             | D          |       |
| Common Stock                    | 07/02/2007                           |  | M                              |   |   | 842    | A   | \$ 10.11   | 6,694                             | D          |       |
| Common Stock                    | 07/03/2007                           |  | M                              |   |   | 18,000 | A   | \$ 10.11   | 24,694                            | D          |       |
|                                 | 07/03/2007                           |  | S <sup>(1)</sup>               |   |   | 18,000 | D   |  | 6,694                             | D          |       |

|              |            |  |   |     |            |          |       |   |                 |
|--------------|------------|--|---|-----|------------|----------|-------|---|-----------------|
| Common Stock |            |  |   |     | \$         |          |       |   |                 |
|              |            |  |   |     | 11.1745    |          |       |   |                 |
|              |            |  |   |     | <u>(3)</u> |          |       |   |                 |
| Common Stock | 07/03/2007 |  | M | 548 | A          | \$ 10.11 | 7,242 | D |                 |
| Common Stock |            |  |   |     |            |          | 250   | I | Owned by spouse |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable Expiration Date                         | Title Amount or Number of Shares                              |
| Employee Stock Option (Right to Buy)       | \$ 10.11   | 07/02/2007                           |  | M                              | 30,000  | 06/26/2007 06/26/2008                                    | Common Stock 30,000   |
| Employee Stock Option (Right to Buy)       | \$ 10.11   | 07/02/2007                           |  | M                              | 842   | 12/26/2006 06/26/2016                                    | Common Stock 842  |
| Employee Stock Option (Right to Buy)       | \$ 10.11   | 07/03/2007                           |  | M                              | 18,000  | 06/26/2007 06/26/2008                                    | Common Stock 18,000   |
| Employee Stock Option (Right to Buy)       | \$ 10.11   | 07/03/2007                           |  | M                              | 548   | 12/26/2006 06/26/2016                                    | Common Stock 548  |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |                 |       |
|---|---------------|-----------|-----------------|-------|
|   | Director      | 10% Owner | Officer         | Other |
| Forman Sandra Matrick<br>111 WEST 57TH STREET<br>SUITE 1100<br>NEW YORK, NY 10019 |               |           | General Counsel |       |

## Signatures

/s/ Jackie Matthews by Power of Attorney

07/03/2007

\*\*Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- (1) The sale reported in this Form 4 was effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on March 22, 2007.
- (2) Shares were sold for an average price of \$11.0978 in 17 transactions with share prices ranging from \$11.03 to \$11.24.
- (3) Shares were sold for an average price of \$11.1745 in 18 transactions with share prices ranging from \$11.10 to \$11.27.
- (4) 25,000 options vested on 6/26/2007, and 55,000 options will vest on 12/26/2007.
- (5) 3,467 options vested on 12/26/2006, 9,891 options vested on 6/26/2007 and 69,237 options will vest in equal installments on 6/26/2008, 6/26/2009, 6/26/2010, 6/26/2011, 6/26/2012, 6/26/2013 and 6/26/2014.
- (6) 7,000 options vested on 6/26/2007, and 55,000 options will vest on 12/26/2007.
- (7) 2,919 options vested on 12/26/2006, 9,891 options vested on 6/26/2007 and 69,237 options will vest in equal installments on 6/26/2008, 6/26/2009, 6/26/2010, 6/26/2011, 6/26/2012, 6/26/2013 and 6/26/2014.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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