

GSE SYSTEMS INC  
Form 4  
July 05, 2016

**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 \*  
Pepe Emmett Anthony

(Last) (First) (Middle)

C/O GSE SYSTEMS, INC, 1332  
LONDONTOWN BLVD

(Street)

SYKESVILLE, MD 21784

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
GSE SYSTEMS INC [GVP]

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

07/01/2016

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

Chief Financial Officer

6. Individual or Joint/Group Filing(Check Applicable Line)

\_X\_ Form filed by One Reporting Person  
\_\_\_ Form filed by More than One Reporting Person

**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 Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)	Code V Amount (D) Price		

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

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SEC 1474  
(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	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Performance Rights	(1)	07/01/2016	A	48,000			(2)		12/31/2022	Common Stock	48,000	
Performance Rights	(1)	07/01/2016	A	48,000			(3)		12/31/2022	Common Stock	48,000	
Performance Rights	(1)	07/01/2016	A	48,000			(4)		12/31/2022	Common Stock	48,000	
Performance Rights	(1)	07/01/2016	A	56,000			(5)		12/31/2022	Common Stock	56,000	

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Pepe Emmett Anthony C/O GSE SYSTEMS, INC 1332 LONDONTOWN BLVD SYKESVILLE, MD 21784			Chief Financial Officer	

## Signatures

/s/ Emmett Anthony Pepe                      07/05/2016

\*\*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) Each performance right represents a contingent right to receive one share of Issuer Common Stock.
- (2) The performance rights will vest in their entirety if the Volume Weighted Average Price of the Issuer's Common Stock as quoted on the NYSE MKT exceeds \$2.50 for a 30 consecutive trading day period.
- (3) The performance rights will vest in their entirety if the Volume Weighted Average Price of the Issuer's Common Stock as quoted on the NYSE MKT exceeds \$3.25 for a 30 consecutive trading day period.
- (4) The performance rights will vest in their entirety if the Volume Weighted Average Price of the Issuer's Common Stock as quoted on the NYSE MKT exceeds \$4.25 for a 30 consecutive trading day period.
- (5) The performance rights will vest in their entirety if the Volume Weighted Average Price of the Issuer's Common Stock as quoted on the NYSE MKT exceeds \$6.00 for a 30 consecutive trading day period.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.