

LUNA INNOVATIONS INC  
 Form 4  
 April 18, 2007

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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 \*  
**Ferris Kenneth D**

(Last) (First) (Middle)

C/O LUNA INNOVATIONS INCORPORATED, 1703 S. JEFFERSON STREET, SW, SUITE 400

(Street)

ROANOKE, VA 24016

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**LUNA INNOVATIONS INC [LUNA]**

3. Date of Earliest Transaction (Month/Day/Year)  
**04/16/2007**

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
 President, Advanced Systems

6. Individual or Joint/Group Filing (Check Applicable Line)  
 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)	(A) or (D)	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 Indirect Beneficial Ownership (Instr. 4)	
Common Stock	04/16/2007		G	28,262	D	\$ 0	0	I	Held by Spouse
Common Stock	04/16/2007		G	28,262	D	\$ 0	0	D	
Common Stock	04/16/2007		G	56,524	A	\$ 0	56,524	I	Held by LLC
Common Stock	04/16/2007		M	36,524	A	\$ 0.3538	36,524	D	

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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)	\$ 0.3538	04/16/2007		M	36,524	<sup>(1)</sup> 11/01/2013	Common Stock 36,524

## Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Ferris Kenneth D C/O LUNA INNOVATIONS INCORPORATED 1703 S. JEFFERSON STREET, SW, SUITE 400 ROANOKE, VA 24016	President, Advanced Systems

## Signatures

/s/ Aaron S. Hullman,  
attorney-in-fact  
Date: 04/18/2007

\_\_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) 25 percent of the option shares became exercisable on November 1, 2003 and the remaining 75 percent of the option shares became exercisable pro rata on a monthly basis for 36 months thereafter

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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