FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washing

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

n, D.C. 20549	OMB APPROVAL
	OWID ALT NOVAL

gton, D.C. 20549	OMB APPROVAL

3235-0287 OMB Number: Estimated average burden hours per response: 0.5

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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

Name and Address of Reporting Person* <u>WILLIAMSON JOHN B III</u>					2. Issuer Name and Ticker or Trading Symbol LUNA INNOVATIONS INC [LUNA]								Relationship of Reporting Person(s) to Issuer (Check all applicable) X Director 10% Owner					
(Last) (First) (Middle) C/O LUNA INNOVATIONS INCORPORATED					3. Date of Earliest Transaction (Month/Day/Year) 10/01/2012								Officer (g	give title		Other (specification)	pecify	
1 RIVERSIDE CIRCLE, SUITE 400 (Street) ROANOKE VA 24016					4. If Amendment, Date of Original Filed (Month/Day/Year)							Line)	6. Individual or Joint/Group Filing (Check Applicable Line) X Form filed by One Reporting Person Form filed by More than One Reporting Person					
(City)	(S	state)	(Zip)															
		T	able I - Non-D	erivat	tive S	ecurities	Acc	quired, [Disp	osed o	f, or Ben	eficially	Owned					
1. Title of Security (Instr. 3) 2. Transa Date (Month/D			te	Execution Date,		Transaction Disposed Code (Instr.		ies Acquired (A) or Of (D) (Instr. 3, 4 and 5)		5. Amount Securities Beneficiall Owned Fol Reported	,	6. Own Form: (D) or I (I) (Ins	Direct II Indirect E tr. 4) C	Nature of ndirect Beneficial Ownership				
								Code	v	Amount	(A) or (D)	Price	Transactio (Instr. 3 an			,	nstr. 4)	
	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)	Code (Instr.		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 Securities Underlying Derivativ Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s)		10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)		
				Code	v	(A)	(D)	Date Exercisab		Expiration Date	Title	Amount or Number of Shares		(Instr. 4)				
Stock Units	(1)	10/01/2012		A		1,453.48 ⁽²⁾		(3)		(3)	Common Stock ⁽²⁾	1,453.48	\$1.72 ⁽²⁾	45,742	.56	D		

Explanation of Responses:

- 1. Stock Units are convertible into issuer's common stock on a 1-for-1 basis.
- 2. This grant was made pursuant to the issuer's non-employee director compensation policy. Represents \$2,500 awarded to the Reporting Person as a retainer for his service as Chairman of the Audit Committee of the Board of Directors for the period from October 1, 2012 to December 31, 2012. The number of stock units is equal to \$2,500 divided by \$1.72, the closing price of the issuer's common stock on the NASDAQ Capital Market on October 1, 2012, the first trading day of the quarter. The Reporting Person elected to receive the Chairman fees in stock units.
- 3. The stock units become issuable in common stock of the issuer at the election of the Reporting Person upon the earliest to occur of the Reporting Person's termination of service, a change in control of the issuer, an unforeseeable emergency, or a fixed date selected by the Reporting Person. The units have no expiration date.

/s/ Talfourd H. Kemper, Jr., 10/03/2012 Attorney-In-Fact

** Signature of Reporting Person Date

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

- * 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).

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.