| SEC I | Form 4 |
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## FORM 4

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

| 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

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

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

L

| 1. Name and Address of Reporting Person <sup>*</sup><br>Dalhouse Warner |         |          | 2. Issuer Name <b>and</b> Ticker or Trading Symbol <u>LUNA INNOVATIONS INC</u> [ LUNA ] |  | ionship of Reporting Perso<br>all applicable)<br>Director | n(s) to Issuer<br>10% Owner |  |
|---|---------|----------|---|--|---|-----------------------------|--|
| C/O LUNA INNOVATIONS INCORPORATED                                       |         | RPORATED | 3. Date of Earliest Transaction (Month/Day/Year)<br>05/20/2014                          |  | Officer (give title below)                                | Other (specify below)       |  |
| 1 RIVERSIDE CIRCLE, SUITE 400   |         | 0        | 4. If Amendment, Date of Original Filed (Month/Day/Year)                                | 6. Individual or Joint/Group Filing (Check Applicab<br>Line) |   |                             |  |
| (Street)  |         |          |   | X  | Form filed by One Repor                                   | ting Person                 |  |
| ROANOKE   | VA      | 24016    |   |  | Form filed by More than<br>Person                         | One Reporting               |  |
| (City)  | (State) | (Zip)    |   |  |   |                             |  |

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

| 1. Title of Security (Instr. 3) | 2. Transaction<br>Date<br>(Month/Day/Year) | 2A. Deemed<br>Execution Date,<br>if any<br>(Month/Day/Year) | 3.<br>Transa<br>Code (<br>8) | ction | 4. Securities Acquired (<br>Disposed Of (D) (Instr. 3 |               |       | 5. Amount of<br>Securities<br>Beneficially<br>Owned Following<br>Reported | 6. Ownership<br>Form: Direct<br>(D) or Indirect<br>(I) (Instr. 4) | 7. Nature of<br>Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
|---------------------------------|--|---|------------------------------|-------|---|---------------|-------|---|---|---|
|                                 |  |   | Code                         | v     | Amount  | (A) or<br>(D) | Price | Transaction(s)<br>(Instr. 3 and 4)  |   | (1130.4)  |

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

|   | (eigi, pare, calle, martante, epitolic, contention countries)         |  |   |                              |   |                        |     |  |                    |   |                                     |   |  |  |  |
|---|---|--|---|------------------------------|---|------------------------|-----|--|--------------------|---|-------------------------------------|---|--|--|--|
| 1. Title of<br>Derivative<br>Security<br>(Instr. 3) | 2.<br>Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction<br>Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date,<br>if any<br>(Month/Day/Year) | 4.<br>Transa<br>Code (<br>8) |   | Derivative             |     | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) |                    | 7. Title and Amount<br>of Securities<br>Underlying<br>Derivative Security<br>(Instr. 3 and 4) |                                     | 8. Price of<br>Derivative<br>Security<br>(Instr. 5) | 9. Number of<br>derivative<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported | 10.<br>Ownership<br>Form:<br>Direct (D)<br>or Indirect<br>(I) (Instr. 4) | 11. Nature<br>of Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
|   |   |  |   | Code                         | v | (A)                    | (D) | Date<br>Exercisable  | Expiration<br>Date | Title   | Amount<br>or<br>Number<br>of Shares |   | Transaction(s)<br>(Instr. 4)   |  |  |
| Common<br>Stock<br>Option<br>(Right to<br>Buy)      | <b>\$1.37</b> <sup>(1)</sup>  | 05/20/2014                                 |   | A                            |   | 120,000 <sup>(2)</sup> |     | (3)  | 05/20/2024         | Common<br>Stock   | 120,000                             | \$1.37  | 120,000  | D  |  |

Explanation of Responses:

1. The exercise price is equal to the closing price of the issuer's common stock on the Nasdaq Capital Market on the effective date of grant, May 20, 2014, the date on which Mr. Dalhouse was re-elected to the Board of Directors of the issuer.

2. This grant was awarded as compensation for Mr. Dalhouse's service as a non-employee director.

3. The option will vest in 36 equal monthly installments.

**Remarks:** 

/s/ Talfourd H. Kemper, Jr.,

05/21/2014

<u>Attorney-In-Fact</u> \*\* 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.