

Jen Chin-our Jerry
 Form 4
 December 20, 2012

FORM 4

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

OMB APPROVAL

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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 *
 Jen Chin-our Jerry

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 GSE SYSTEMS, INC., 1332
 LONDONTOWN BLVD.

3. Date of Earliest Transaction
 (Month/Day/Year)
 12/14/2012

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 President & COO

(Street)
 SYKESVILLE, MD 21784

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	12/14/2014		A		30,000	A	\$ 1.89
Common Stock	12/14/2014		D		27,390	D	\$ 1.89

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

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SEC 1474
 (9-02)

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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	\$ 1.61	12/14/2012		M	30,000	<u>(1)</u>	03/14/2013	Common Stock	30,000
Employee Stock Option	\$ 3.65					<u>(2)</u>	05/22/2013	Common Stock	20,000
Employee Stock Option	\$ 5.95					<u>(3)</u>	10/23/2018	Common Stock	40,000
Employee Stock Option	\$ 3.4					<u>(4)</u>	10/28/2017	Common Stock	20,000
Employee Stock Option	\$ 1.85					<u>(5)</u>	11/11/2018	Common Stock	125,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Jen Chin-our Jerry GSE SYSTEMS, INC. 1332 LONDONTOWN BLVD. SYKESVILLE, MD 21784			President & COO	

Signatures

/s/ Chin-our Jerry Jen
12/18/2012

**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) Exercisable as follows: 12,000 3/14/2007; 9,000 3/14/2008; 9,000 3/14/2009

(2) Exercisable as follows: 8,000 5/22/2007; 6,000 5/22/2008; 6,000 5/22/2009

(3) Exercisable as follows: 5,714 10/23/2009; 5,714 10/23/2010; 5,714 10/23/2011; 5,715 10/23/2012; 5,714 10/23/2013; 5,714 10/23/2014; 5,715 10/23/2015

(4) Exercisable as follows: 8,000 10/28/2011; 6,000 10/28/2012; 6,000 10/28/2013

(5) Exercisable as follows: 25,000 11/11/2012; 25,000 11/11/2013; 25,000 11/11/2014; 25,000 11/11/2015, 25,000 11/11/2016

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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