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)
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

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			or Section So(n) of the investment Company Act of 1940			
1. Name and Address of Reporting Person* Graeff Scott A			2. Issuer Name and Ticker or Trading Symbol <u>LUNA INNOVATIONS INC</u> [LUNA]		ationship of Reporting Pe k all applicable) Director	erson(s) to Issuer 10% Owner
	(First) (Middle) A INNOVATIONS INCORPORATED IDE CIRCLE, SUITE 400		3. Date of Earliest Transaction (Month/Day/Year) 03/28/2013	X	Officer (give title below) Chief Strateg	Other (specify below) y Officer
			 4. If Amendment, Date of Original Filed (Month/Day/Year) 04/01/2013 	6. Indi Line) X	vidual or Joint/Group Fili Form filed by One Re Form filed by More th Person	eporting 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)	Transaction Code (Instr.		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			Securities	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
			Code	v	Amount	(A) or (D)	Price	Transaction(s) (Instr. 3 and 4)		(1130.4)	
Common Stock	03/28/2013		A		34,500 ⁽¹⁾	Α	\$ <mark>0</mark>	73,621	D		

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. Transa Code (8)		5. Nut of Deriv Secur Acqu (A) or Dispo of (D) (Instr and 5	ative rities ired osed . 3, 4	6. Date Exerc Expiration Da (Month/Day/Y	7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	v	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				

Explanation of Responses:

1. The issuer awarded this restricted stock award to Mr. Graeff with respect to his service as Chief Strategy Officer as an annual incentive. The restricted stock vests annually over a four year period, subject to Mr. Graeff's continued service with the Company as of each anniversary date.

<u>/s/ Talfourd H. Kemper, Jr.,</u>	
Attorney-In-Fact	

04/01/2013

** 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.