

NEON SYSTEMS INC  
Form 4  
March 01, 2005

**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 \*  
**HOLCOMB RICHARD**

(Last) (First) (Middle)

14100 SOUTHWEST FREEWAY,  
SUITE 500

(Street)

SUGAR LAND, TX 77478

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**NEON SYSTEMS INC [NEON]**

3. Date of Earliest Transaction  
(Month/Day/Year)  
**02/25/2005**

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)

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)	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)
				(A) or (D)	Price		
Common Stock	02/25/2005		M	13,800	A \$ 0.01	13,800	D
Common Stock	02/25/2005		S <sup>(1)</sup>	5,750	D \$ 3.125	8,050	D

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)
Option to Purchase Common Stock	\$ 3.125	02/25/2005		M	13,800	11/11/1997 <sup>(2)</sup> 11/11/2007	Common Stock 13,800

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HOLCOMB RICHARD 14100 SOUTHWEST FREEWAY, SUITE 500 SUGAR LAND, TX 77478	X			

## Signatures

Richard  
Holcomb                                  03/01/2005

\*\*Signature of                                  Date  
Reporting Person

## 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) Sale pursuant to a divorce settlement decree.
- Granted undet NEON Systems 1993 Stock Plan: Sixty-six percent of options vesting immediately upon the date of grant and the
- (2) remainder of the options vesting January 12, 1999, providing the Optionee has continuously served in the capacity of employee, officer or director.

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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