ZIX CORP Form 4 August 16, 2006

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

Form 5 obligations may continue. See Instruction 1(b).

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 *

2. Issuer Name and Ticker or Trading

3235-0287 Number: January 31, Expires:

OMB

5. Relationship of Reporting Person(s) to

OMB APPROVAL

Estimated average burden hours per

response... 0.5

2005

| SANCHEZ ANTONIO R III | | | Symbol | Issuer | | |
|------------------------|----------|----------|---------------------------------|--|--|--|
| | | 05111 | ZIX CORP [ZIXI] | (Check all applicable) | | |
| (Last) | (First) | (Middle) | 3. Date of Earliest Transaction | | | |
| | | | (Month/Day/Year) | _X_ Director 10% Owner | | |
| 1111 BAGBY, SUITE 1600 | | 00 | 08/14/2006 | Officer (give title Other (specify below) | | |
| | (Street) | | 4. If Amendment, Date Original | 6. Individual or Joint/Group Filing(Check | | |
| | | | Filed(Month/Day/Year) | Applicable Line) | | |
| | | | | X_ Form filed by One Reporting Person | | |
| HOUSTON, TX 77002 | | | | Form filed by More than One Reporting Person | | |

| (City) | (State) | (Zip) Tabl | le I - Non-l | Derivative | Secur | ities Acqui | red, Disposed of, | or Beneficiall | ly 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. Securit or Dispos (Instr. 3, 4 | ed of (| | 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 Indirect Beneficial Ownership (Instr. 4) |
| Common Stock | 08/14/2006 | | P | 4,800 | A | \$ 0.83 | 375,367 <u>(1)</u> | D | |
| Common Stock | 08/14/2006 | | P | 200 | A | \$ 0.84 | 375,567 <u>(1)</u> | D | |
| Common Stock | 08/14/2006 | | P | 27,794 | A | \$ 0.85 | 403,361 (1) | D | |
| Common Stock | 08/14/2006 | | P | 21,100 | A | \$ 0.86 | 424,461 <u>(1)</u> | D | |
| Common Stock | 08/15/2006 | | P | 100 | A | \$ 0.83 | 424,561 <u>(1)</u> | D | |
| | 08/15/2006 | | P | 2,560 | A | | 427,121 <u>(1)</u> | D | |

Common \$ Stock 0.8351

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

Persons who respond to the collection of **SEC 1474** information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

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. Transacti Code (Instr. 8) | 5. orNumber of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | . | ate | 7. Titl Amou Under Securi (Instr. | nt of lying | 8. Price of Derivative Security (Instr. 5) | 9. Nu Deriv Secur Bene Owno Follo Repo Trans (Instr |
|---|---|---|---|---------------------------------------|---|---------------------|--------------------|---|--|--|---|
| | | | | Code V | (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | | | | |
|--|---------------|-----------|---------------|--|--|--|--|
| r g | Director | 10% Owner | Officer Other | | | | |
| SANCHEZ ANTONIO R III 1111 BAGBY SUITE 1600 HOUSTON, TX 77002 | X | | | | | | |

Signatures

/s/ Antonio R. 08/16/2006 Sanchez III **Signature of Reporting Date 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) Includes 170,121 shares held by a trust for which Mr. Sanchez III serves as co-trustee.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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