

BITSTREAM INC  
Form 4  
August 07, 2006

**FORM 4**

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

OMB APPROVAL

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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 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 \*  
**KAASILA SAMPO**

(Last) (First) (Middle)

**C/O BITSTREAM INC., 245 FIRST STREET, 17TH FLOOR**

(Street)

**CAMBRIDGE, MA 02142-1270**

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**BITSTREAM INC [BITS]**

3. Date of Earliest Transaction (Month/Day/Year)  
**08/03/2006**

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)  
**VP of Research & Development**

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 Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
|                                 |                                      |  | Code                           | V   | Amount  | (D)  | Price   |

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

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(9-02)

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

| 1. Title of Derivative Security | 2. Conversion or Exercise | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any | 4. Transaction Code | 5. Number of Derivative Securities | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) |
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|------------------------------------|--|---|
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|------------------------------------|--|---|

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| (Instr. 3)             | Price of Derivative Security | (Month/Day/Year) | (Instr. 8) | Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title                | Amount or Number of Shares |
|------------------------|------------------------------|------------------|------------|--|------|---|-----|-----|------------------|-----------------|----------------------|----------------------------|
| Incentive Stock Option | \$ 4.45                      | 08/03/2006       | A          | 25,000   |      |   |     |     | (1)              | 08/03/2016      | Class A Common Stock | 25,000                     |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |                              |       |
|---|---------------|-----------|------------------------------|-------|
|   | Director      | 10% Owner | Officer                      | Other |
| KAASILA SAMPO<br>C/O BITSTREAM INC.<br>245 FIRST STREET, 17TH FLOOR<br>CAMBRIDGE, MA 02142-1270 |               |           | VP of Research & Development |       |

## Signatures

Sampo Kaasila                      08/07/2006  
 \*\*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).
- The reporting person beneficially owns the following options to purchase Class A Common Stock of the Company (i) an option granted on 01/25/1999 to purchase 6,275 shares at \$1.59 per share, which option expires on 01/25/2009 and is fully vested; (ii) an option granted on 12/11/2000 to purchase 25,000 shares at \$2.0312 per share, which option expires on 12/11/2010 and is fully vested; (iii) an option granted on 11/05/2001 to purchase 20,000 shares at \$3.96 of which is fully vested; (iv) an option granted on 08/02/2004 to purchase 25,000 shares at \$1.59, which option expires on 08/02/2014 and of which 16,666 is vested and 8,334 vest on 08/02/07; and (v) an option granted on 08/03/2006 to purchase 25,000 shares at \$4.45, which option expires on 08/03/2016 and of which 6,250 vest each on 08/03/07, 08/03/08, 08/03/09 and 08/03/10.

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.