

Jen Chin-our Jerry  
 Form 4  
 December 10, 2007

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
 Estimated average burden hours per response... 0.5

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 \*  
 Jen Chin-our Jerry

(Last) (First) (Middle)

GSE SYSTEMS, 7133  
 RUTHERFORD RD - SUITE 200

(Street)

BALTIMORE, MD 21244

(City) (State) (Zip)

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

3. Date of Earliest Transaction  
 (Month/Day/Year)  
 12/04/2007

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)  
 President & COO

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)
			Code	V Amount (A) or (D) Price			
Common Stock	12/04/2007		M	3,544 A \$ 2	7,344	D	
Common Stock	12/04/2007		S	3,544 D \$ 11.4	3,800	D	
Common Stock	12/06/2007		M	5,260 A \$ 2	9,060	D	
Common Stock	12/06/2007		S	5,260 D \$ 11.3	3,800	D	
Common Stock	12/07/2007		M	1,726 A \$ 2	5,526	D	

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Common Stock	12/07/2007	S	1,690	D	\$ 11.3	3,836	D
Common Stock	12/07/2007	S	36	D	\$ 11.4	3,800	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)

**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	\$ 2	12/04/2007		M	3,544	05/03/2003 05/03/2008		Common Stock	3,544
Employee Stock Option	\$ 2	12/06/2007		M	101	05/03/2003 05/03/2008		Common Stock	101
Employee Stock Option	\$ 2	12/06/2007		M	5,159	05/03/2004 05/03/2008		Common Stock	5,159
Employee Stock Option	\$ 2	12/07/2007		M	1,726	05/03/2004 05/03/2008		Common Stock	1,726
Employee Stock Option	\$ 1.85					03/22/2005 03/22/2012		Common Stock	36,282
Employee Stock Option	\$ 1.61					<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

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Jen Chin-our Jerry GSE SYSTEMS 7133 RUTHERFORD RD - SUITE 200 BALTIMORE, MD 21244			President & COO	

## Signatures

/s/ Chin-our Jerry Jen	12/10/2007
**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

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.