

Edgar Filing: NEON SYSTEMS INC - Form 3

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly by the reporting person.
 *If the form is filed by more than one reporting person, see Instruction 5(b)(v).

POTENTIAL PERSONS WHO ARE TO RESPOND TO THE INFORMATION CONTAINED IN THIS FORM ARE NOT REQUIRED TO OBTAIN A CURRENTLY VALID OMB CONTROL NUMBER.

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FORM 3 (CONTINUED)

TABLE II -- DERIVATIVE SECURITIES BENEFICIALLY OWNED
 (e.g., PUTS, CALLS, WARRANTS, OPTIONS, CONVERTIBLE SECURITIES)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Other Terms
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Options (Right to Buy) (1)	(1)	7/17/11	Common Stock	100,000
				\$6.88

Explanation of Responses:

(1) Granted under the Issuer's 1999 Long Term Incentive Plan and vesting in four (4) equal installments on July 17, 2002.

By /s/ JAMES
 James

** 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.

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.

