

**FORM 5**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

OMB APPROVAL	
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**ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Form 3 Holdings Reported.

Form 4 Transactions Reported.

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>DEBENEDICTIS NICHOLAS</u>  (Last) (First) (Middle) 762 W LANCASTER AVE.  (Street) BRYN MAWR PA 19010  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>AQUA AMERICA INC [ WTR ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>CHAIRMAN &amp; PRESIDENT</u>
	3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year) 12/31/2010	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

**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 at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				Amount	(A) or (D)	Price			
Common Stock-GRAT	10/28/2010		J4	120,855.878 <sup>(1)</sup>	D	\$21.335	0	I	GRAT #1 - Spouse
Common Stock-GRAT	10/28/2010		J4	120,855.878 <sup>(1)</sup>	A	\$21.335	120,855.878 <sup>(1)</sup>	I	GRAT #3 - Spouse
Common Stock	11/22/2010		G	760	D	\$21.155	206,100.95	D	
Common Stock	12/21/2010		G	1,349	D	\$22.275	204,751.95	D	
Common Stock	12/21/2010		G	1,124	D	\$22.275	203,627.95	D	
Common Stock	12/21/2010		G	315	D	\$22.275	203,312.95	D	
Common Stock-GRAT							120,776 <sup>(2)</sup>	I	GRAT #2
Common Stock-GRAT							120,776 <sup>(3)</sup>	I	GRAT #2 - Spouse
Common Stock-GRAT							120,855.878	I	GRAT #3
Common Stock - Ira							3,907.62 <sup>(4)</sup>	D	
Common Stock - Ira							3,124.47 <sup>(5)</sup>	I	IRA - Spouse
Common Stock 401k							13,728.97 <sup>(6)</sup>	I	401k

**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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
					(A)	(D)	Date Exercisable	Expiration Date					

**Explanation of Responses:**

1. The Form 4 for this transaction incorrectly reported the number of shares subject to this transaction as 120,885.878 shares, rather than 120,855.878 shares. The amount of securities beneficially owned following the transaction as set forth in the original Form 4 and in a subsequent Form 4 reporting a different transaction that occurred on November 3, 2010 also reflected the error.

2. The Form 4 for this transaction, which occurred on June 14, 2010, correctly reported the number of shares subject to this transaction as 120,776 shares. However, in subsequent Form 4 filings reporting different transactions that occurred on October 28, 2010 and November 3, 2010, respectively, the amount of securities beneficially owned as a result of this transaction was incorrectly reported as 120,000 shares, rather than 120,776 shares.
3. The Form 4 for this transaction, which occurred on June 11, 2010, correctly reported the number of shares subject to this transaction as 120,776 shares. However, in subsequent Form 4 filings reporting different transactions that occurred on October 28, 2010 and November 3, 2010, respectively, the amount of securities beneficially owned as a result of this transaction was incorrectly reported as 120,000 shares, rather than 120,776 shares.
4. Includes 29.39 shares acquired under the Issuer's dividend reinvestment plan since the date of the reporting person's last ownership report.
5. Includes 23.50 shares acquired under the Issuer's dividend reinvestment plan since the date of the reporting person's last ownership report.
6. Since the date of the reporting person's last ownership report, the reporting person acquired 102.05 shares under the Issuer's 401k Plan.

/s/ Brian Dingerdissen,  
attorney-in-fact for Mr.  
DeBenedictis

01/12/2011

\*\* Signature of Reporting Person      Date

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

\* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.**