

ANDREA ELECTRONICS CORP  
 Form 4  
 August 12, 2008

**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 \*  
 Andrea Douglas J

2. Issuer Name and Ticker or Trading Symbol  
 ANDREA ELECTRONICS CORP  
 [AND]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
 08/08/2008

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
 President & CEO

C/O ANDREA ELECTRONICS CORPORATION, 65 ORVILLE DRIVE

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

BOHEMIA, NY 11716

(City) (State) (Zip)

**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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|                                 |                                      |  |                                | (A) or (D) Code V Amount (D) Price                                |   |  |                                   |
| Common Stock                    |                                      |  |                                |   | 244,700   | D  |                                   |
| Common Stock                    |                                      |  |                                |   | 3,876   | I  | By Daughter                       |
| Common Stock                    |                                      |  |                                |   | 12,438  | I  | By Spouse                         |

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

**Persons who respond to the collection of information contained in this form are not**

SEC 1474 (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. 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 Underlying (Instr. 3 and 4) |              |
|--|--|--------------------------------------|--|--------------------------------|---|--|--|--------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date                          | Title        |
| Employee Stock Option (right to buy)       | \$ 0.04  | 08/08/2008                           |  | A                              | 2,000,000   | 08/08/2009 <sup>(1)</sup>                                | 08/08/2018                               | Common Stock |
| Employee Stock Option (right to buy)       | \$ 0.04  | 08/08/2008                           |  | A                              | 1,000,000   | 08/08/2010 <sup>(2)</sup>                                | 08/08/2018                               | Common Stock |
| Employee Stock Option (right to buy)       | \$ 6.25  |                                      |  |                                |   | 03/23/2000   | 03/23/2009                               | Common Stock |
| Employee Stock Option (right to buy)       | \$ 5.38  |                                      |  |                                |   | 08/17/2000   | 08/17/2009                               | Common Stock |
| Employee Stock Option (right to buy)       | \$ 6.88  |                                      |  |                                |   | 04/14/2001   | 04/14/2010                               | Common Stock |
| Employee Stock Option (right to buy)       | \$ 6   |                                      |  |                                |   | 08/01/2001   | 08/01/2010                               | Common Stock |
| Employee Stock Option (right to buy)       | \$ 0.69  |                                      |  |                                |   | 01/31/2002   | 01/31/2012                               | Common Stock |
| Employee Stock Option (right to buy)       | \$ 0.13  |                                      |  |                                |   | 06/14/2004   | 06/14/2014                               | Common Stock |
| Employee Stock Option (right to buy)       | \$ 0.1   |                                      |  |                                |   | 02/04/2005   | 08/04/2014                               | Common Stock |
| Employee Stock Option (right to buy)       | \$ 0.04  |                                      |  |                                |   | 02/04/2006   | 08/04/2015                               | Common Stock |
|  | \$ 0.05  |                                      |  |                                |   | 11/10/2005   | 08/10/2015                               |              |

|  |         |  |                           |            |                 |
|--|---------|--|---------------------------|------------|-----------------|
| Employee<br>Stock Option<br>(right to buy) |         |  |                           |            | Common<br>Stock |
| Employee<br>Stock Option<br>(right to buy) | \$ 0.12 |  | 08/01/2007 <sup>(3)</sup> | 11/01/2016 | Common<br>Stock |
| Employee<br>Stock Option<br>(right to buy) | \$ 0.12 |  | 08/01/2007 <sup>(4)</sup> | 11/16/2016 | Common<br>Stock |
| Employee<br>Stock Option<br>(right-to-buy) | \$ 0.11 |  | 09/12/2008 <sup>(5)</sup> | 09/12/2017 | Common<br>Stock |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |                 |       |
|---|---------------|-----------|-----------------|-------|
|   | Director      | 10% Owner | Officer         | Other |
| Andrea Douglas J<br>C/O ANDREA ELECTRONICS CORPORATION<br>65 ORVILLE DRIVE<br>BOHEMIA, NY 11716 | X             |           | President & CEO |       |

## Signatures

/s/ Andrea,  
Douglas J.                      08/12/2008

\*\*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) Stock Options granted on August 8, 2008 will vest as follows: 33.3% on August 8, 2009, 33.3% on August 8, 2010 and 33.4% on August 8, 2011.
  - (2) Stock Options granted on August 8, 2008 will vest as follows: 33.3% on August 8, 2010, 33.3% on August 8, 2011 and 33.4% on August 8, 2012.
  - (3) Stock Options granted on November 2, 2006 will vest as follows: 33.3% on August 1, 2007, 33.3% on August 1, 2008 and 33.4% on August 1, 2009.
  - (4) Stock Options granted on November 16, 2006 will vest as follows: 333,000 shares on August 1, 2007, 333,000 shares on August 1, 2008 and 334,000 shares on August 1, 2009.
  - (5) Stock Options granted on September 12, 2007 will vest as follows: 33.3% on September 12, 2008, 33.3% on September 12, 2009 and 33.4% on September 12, 2010.

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.