WAVE SYSTEMS CORP Form 4 October 08, 2002

U.S. SECURITIES AND EXCHANGE COMMISSION Washington, DC 20549

FORM 4

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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(f) of the Investment Company Act of 1940

| | Section 30(f) o | of the Investmen | t Comp | oany Act of 1940 |
|-----|--|------------------|--------|------------------------------------|
| [_] | Check box if no longer s may continue. See Instruc | | on 16. | Form 4 or Form 5 obligations |
| 1. | Name and Address of Repor | ting Person* | | |
| I | Wave Systems Corp. | | | |
| | (Last) | (First) | | (Middle) |
| | 480 Pleasant Street | ,, | | (|
| | | (Street) | | |
| 1 | Lee | MA | | 01238 |
| | (City) | (State) | | (Zip) |
| | | | | |
| 2. | Issuer Name and Ticker or | Trading Symbol | | |
| | SSP Solutions, Inc. (SSP) | ζ) | | |
| 3. | IRS Identification Number | of Reporting P | erson, | if an Entity (Voluntary) |
| | | | | |
| | | | | |
| 4. | Statement for Month/Day/Y | 'ear | | |
| | 10/04/02 | | | |
| 5. | If Amendment, Date of Ori | ginal (Month/Da | y/Year | -) |
| | | | | |
| 6. | Relationship of Reporting (Check all applicable) | g Person to Issu | er | |
| | <pre>[_] Director [_] Officer (give title</pre> | below) | [X] | 10% Owner Other (specify below) |

| 7. Individual or Jos | int/Group Filing | (Check appli | cable li | ne) | | _ | |
|--|-------------------|--|--------------------|--------|---|-----------|---------|
| <pre>[X] Form filed by one Reporting Person [_] Form filed by more than one Reporting Person</pre> | | | | | | _ | |
| Table I | = | | | | | | |
| | Date | 2A. Deemed Execution Date, if any (mm/dd/yy) | Code (Instr. 8) | | 4. Securities Acq Disposed of (D (Instr. 3, 4 a |) | (A) or |
| 1. Title of Security | | | | | - Amount | (A) or | Price |
| (Instr. 3) | | | Code | V | | (D) | |
| Common Stock | 10/04/02 | | Р | | 1,600,000 | D | \$1.35(|
| | | | | | | | |
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| | | | ====== | | | | |
| * If the Form is fi 4(b)(v). | | | | | | | |
| Reminder: Report on a owned direct | separate line for | | of secu | rities | s beneficially | | |
| | (Print or | Type Respons | e) | | (Over |) | |

FORM 4 (continued)

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

| | Price T: of ac Deriv- Da ative (I | | Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | | | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | | |
|---|--|---------------|-----------------------|--|--|---------|---------|---|--------------|--|
| 1. Title of | | | | | | | | | Amount | |
| Derivative | | (Month/ | | | | Date | Expira- | | or Number | |
| Security (Instr. 3) | Secur- ity | Day/ Year) | Code V | | | DITCI | | Title | of Shares | |
| | | | | | | | | | | |
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Explanation of Responses:

(1) Wave Systems Corp. ("Wave"), in exchange for entering into a Termination Agreement and Mutual Release covering the termination of development work to be performed by Wave and the release from debt owed to Wave for development work performed, received the Common Stock at a value of \$1.35 per share. The price equals the average 20-day trading price of the Common Stock beginning August 31, 2002.

WAVE SYSTEMS CORP.

By: /s/ Gerard T. Feeney October 7, 2002

**Signature of Reporting Person Date

Gerard T. Feeney, Secretary

** 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 provided is insufficient, see Instruction 6 for procedure.

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