## FORM 4

Instruction 1(b)

## **UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Washington, D	D.C. 205	49
---------------	----------	----

Check this box if no longer subject to	STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP
Section 16. Form 4 or Form 5	
obligations may continue. See	

**OMB APPROVAL** OMB Number: Estimated average burden hours per response: 0.5

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* Short Robert D III						2. Issuer Name and Ticker or Trading Symbol VirnetX Holding Corp [ VHC ]									ck all applic Directo	or		10% O	wner	
(Last) (First) (Middle) C/O 308 DORLA COURT SUITE 206					01	3. Date of Earliest Transaction (Month/Day/Year) 01/18/2012									X Officer (give title Other (specify below)  CTO & CSO					
(Street) ZEPHYR COVE NV 89448				_   4.   _	4. If Amendment, Date of Original Filed (Month/Day/Year)									Individual or Joint/Group Filing (Check Applicable Line)      X Form filed by One Reporting Person     Form filed by More than One Reporting Person						
(City)	(S	·	(Zip)	Non Dori	ivotiv	- Soc		tion A		ad F	Diamond 4	of or 5	Ponofic	ially	Owned					
Table I - Non-Derive  1. Title of Security (Instr. 3)  2. Transaction Date (Month/Day/Ye			ion	2A. Deemed Execution Date,			3. Transa Code ( 8)	ction	4. Securities Disposed Of	Acquired	(A) or		5. Amount of Securities Beneficially Owned Following		6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)		7. Nature of Indirect Beneficial Ownership			
								Code	v	Amount	(A) or (D)	Price		Transacti	Reported Transaction(s) (Instr. 3 and 4)			Instr. 4)		
Common	Stock			01/18/2	012	2			M		20,000	A	\$1.1	5	20,0	20,000		D		
Common	Stock			01/18/2	012				<b>S</b> <sup>(1)</sup>		20,000	D	\$25.94	12(2)	(			D		
Common Stock													35,000		I		By: The Short Revocable Living Trust			
			Table								sposed of s, converti				Owned					
1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	Execu if any	Execution Date, if any		4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		ite Exe ration I ith/Day		7. Title and Amou of Securities Underlying Derivative Securi (Instr. 3 and 4)		!	8. Price of Derivative Security (Instr. 5)	9. Numbe derivative Securitie Beneficia Owned Following Reported Transacti (Instr. 4)	e s ally g	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	Beneficial Ownership (Instr. 4)	
					Code	e V	(A)	(D)	Date Exer	cisable	Expiration Date	Title	Amor or Numl of Share	ber						
Stock Option (Right to	\$1.15	01/18/2012			M			20,000	)	(3)	04/02/2019	Commo		000	\$0	192,5	90	D		

## **Explanation of Responses:**

- 1. The sales reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on May 27, 2011.
- 2. The price reported in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$25.75 to \$26.05, inclusive. The reporting person undertakes to provide to VirnetX Holding Corporation, any security holder of VirnetX Holding Corporation, or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the ranges set forth in footnote (2) to this Form 4.
- 3. 12/48th of the shares subject to the option to purchase 312,590 shares of the Company Common Stock, granted to the Reporting Person on April 3, 2009, vested and became exercisable on April 3, 2010 and 1/48th of the total shares vest and become exercisable on the same day of each month thereafter so long as the reporting person's Continuous Service Status (as defined in the Issuer's 2007 Stock Plan) continues. If a Change of Control (as defined in the Issuer's 2007 Stock Plan) occurs, all of the Shares underlying this Option then unvested as of the date of the Change of Control, will vest and become exercisable immediately prior to the consummation of the Change of Control transaction.

/s/ Kendall Larsen, Attorney-in-01/20/2012 fact

\*\* Signature of Reporting Person

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.