FORM 4

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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| <b>STATEMENT</b> | OF CHANGES | S IN BENEFICIAL | OWNERSHIP |
|------------------|------------|-----------------|-----------|

|   | OMB APPROVAL        |           |  |  |  |  |  |  |  |  |
|---|---------------------|-----------|--|--|--|--|--|--|--|--|
|   | OMB Number:         | 3235-0287 |  |  |  |  |  |  |  |  |
|   | Estimated average b | ourden    |  |  |  |  |  |  |  |  |
| ı | hours per response. | 0.5       |  |  |  |  |  |  |  |  |

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

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*  TAYLOR SCOTT C |   |  |                | 2. Issuer Name <b>and</b> Ticker or Trading Symbol VirnetX Holding Corp [ VHC ] |       |  |            |          |                                       |  | (Che                                       | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable)                     |                                      |   |   |   |                    |  |                                       |
|--|---|--|----------------|---|-------|--|------------|----------|---------------------------------------|--|--|---|--------------------------------------|---|---|---|--------------------|--|---------------------------------------|
| IAIL   | JK JCOI   | <u>.1 C</u>                                |                |   |       |  |            | Ū        | •                                     |  |  |   |                                      |   | C Director  | or  |                    | 10% Ow   | ner                                   |
|  | DORLA C   | irst)                                      | (Middle)       |   |       | 3. Date of Earliest Transaction (Month/Day/Year) 05/24/2012            |            |          |                                       |  |  |   |                                      | Officer<br>below)                                   | (give title   |   | Other (s<br>below) | pecify   |                                       |
| SUITE 2  | 206   |  |                |   | 4. 1  | If Ame   | endment, I | Date o   | of Original F                         | iled   | (Month/Da                                  | ay/Year)  |                                      | 6. In   | dividual or 3                                       | loint/Group   | Filing             | (Check App   | olicable                              |
| (Street)   | S COVE N  | .,   | 00440          |   |       |  |            |          |                                       |  |  |   |                                      | Line  | ,   | iled by One   | Repo               | orting Persor  | 1                                     |
| ZEPHYI   | R COVE N  | V  | 89448          |   |       |  |            |          |                                       |  |  |   |                                      |   | Form f<br>Persor                                    |   | e thar             | One Repor  | ting                                  |
| (City)   | (S  | state)                                     | (Zip)          |   |       |  |            |          |                                       |  |  |   |                                      |   |   |   |                    |  |                                       |
|  |   | Tak  | ole I - Nor    | n-Deri  | vativ | e Se   | curities   | s Ac     | quired, D                             | Disp   | osed o                                     | f, or B   | ene                                  | ficiall   | y Owned   |   |                    |  |                                       |
| 1. Title of Security (Instr. 3)  2. Transa Date (Month/D |   |  |                | Execution Date,   |       | Code (Instr. 5)  |            |          |                                       | 5. Amou<br>Securitie<br>Beneficia<br>Owned F<br>Reported | es Form<br>ally (D) o<br>Following (I) (Ir |   | n: Direct<br>or Indirect<br>nstr. 4) | 7. Nature<br>of Indirect<br>Beneficial<br>Ownership |   |   |                    |  |                                       |
|  |   |  |                |   |       |  | Code       | v        | Amount                                | (A) or<br>(D) Pı   |  | Price   | Transact                             | nnsaction(s)<br>str. 3 and 4)                       |   |   | (Instr. 4)         |  |                                       |
| Common Stock 05/24/                                      |   |  | 24/201         | /2012   |       | A  |            | 8,333    | ,333 <sup>(1)</sup> A                 |  | \$0  | 8,333   |                                      |   | D   |   |                    |  |                                       |
|  |   |  | Table II -     |   |       |  |            |          | uired, Dis                            |  |  |   |                                      |   | Owned   |   |                    |  |                                       |
| 1. Title of<br>Derivative<br>Security<br>(Instr. 3)      | 2.<br>Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction<br>Date<br>(Month/Day/Year) | te Execution D | Date, Transa<br>Code  |       | saction e (Instr. Securitic Acquire (A) or Dispose of (D) (IT 3, 4 and |            | ed<br>ed | Expiration Day (Month/Day/You d dstr. |  |  | 7. Title and Amour<br>of Securities<br>Underlying<br>Derivative Securit<br>(Instr. 3 and 4) |                                      | ecurity   | 8. Price of<br>Derivative<br>Security<br>(Instr. 5) | 9. Number of<br>derivative<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s<br>(Instr. 4) | illy               | 10.<br>Ownership<br>Form:<br>Direct (D)<br>or Indirect<br>(I) (Instr. 4) | Beneficial<br>Ownership<br>(Instr. 4) |
|  |   |  |                |   | Code  | v  | (A)        |          | Date<br>Exercisable                   |  | xpiration<br>ate                           | Title   | O<br>N                               | umber   |   |   |                    |  |                                       |
| Stock<br>Option<br>(Right to<br>Buy)                     | \$29.9  | 05/24/2012                                 |                |   | A     |  | 12,500     |          | (2)                                   | 0  | 5/24/2022                                  | Commo<br>Stock  | n 1                                  | 2,500   | \$0   | 12,500  | )                  | D  |                                       |

## **Explanation of Responses:**

- 1. Each restricted stock unit represents a contingent right to receive, upon vesting, one share of VirnetX Holding Corporation common stock. 100% of the restricted stock units will vest on May 24, 2013 so long as the reporting person's Continuous Service Status (as defined in the Issuer's 2007 Stock Plan) occurs, all of the restricted stock units then unvested as of the date of the Change of Control, will vest immediately prior to the consummation of the Change of Control transaction.
- 2. 100% of the shares shall vest and become exercisable on May 24, 2013 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-Fact for Scott C. Taylor 05/29/2012

\*\* 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.