

OSHAMAN M KENNETH
Form 4
March 02, 2011

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden 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).

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 *
OSHAMAN M KENNETH

(Last) (First) (Middle)
550 MERIDIAN AVE
(Street)

SAN JOSE, CA 95126

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
ECHELON CORP [ELON]

3. Date of Earliest Transaction
(Month/Day/Year)
03/01/2011

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
Executive Chairman

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

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 Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock	03/01/2011		M	3,405	A (13)	3,405	D
Common Stock	03/01/2011		F	1,343	D \$ 8.54	2,062	D
Common Stock	03/01/2011		M	1,693	A (13)	3,755	D
Common Stock	03/01/2011		F	620	D \$ 8.54	3,135	D
Common Stock	03/02/2011		G	3,135	D \$ 0	0	D

Edgar Filing: OSHMAN M KENNETH - Form 4

Common Stock	03/02/2011	G	3,135	A	\$ 0	1,833,271	I	See footnote <u>(1)</u>
Common Stock	03/02/2011	S	<u>2,062</u> (16)	D	\$ 8.5008	1,831,209	I	See footnote <u>(1)</u>
Common Stock						210,492	I	See footnote <u>(2)</u>
Common Stock						210,492	I	See footnote <u>(3)</u>
Common Stock						108,033	I	See footnote <u>(4)</u>
Common Stock						108,033	I	See footnote <u>(5)</u>
Common Stock						89,508	I	See footnote <u>(6)</u>
Common Stock						89,508	I	See footnote <u>(7)</u>
Common Stock						98,107	I	See footnote <u>(8)</u>
Common Stock						98,107	I	See footnote <u>(9)</u>
Common Stock						268,638	I	See footnote <u>(11)</u>
Common Stock						268,638	I	See footnote <u>(12)</u>
Common Stock						488,428	I	See footnote <u>(10)</u>

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 required to respond unless the form displays a currently valid OMB control

SEC 1474
(9-02)

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 Amount of Underlying Securities (Instr. 3 and 4)	Amount or Number of Shares
Performance Shares	(13)	03/01/2011		M	3,405	(14) 03/10/2011	Common Stock	3,405
Performance Shares	(13)	03/01/2011		M	1,693	(15) 03/01/2013	Common Stock	1,693

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
OSHMAN M KENNETH 550 MERIDIAN AVE SAN JOSE, CA 95126	X		Executive Chairman	

Signatures

/s/ Oliver R. Stanfield, attorney-in-fact for M. Kenneth Oshman 03/02/2011

__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) These shares are held by the Oshman Trust dated July 10, 1979 (the "Oshman Living Trust"), of which the Reporting Person and his spouse, Barbara S. Oshman, serve as co-trustees.
- (2) These shares are held by the M. Kenneth Oshman 2010A Annuity Trust dated August 18, 2010.
- (3) These shares are held by the Barbara S. Oshman 2010A Annuity Trust dated August 18, 2010.
- (4) These shares are held by the M. Kenneth Oshman 2009 Annuity Trust dated February 20, 2009 (the "K. Oshman 2009 Annuity Trust").
- (5) These shares are held by the Barbara S. Oshman 2009 Annuity Trust dated February 20, 2009 (the "B. Oshman 2009 Annuity Trust").
- (6) These shares are held by the M. Kenneth Oshman 2009A Annuity Trust dated August 4, 2009.
- (7) These shares are held by the Barbara S. Oshman 2009A Annuity Trust dated August 4, 2009.

Edgar Filing: OSHMAN M KENNETH - Form 4

- (8) These shares are held by the M. Kenneth Oshman 2010 Annuity Trust dated February 23, 2010 (the "K. Oshman 2010 Annuity Trust").
- (9) These shares are held by the Barbara S. Oshman 2010 Annuity Trust dated February 23, 2010 (the "B. Oshman 2010 Annuity Trust").
- (10) These shares are held by O-S Ventures, a general partnership, of which M. Kenneth Oshman is general partner.

- These shares are held by the M. Kenneth Oshman 2011 Annuity Trust #1 dated February 25, 2011 (the "K. Oshman 2011 Annuity Trust"). 185,187 shares previously reported as indirectly beneficially owned by the K. Oshman 2009 Annuity Trust were transferred
- (11) from the K. Oshman 2009 Annuity Trust to the K. Oshman 2011 Annuity Trust. Additionally, 83,451 shares previously reported as indirectly beneficially owned by the K. Oshman 2010 Annuity Trust were transferred from the K. Oshman 2010 Annuity Trust to the K. Oshman 2011 Annuity Trust.

- These shares are held by the Barbara S. Oshman 2011 Annuity Trust #1 dated February 25, 2011 (the "B. Oshman 2011 Annuity Trust"). 185,187 shares previously reported as indirectly beneficially owned by the B. Oshman 2009 Annuity Trust were transferred
- (12) from the B. Oshman 2009 Annuity Trust to the B. Oshman 2011 Annuity Trust. Additionally, 83,451 shares previously reported as indirectly beneficially owned by the B. Oshman 2010 Annuity Trust were transferred from the B. Oshman 2010 Annuity Trust to the B. Oshman 2011 Annuity Trust.

- (13) Each performance share represents the right to receive one share of the Issuer's Common Stock.

- 3,405 of the 40,850 shares granted to M. Kenneth Oshman under the Issuer's 1997 Stock Plan were vested and released to M. Kenneth
- (14) Oshman effective March 1, 2011. Such 40,850 share grant vests at the following rate: 1/12th of such shares on April 1, 2010 and on each one-month anniversary thereafter.

- 1,693 of the 40,651 shares granted to M. Kenneth Oshman under the Issuer's 1997 Stock Plan were vested and released to M. Kenneth
- (15) Oshman effective March 1, 2011. Such 40,651 share grant vests at the following rate: 1/24th of such shares on March 1, 2011 and on each one-month anniversary thereafter.

- (16) This trade was executed pursuant to a Rule 10b5-1 trading plan that was adopted on May 20, 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.