

OSHMANN M KENNETH  
Form 4  
June 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 \*  
OSHMANN M KENNETH

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

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

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

550 MERIDIAN AVE

06/01/2011

Executive Chairman

(Street)

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

6. Individual or Joint/Group Filing(Check Applicable Line)

SAN JOSE, CA 95126

Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(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 Indirect Beneficial Ownership (Instr. 4) |   |                  |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|---|------------------|
|                                 |                                      |  | Code                           | V   | Amount  | (A) or (D)   | Price   |   |                  |
| Common Stock                    | 06/01/2011                           |  | M                              |   | 1,694   | A  | (11) 1,694  | D |                  |
| Common Stock                    | 06/01/2011                           |  | F                              |   | 621   | D  | \$ 9.33 1,073   | D |                  |
| Common Stock                    | 06/02/2011                           |  | G                              | V   | 1,073   | D  | \$ 0 0  | D |                  |
| Common Stock                    | 06/02/2011                           |  | G                              | V   | 1,073   | A  | \$ 0 1,831,209  | I | See footnote (1) |
| Common Stock                    | 06/02/2011                           |  | S                              |   | 1,073   | D  | \$ 9.3616 1,830,136                                   | I | See footnote     |

Edgar Filing: OSHMAN M KENNETH - Form 4

|              |         |   |                         |
|--------------|---------|---|-------------------------|
| Common Stock | 210,492 | I | (1)<br>See footnote (2) |
| Common Stock | 210,492 | I | See footnote (3)        |
| Common Stock | 89,508  | I | See footnote (4)        |
| Common Stock | 89,508  | I | See footnote (5)        |
| Common Stock | 98,107  | I | See footnote (6)        |
| Common Stock | 98,107  | I | See footnote (7)        |
| Common Stock | 268,638 | I | See footnote (9)        |
| Common Stock | 268,638 | I | See footnote (10)       |
| Common Stock | 488,428 | I | See footnote (8)        |

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 number.**

SEC 1474  
(9-02)

**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) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
|--|--|--------------------------------------|--|--------------------------------|---|--|---|

|                    |      |            | Code | V | (A) | (D)   | Date        | Expiration | Title        | Amount                       |
|--------------------|------|------------|------|---|-----|-------|-------------|------------|--------------|------------------------------|
|                    |      |            |      |   |     |       | Exercisable | Date       |              | or<br>Number<br>of<br>Shares |
| Performance Shares | (11) | 06/01/2011 | M    |   |     | 1,694 | (13)        | 03/01/2013 | Common Stock | 1,694                        |

## Reporting Owners

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

## Signatures

/s/ Oliver R. Stanfield, attorney-in-fact for M. Kenneth Oshman 06/02/2011

\*\*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, 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 2009A Annuity Trust dated August 4, 2009.
- (5) These shares are held by the Barbara S. Oshman 2009A Annuity Trust dated August 4, 2009.
- (6) These shares are held by the M. Kenneth Oshman 2010 Annuity Trust dated February 23, 2010.
- (7) These shares are held by the Barbara S. Oshman 2010 Annuity Trust dated February 23, 2010.
- (8) These shares are held by O-S Ventures, a general partnership, of which M. Kenneth Oshman is general partner.
- (9) These shares are held by the M. Kenneth Oshman 2011 Annuity Trust #1 dated February 25, 2011.
- (10) These shares are held by the Barbara S. Oshman 2011 Annuity Trust #1 dated February 25, 2011.
- (11) Each performance share represents the right to receive one share of the Issuer's Common Stock.
- (12) This trade was executed pursuant to a Rule 10b5-1 trading plan adopted on March 7, 2011.
- (13) 1,694 of the 40,651 shares granted to M. Kenneth Oshman under the Issuer's 1997 Stock Plan were vested and released to M. Kenneth Oshman effective June 1, 2011. Such 40,651 shares grant vests at the following rate: 1/24th of such shares on March 1, 2011 and on each one-month anniversary thereafter.

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.