

SEGE RONALD
Form 4
August 20, 2010

FORM 4

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

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

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
SEGE RONALD

(Last) (First) (Middle)

550 MERIDIAN AVENUE

(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)
08/19/2010

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)

President and CEO

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 Ownership (Instr. 4)
Common Stock	08/19/2010		A	(A) or (D) 125,000 (2)	\$ 0 125,000	D	
Common Stock	08/19/2010		A	(A) or (D) 125,000 (3)	\$ 0 250,000	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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information contained in this form are not
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(9-02)

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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 Underlying Security (Instr. 3 and 4)
				Code V (A) (D)		Date Exercisable Expiration Date	Title Amount Number Share
Stock Appreciation Right	\$ 7.46	08/19/2010		A	250,000	⁽¹⁾ 08/19/2017	Common Stock 250,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SEGE RONALD 550 MERIDIAN AVENUE SAN JOSE, CA 95126	X		President and CEO	

Signatures

/s/ Oliver R. Stanfield, attorney in fact for Ronald
Sege 08/19/2010

__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) Pursuant to the Issuer's 1997 Plan (the "Plan") the Reporting Person was granted stock appreciation rights with respect to 250,000 shares. ??th of such shares will vest on August 19, 2011 and on each one year anniversary thereafter.
- (2) Pursuant to the Plan the Reporting Person was granted 125,000 shares of restricted stock. ??th of such shares will vest on August 19, 2011 and on each one year anniversary thereafter.
- (3) Pursuant to the Plan the Reporting Person was granted 125,000 shares of restricted stock. 62,500 shares will vest on August 19, 2011 and 62,500 shares will vest on August 19, 2012 and in each case subject to the satisfaction of certain performance criteria.

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.