ECHELON CORP
Form 4
June 12, 2013

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	
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(Print or Type Responses)

1. Name and Address of Reporting Person [*] Nagaraj Varun	2. Issuer Name **and** Ticker or Trading Symbol **ECHELON CORP [ELON]**	5. Relationship of Reporting Person(s) to Issuer
(Last)　　(First)　　(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 06/10/2013	(Check all applicable)
550 MERIDIAN AVENUE		_____ Director　　　_____ 10% Owner __X__ Officer (give title _____ Other (specify below)　　　below) Sen. VP Product Mgmt & Mktg.
(Street)	4. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person ___ Form filed by More than One Reporting Person
SAN JOSE, CA 95126		
(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	06/10/2013		M		5,600	A	(1)	29,346	D	
Common Stock	06/10/2013		F		2,054	D	$ 2.37	27,292	D	

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

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(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 Underlying Securities (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount Number of Shares
Perforamnce Shares	(1)	06/10/2013		A		25,000		(2)	06/10/2017	Common Stock	
Employee Stock Option (Right to buy)	$ 2.37	06/10/2013		A		100,000		(3)	06/10/2023	Common Stock	
Performance Shares	(1)	06/01/2013		M			5,600	(4)	06/11/2016	Common Stock	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Nagaraj Varun 550 MERIDIAN AVENUE SAN JOSE, CA 95126			Sen. VP Product Mgmt & Mktg.	

Signatures

/s/ William R. Slakey, attorney-in-fact for Varun Nagaraj	06/12/2013
**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) Each performance share represents the right to receive one share of the Issuer's Common Stock.

(2) Pursuant to the Issuer's 1997 Stock Plan (the "Plan") the Reporting Person was granted 25,000 performance shares. 1/4th of such shares will vest on June 10, 2014 and on each one year anniversary thereafter.

(3) Pursuant to the Plan the Reporting Person was granted an option to buy 100,000 shares of Common Stock. 1/4th of such shares will vest on June 10, 2014 and on each one year anniversary thereafter.

(4) 5,600 of the 22,400 shares granted to the Reporting Person under the Plan were vested and released to the Reporting Person effective June 11, 2013. Such 22,400 share grant vests at the following rate: 1/4th of such shares on June 11, 2013 and on each one year 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.
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