

OSHAMAN TRUST DATED 7 10 1979
 Form 4
 March 03, 2010

FORM 4

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

OMB APPROVAL

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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 *
 OSHMAN 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)
 03/01/2010

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)
 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 Ownership (Instr. 4) | | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|-----------|---|------------------|
| | | | | (A) or (D) Price | | | | | | |
| Common Stock | 03/01/2010 | | M | V | 62,604 | A | \$ 0 | 62,604 | D | |
| Common Stock | 03/01/2010 | | F | D | 23,737 | D | \$ 8.21 | 38,867 | D | |
| Common Stock | 03/02/2010 | | G | V | 38,867 | D | \$ 0 | 0 | D | |
| Common Stock | 03/02/2010 | | G | V | 38,867 | A | \$ 0 | 2,914,503 | I | See footnote (2) |
| Common Stock | | | | | | | | 119,915 | I | See footnote (3) |

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| | | | |
|--------------|---------|---|--------------------------|
| Common Stock | 119,915 | I | See footnote <u>(4)</u> |
| Common Stock | 293,220 | I | See footnote <u>(5)</u> |
| Common Stock | 293,220 | I | See footnote <u>(6)</u> |
| Common Stock | 180,085 | I | See footnote <u>(7)</u> |
| Common Stock | 180,085 | I | See footnote <u>(8)</u> |
| Common Stock | 181,558 | I | See footnote <u>(9)</u> |
| Common Stock | 181,558 | I | See footnote <u>(10)</u> |
| Common Stock | 488,428 | I | See footnote <u>(11)</u> |

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

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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 Security (Instr. 3 and 4) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Performance Shares | <u>(1)</u> | 03/01/2010 | | M | 62,604 | 03/01/2010 | 03/01/2010 | Common Stock | 62,604 |

Reporting Owners

Reporting Owner Name / Address

Relationships

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| | Director | 10% Owner | Officer | Other |
|--|----------|-----------|--------------------|-------|
| OSHMANN M KENNETH 550 MERIDIAN AVE SAN JOSE, CA 95126 | X | X | Executive Chairman | |
| O S VENTURES C/O M KENNETH OSHMAN ECHELON CORP., 550 MERIDIAN AVE SAN JOSE, CA 95126 | | | X | |
| OSHMANN TRUST DATED 7 10 1979 C/O M KENNETH OSHMAN ECHELON CORP., 550 MERIDIAN AVE SAN JOSE, CA 95126 | | | X | |

Signatures

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

03/03/2010

__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) Each performance share represents the right to receive one share of the Issuer's Common Stock.
- (2) 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.
- (3) These shares are held by the M. Kenneth Oshman 2008A Annuity Trust dated August 1, 2008.
- (4) These shares are held by the Barbara S. Oshman 2008A Annuity Trust dated August 1, 2008.
- (5) These shares are held by the M. Kenneth Oshman 2009 Annuity Trust dated February 20, 2009 (the "K. Oshman 2009 Annuity Trust").
- (6) These shares are held by the Barbara S. Oshman 2009 Annuity Trust dated February 20, 2009 (the "B. Oshman 2009 Annuity Trust").
- (7) These shares are held by the M. Kenneth Oshman 2009A Annuity Trust dated August 4, 2009.
- (8) These shares are held by the Barbara S. Oshman 2009A Annuity Trust dated August 4, 2009.
These shares are held by the M. Kenneth Oshman 2010 Annuity Trust dated February 23, 2010 (the "K. Oshman 2010 Annuity Trust"). 16,452 shares previously reported as indirectly beneficially owned by the M. Kenneth Oshman 2008 Annuity Trust dated February 19, 2008 (the "K. Oshman 2008 Annuity Trust") were transferred from the K. Oshman 2008 Annuity Trust to the K. Oshman 2010 Annuity Trust. 165,106 shares previously reported as indirectly beneficially owned by the K. Oshman 2009 Annuity Trust were transferred from the K. Oshman 2009 Annuity Trust to 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"). 16,452 shares previously reported as indirectly beneficially owned by the Barbara S. Oshman 2008 Annuity Trust dated February 19, 2008 (the "B. Oshman 2008 Annuity Trust") were transferred from the B. Oshman 2008 Annuity Trust to the B. Oshman 2010 Annuity Trust. 165,106 shares previously reported as indirectly beneficially owned by the B. Oshman 2009 Annuity Trust were transferred from the B. Oshman 2009 Annuity Trust to the B. Oshman 2010 Annuity Trust.
- (10) These shares are held by the Barbara S. Oshman 2010 Annuity Trust dated February 23, 2010 (the "B. Oshman 2010 Annuity Trust"). 16,452 shares previously reported as indirectly beneficially owned by the Barbara S. Oshman 2008 Annuity Trust dated February 19, 2008 (the "B. Oshman 2008 Annuity Trust") were transferred from the B. Oshman 2008 Annuity Trust to the B. Oshman 2010 Annuity Trust. 165,106 shares previously reported as indirectly beneficially owned by the B. Oshman 2009 Annuity Trust were transferred from the B. Oshman 2009 Annuity Trust to the B. Oshman 2010 Annuity Trust.
- (11) These shares are held by O-S Ventures, a general partnership, of which the M. Kenneth Oshman is general partner.

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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