

LATTICE SEMICONDUCTOR CORP

Form 4

February 08, 2007

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 *
DONOVAN STEPHEN M

2. Issuer Name **and** Ticker or Trading
Symbol
LATTICE SEMICONDUCTOR
CORP [LSCC]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)

5555 NE MOORE CT.

(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
02/06/2007

____ Director ____ 10% Owner
____X____ Officer (give title ____ Other (specify
below) below)
Corporate VP, Sales

HILLSBORO, OR 97124

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

(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 (D) Price			

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	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount Underlying Security (Instr. 3 and 4)
---------------------------------------	------------------------------	---	---	------------------------	--	--	--

Edgar Filing: LATTICE SEMICONDUCTOR CORP - Form 4

(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Option to Buy	\$ 6.05	02/06/2007			A		51,750		05/06/2007 ⁽¹⁾	02/06/2014	Common Stock	51,750
Restricted Stock Unit (RSU)	⁽²⁾	02/06/2007			A		4,415		⁽³⁾	⁽³⁾	Common Stock	4,415

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
DONOVAN STEPHEN M 5555 NE MOORE CT. HILLSBORO, OR 97124	Corporate VP, Sales

Signatures

Martin R. Baker, Attorney-In-Fact for Stephen M.
Donovan

02/08/2007

 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).

This option to purchase shares of common stock vests as follows: 6.25% of the total amount of shares subject to the option shall vest on (1) 5/6/07. 6.25% of the total amount of the shares subject to the option shall vest each three months thereafter until all shares are vested on 2/6/11.

(2) Each Restricted Stock Unit (RSU) represents a right to receive one share of the Issuers common shares without payment of specific consideration.

Grants vest upon satisfaction of both of these conditions: (1) 25% of the RSUs vest on the first anniversary of the date of grant, and an additional 25% of the RSUs vest on each anniversary thereafter; and (2) 25% of the RSUs vest if the price of a share of common stock on each anniversary of the date of grant has increased at least 15%, compounded annually, over the price on the date of grant, as calculated (3) based on a 60-calendar-day average of NASDAQ closing prices of the Companys stock. If this condition is not met for any portion of the RSUs on the relevant anniversary date, then such RSUs may vest on any of the three subsequent anniversaries if the price on such date equals or exceeds the required price. If this condition has not been met for any portion of the RSUs by the third subsequent anniversary of the relevant anniversary date, then such portion of the RSUs shall be forfeited.

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.