Sanders Larry D Form 4 August 18, 2011

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL OMB

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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(b).

(Last)

may continue.

See Instruction

1. Name and Address of Reporting Person * Sanders Larry D

(First)

(Middle)

(Zip)

2. Issuer Name and Ticker or Trading Symbol

LANTRONIX INC [LTRX]

3. Date of Earliest Transaction

(Month/Day/Year) 08/18/2011

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

C/O LANTRONIX, 167 TECHNOLOGY DRIVE

> (Street) 4. If Amendment, Date Original

Filed(Month/Day/Year)

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

Interim CEO 6. Individual or Joint/Group Filing(Check

Applicable Line)

X 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

IRVINE,, CA 92618

(City)

(Instr. 3)

1. Title of 2. Transaction Date 2A. Deemed Security (Month/Day/Year)

(State)

Execution Date, if (Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 3, 4 and 5) (Instr. 8)

5. Amount of Securities Beneficially Owned Following Reported

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial Ownership (I) (Instr. 4) (Instr. 4)

Transaction(s)

(Instr. 3 and 4) Code V Amount (D) Price

(A)

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

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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 3. Transaction Date 3A. Deemed 4. 5. Number 6. Date Exercisable and 7. Title and Amount of 8. l Derivative Conversion (Month/Day/Year) Execution Date, if Transaction of Derivative Expiration Date Underlying Securities De Security or Exercise Code Securities (Month/Day/Year) (Instr. 3 and 4) Sec any

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(In

(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	
Stock option (Right to buy)	\$ 3.06	08/18/2011		A		8,281		<u>(1)</u>	08/18/2018	Common Stock	8,281	

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

Sanders Larry D C/O LANTRONIX 167 TECHNOLOGY DRIVE IRVINE., CA 92618

Interim CEO

Signatures

/s/ Glenn Keeler, Attorney-in-fact for Larry D. Sanders

08/18/2011

**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).
- Grant to Reporting Person of an option to purchase 8,281 shares of Common Stock under the Issuer's 2010 Stock Incentive Plan. The options vest over a period of seventeen (17) months such that: (i) 2/17 of the total grant shall vest immediately as of the grant date; and (ii) 1/17 of the total grant shall vest on the 18th day of each month thereafter so long as Reporting Person remains a Service Provider to the Company (as such term is defined in the 2010 Stock Incentive Plan). The grant shall become fully vested on November 18, 2012.

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.

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