

Milstead Byron Wayne
Form 4
August 05, 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

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(Print or Type Responses)

1. Name and Address of Reporting Person *
Milstead Byron Wayne

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 N.E. MOORE CT.
(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
08/04/2010

____ Director ____ 10% Owner
____X____ Officer (give title below) ____ Other (specify below)
Corp VP and General Counsel

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) |
|---------------------------------------|---|---|--------------------------------------|---|--|--|---|
| Common Stock | 08/04/2010 | | M | 1,400 | A \$ 0 ⁽¹⁾ | 4,140 | D |
| Common Stock | 08/04/2010 | | F ⁽²⁾ | 496 | D \$ 5.47 | 3,644 | D |
| Common Stock | 08/05/2010 | | M | 14,794 | A \$ 2.32 | 18,438 | D |
| Common Stock | 08/05/2010 | | S | 14,794 | D \$ 5.425 ⁽³⁾ | 3,644 | 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 Underlying Se (Instr. 3 and 4) |
|---|--|---|---|--------------------------------------|--|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title |
| Non-Qualified Stock Option (right to buy) | \$ 2.32 | 08/05/2010 | | M | 14,794 | 08/04/2009 ⁽⁴⁾ 08/04/2015 | Common Stock |
| Restricted Stock Unit (RSU) | <u>(5)</u> | 08/04/2010 | | M | 1,400 | <u>(6)</u> <u>(7)</u> | Common Stock |

Reporting Owners

| Reporting Owner Name / Address | Relationships |
|--|----------------------------------|
| | Director 10% Owner Officer Other |
| Milstead Byron Wayne 5555 N.E. MOORE CT. HILLSBORO, OR 97124 | Corp VP and General Counsel |

Signatures

/s/ Byron W.
Milstead 08/05/2010

 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) Restricted Stock Units - no purchase price for this transaction.

These shares were retained by the Issuer in order to meet the tax withholding obligations of the Reporting Person in connection with the

(2) vesting of an installment of the restricted stock units. The amount retained by the Issuer was not in excess of the amount of the tax liability.

(3)

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The price indicated is the weighted average sale price for the shares sold. The individual sale prices for the shares indicated range from \$5.40 to \$5.49.

This option to purchase shares of common stock vests as follows: 25% of the total amount of shares subject to the option shall vest on 8/4/2009. 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 8/4/2012.

- (5) Each Restricted Stock Unit (RSU) represents a right to receive one share of the Issuers common shares without payment of specific consideration.
- (6) Grants of Restricted Stock Units (RSUs) vest as follows: 25% of the RSUs will vest on 8/4/2009 and an additional 6.25% of the RSUs vest each three months thereafter until 100% of the RSU grant is vested on 8/4/2012.
- (7) 22,400 Restricted Stock Units (RSUs) were granted on 8/4/08 and vest, in whole shares as follows: 25% of the RSU grant shall vest on 8/4/09, and an additional 6.25% of the RSUs vest on each three months thereafter until 100% of the RSU grant is vested on 8/4/2012.

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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