

Lyle David
Form 4
August 04, 2010

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 *
Lyle David

2. Issuer Name and Ticker or Trading Symbol
ENTROPIC COMMUNICATIONS INC [ENTR]

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)

(Last) (First) (Middle)
6290 SEQUENCE DRIVE
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
08/02/2010

___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
Chief Financial Officer

SAN DIEGO, CA 92121
(City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

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	08/02/2010		M	V	75,000	A	\$ 0.4284 110,447	D
Common Stock	08/02/2010		S ⁽¹⁾		75,000	D	\$ 7.751 ⁽²⁾ 35,447	D
Common Stock	08/02/2010		M	V	25,000	A	\$ 0.4284 60,447	D
Common Stock	08/02/2010		S ⁽¹⁾		25,000	D	\$ 7.751 ⁽²⁾ 35,447	D

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 (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 Securities (Instr. 3 and 4)
Incentive Stock Option (right to buy)	\$ 0.4284	08/02/2010		M	75,000	(3) 08/19/2015	Common Stock 75,000
Incentive Stock Option (right to buy)	\$ 0.4284	08/02/2010		M	25,000	(4) 08/19/2015	Common Stock 25,000

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Lyle David 6290 SEQUENCE DRIVE SAN DIEGO, CA 92121	Chief Financial Officer

Signatures

David B. Lyle 08/04/2010

**Signature of Date
Reporting Person

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) The sales reported in the Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on August 28, 2009.

Edgar Filing: Lyle David - Form 4

(2) The price reported in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$7.62 to \$7.90, per share. The reporting person undertakes to provide to Entropic Communications (the "Company"), any security holder of the Company or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the ranges set forth in this footnote.

(3) 1/4th of the shares vest one year after the Vesting Commencement Date beginning 8/19/05. 1/48th of the shares vest monthly thereafter over the next three years. The options may be early exercised prior to vesting but any exercised and unvested shares are subject to a right of repurchase on behalf of the Issuer. Additionally, grant is subject to accelerated vesting on the terms and conditions set forth in such individual's Change of Control Agreement.

(4) Vesting began once Reporting Person met certain milestones which occurred on 8/19/05. 1/48th of the shares vest monthly thereafter over the next four years. The options may be early exercised prior to vesting but any exercised and unvested shares are subject to a right of repurchase on behalf of the Issuer. Additionally, grant is subject to accelerated vesting on the terms and conditions set forth in such individual's Change of Control Agreement.

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.