

FORM 4

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

| OMB APPROVAL | |
|--|-----------|
| OMB Number: | 3235-0287 |
| 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 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

| | | | | | |
|---|--|---|--|---|--|
| 1. Name and Address of Reporting Person Sobieski Jeff | | 2. Issuer Name and Ticker or Trading Symbol TELKONET INC [TKOI.PK] | | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director _____ 10% Owner _____ <input checked="" type="checkbox"/> Officer (give title below) _____ Other (specify below) _____ <p align="center">COO</p> | |
| (Last) (First) (Middle) 10200 INNOVATION DR., STE. 300 | | 3. Date of Earliest Transaction (Month/Day/Year) 11/16/2009 | | | |
| (Street) MILWAUKEE, WI 53226 | | 4. If Amendment, Date Original Filed (Month/Day/Year) | | 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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 | (A) or (D) | | | | Price |
| Series A Convertible Redeemable Preferred Stock | 11/16/2009 | | P | | 4 | A | (1) | 756,899 | D | |

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

SEC 1474 (9-02)

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.

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) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|---|---|-----|--|-----------------|---|--|--|--|--|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | | | | | |
| Warrants | \$ 0.33 | 11/16/2009 | | P | | 30,304 | | (2) | (2) | Common Stock | (3) | 80,304 | D | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| Sobieski Jeff 10200 INNOVATION DR., STE. 300 MILWAUKEE, WI 53226 | | | COO | |

Signatures

| | |
|--|---------------------|
| /s/ Jeffrey J. Sobieski | 11/19/2009 |
| <small>**Signature of Reporting Person</small> | <small>Date</small> |

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).

- Item 4, Table I -- The reported securities are included within 4 Units purchased by the reporting person for \$ 5,000 per Unit. Each Unit consists of 1 share of Series A Convertible Redeemable Preferred Stock, which is convertible into 13,774 shares of common stock at approximately \$0.363 per share, and one warrant to purchase 7,576 shares of common stock at \$0.33 per share.
- (2) Item 6, Table II -- The warrants are exercisable at any time and from time to time on or after the issuance date (such issuance date currently anticipated to be November 19, 2009) and through and including the fifth anniversary of the issuance date.
- Item 8, Table II -- The reported securities are included within 4 Units purchased by the reporting person for \$ 5,000 per Unit. Each Unit consists of 1 share of Series A Convertible Redeemable Preferred Stock, which is convertible into 13,774 shares of common stock at approximately \$0.363 per share, and one warrant to purchase 7,576 shares of common stock at \$0.33 per share.

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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