

PDF SOLUTIONS INC
Form 4
December 17, 2009

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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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 *
JOSEPH DAVID

2. Issuer Name and Ticker or Trading Symbol
PDF SOLUTIONS INC [PDFS]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
333 WEST SAN CARLOS STREET, SUITE 700

3. Date of Earliest Transaction (Month/Day/Year)
12/16/2009

___ Director ___ 10% Owner
 Officer (give title below) Other (specify below)
Chief Strategy Officer / Acting President, PDF Japan

(Street)
SAN JOSE, CA 95110

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

(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 Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock	12/16/2009 ⁽¹⁾⁽²⁾⁽³⁾		A	13,334	A <u>(2)</u> 245,733	D	
Common Stock	12/16/2009 ⁽¹⁾⁽³⁾⁽⁴⁾		A	13,334	A <u>(4)</u> 259,067 ⁽⁵⁾	D	

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

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Pursuant to the Exchange Offer, on the Transaction Date, PDFS cancelled an option granted to the reporting person on April 21, 2003. In exchange for the cancelled option, the reporting person received 13,334 RSRs which will vest as to 25% on March 15, 2010, 25% on September 15, 2010, 25% on March 15, 2011 and 25% on September 15, 2011, subject to the reporting person's continued service with PDFS, or an affiliate thereof, through each vesting date (the "RSR Vesting Schedule").

- (3) Each RSR represents a bookkeeping entry equal in value to 1 share of PDFS common stock that will be automatically settled in shares upon vesting of the RSR.

Pursuant to the Exchange Offer, on the Transaction Date, PDFS cancelled an option granted to the reporting person on November 7,

- (4) 2007. In exchange for the cancelled option, the reporting person received 13,334 RSRs which will vest in accordance with the RSR Vesting Schedule.

This amount includes 38,673 RSRs, each of which represents a bookkeeping entry equal in value to 1 share of PDFS common stock that

- (5) will be automatically settled in shares upon vesting of the RSR. This amount also includes 220,394 shares of outstanding PDFS common stock.

The cancelled option provided for vesting as follows: 12/48ths of the total shares subject to the option vested on April 21, 2004 and

- (6) 1/48th of the total shares vested on the 21st day of each month thereafter, subject to the reporting person's continued service with PDFS, or an affiliate thereof, through each vesting date.

The cancelled option provided for vesting as follows: 12/48ths of the total shares subject to the option vested on November 7, 2008 and

- (7) 1/48th of the total shares vested on the 7th day of each month thereafter, subject to the reporting person's continued service with PDFS, or an affiliate thereof, through each vesting date.

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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