

PIXELWORKS, INC
Form 4
December 06, 2006

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 *
LAU YUE JOHN

(Last) (First) (Middle)
8100 SW NYBERG RD.

(Street)

TUALATIN, OR 97062

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
PIXELWORKS, INC [PXLW]

3. Date of Earliest Transaction
(Month/Day/Year)
12/04/2006

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
VP, China Site Mgt & Mfg

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) |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------|
| Common Stock | | | | (A) or (D) | 15,879 | D | |

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

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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| 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 Security (Instr. 3 and 4) | 8. Amount or Number of Shares | |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------------|-------------------------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Non-Qualified Stock Option (right to buy) | \$ 2.49 | 12/04/2006 | | A | 75,000 | (1) | 12/04/2016 | Common Stock | 75,000 |
| Incentive Stock Option (right to buy) | \$ 0.33 | | | | | (2) | 03/03/2009 | Common Stock | 36,000 |
| Incentive Stock Option (right to buy) | \$ 1.49 | | | | | (3) | 09/16/2009 | Common Stock | 18,000 |
| Incentive Stock Option (right to buy) | \$ 2.43 | | | | | (4) | 12/08/2009 | Common Stock | 7,500 |
| Incentive Stock Option (right to buy) | \$ 16.5 | | | | | (5) | 01/02/2012 | Common Stock | 22,300 |
| Non-Qualified Stock Option (right to buy) | \$ 5.02 | | | | | (6) | 02/15/2016 | Common Stock | 50,000 |
| Non-Qualified Stock Option (right to buy) | \$ 7.57 | | | | | (7) | 01/31/2013 | Common Stock | 50,000 |
| Non-Qualified Stock Option (right to buy) | \$ 8.5 | | | | | (8) | 04/02/2011 | Common Stock | 40,000 |
| Non-Qualified Stock Option (right to buy) | \$ 9.48 | | | | | (9) | 03/04/2015 | Common Stock | 25,000 |
| Non-Qualified Stock Option (right to buy) | \$ 15.41 | | | | | (10) | 03/09/2014 | Common Stock | 40,000 |
| Non-Qualified Stock Option (right to buy) | \$ 16.5 | | | | | (5) | 01/02/2012 | Common Stock | 27,600 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|----------------------------------------------------------|---------------|-----------|--------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| LAU YUE JOHN 8100 SW NYBERG RD. TUALATIN, OR 97062 | | | VP, China Site Mgt & Mfg | |

Signatures

By: Shelley Hilderbrand For: John
Yue Lau 12/06/2006

__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) Becomes exercisable on a monthly basis over 3 years.

(2) The options become exercisable over a 4-year period which commenced on January 31, 1999, as follows: 15,000 shares exercisable as of January 31, 2000, 1,250 shares exercisable every month thereafter for 36 months.

(3) The options become exercisable over a 4-year period which commenced on September 30, 1999, as follows: 4,500 shares exercisable as of September 30, 2000, 375 shares exercisable every month thereafter for 36 months.

(4) The options become exercisable on a monthly basis over a 4-year period which commenced on December 31, 1999, as follows: 10% exercisable as of December 31, 2000, 20% exercisable as of December 31, 2001, 30% exercisable as of December 31, 2002 and 40% exercisable as of December 31, 2003.

(5) The options become exercisable on a monthly basis over a 4-year period which commenced on January 31, 2002, as follows: 10% exercisable as of January 31, 2003, 20% exercisable as of January 31, 2004, 30% exercisable as of January 31, 2005 and 40% exercisable as of January 31, 2006.

(6) The options become exercisable on a monthly basis over a 4-year period which commences February 15, 2006, as follows: 10% exercisable as of February 15, 2007, 20% exercisable as of February 15, 2008, 30% as of February 15, 2009 and 40% exercisable as of February 15, 2010.

(7) The options become exercisable on a monthly basis over a 4-year period which commenced on January 31, 2002, as follows: 10% exercisable as of January 31, 2003, 20% exercisable as of January 31, 2004, 30% exercisable as of January 31, 2005 and 40% exercisable as of January 31, 2006.

(8) The options become exercisable on a monthly basis over a 4-year period which commenced on April 30, 2001, as follows: 10% exercisable as of April 30, 2002, 20% exercisable as of April 30, 2003, 30% exercisable as of April 30, 2004 and 40% exercisable as of April 30, 2005.

(9) The options become exercisable monthly over a 4-year period which commenced on March 4, 2005, with 10% becoming exercisable by March 4, 2006, 20% becoming exercisable by March 4, 2007, 30% becoming exercisable by March 4, 2008, and 40% becoming exercisable by March 4, 2009.

(10) The option becomes exercisable on a monthly basis over a four year period which commences on March 31, 2004 as follows: 10% exercisable as of March 31, 2005, 20% exercisable as of March 31, 2006, 30% exercisable as of March 31, 2007, and 40% exercisable as of March 31, 2008.

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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