

PDF SOLUTIONS INC
Form 4
October 31, 2005

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 *
MICHAELS KIMON

(Last) (First) (Middle)

333 WEST SAN CARLOS STREET, SUITE 700

(Street)

SAN JOSE, CA 95110

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)
10/27/2005

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)
Co-VP of Client Services

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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------|
| | | | Code | V | Amount (A) or (D) Price | | |
| Common Stock | 10/31/2005 | | S | | 100 D \$ 14.7 | 1,527,976 | D |
| Common Stock | 10/31/2005 | | S | | 200 D \$ 14.715 | 1,527,776 | D |
| Common Stock | 10/31/2005 | | S | | 100 D \$ 14.73 | 1,527,676 | D |
| Common Stock | 10/31/2005 | | S | | 500 D \$ 14.734 | 1,527,176 | D |
| Common Stock | 10/31/2005 | | S | | 300 D \$ 14.7467 | 1,526,876 | D |

Edgar Filing: PDF SOLUTIONS INC - Form 4

| | | | | | | | |
|--------------|------------|---|-----|---|------------|-----------|---|
| Common Stock | 10/31/2005 | S | 100 | D | \$ 14.75 | 1,526,776 | D |
| Common Stock | 10/31/2005 | S | 500 | D | \$ 14.758 | 1,526,276 | D |
| Common Stock | 10/31/2005 | S | 200 | D | \$ 14.765 | 1,526,076 | D |
| Common Stock | 10/31/2005 | S | 400 | D | \$ 14.77 | 1,525,676 | D |
| Common Stock | 10/31/2005 | S | 600 | D | \$ 14.785 | 1,525,076 | D |
| Common Stock | 10/31/2005 | S | 8 | D | \$ 14.79 | 1,525,068 | D |
| Common Stock | 10/31/2005 | S | 300 | D | \$ 14.7967 | 1,524,768 | D |
| Common Stock | 10/31/2005 | S | 400 | D | \$ 14.8 | 1,524,368 | D |
| Common Stock | 10/31/2005 | S | 400 | D | \$ 14.805 | 1,523,968 | D |
| Common Stock | 10/31/2005 | S | 600 | D | \$ 14.81 | 1,523,368 | D |
| Common Stock | 10/31/2005 | S | 400 | D | \$ 14.825 | 1,522,968 | D |
| Common Stock | 10/31/2005 | S | 500 | D | \$ 14.834 | 1,522,468 | D |
| Common Stock | 10/31/2005 | S | 700 | D | \$ 14.84 | 1,521,768 | D |
| Common Stock | 10/31/2005 | S | 300 | D | \$ 14.8433 | 1,521,468 | D |
| Common Stock | 10/31/2005 | S | 900 | D | \$ 14.85 | 1,520,568 | D |
| Common Stock | 10/31/2005 | S | 100 | D | \$ 14.86 | 1,520,468 | D |
| Common Stock | 10/31/2005 | S | 203 | D | \$ 14.87 | 1,520,265 | D |
| Common Stock | 10/31/2005 | S | 597 | D | \$ 14.88 | 1,519,668 | D |
| Common Stock | 10/31/2005 | S | 400 | D | \$ 14.885 | 1,519,268 | D |
| Common Stock | 10/31/2005 | S | 300 | D | \$ 14.8867 | 1,518,968 | D |
| | 10/31/2005 | S | 800 | D | \$ 14.89 | 1,518,168 | D |

Common
Stock

| | | | | | | | |
|-----------------|------------|---|-----|---|---------------|-----------|---|
| Common Stock | 10/31/2005 | S | 200 | D | \$ 14.9 | 1,517,968 | D |
| Common Stock | 10/31/2005 | S | 600 | D | \$ 14.9033 | 1,517,368 | D |
| Common Stock | 10/31/2005 | S | 500 | D | \$ 14.904 | 1,516,868 | 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) | 8. Amount or Number of Shares |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------|-------------------------------|
| 2001 Stock Plan Option (Right to Buy) | \$ 14.58 | 10/27/2005 | | A | 24,000 | <u>(1)</u> 10/26/2015 | Common Stock | 24,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---------------------------------------------------------------------------------|---------------|-----------|--------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| MICHAELS KIMON 333 WEST SAN CARLOS STREET SUITE 700 SAN JOSE, CA 95110 | X | | Co-VP of Client Services | |

Signatures

/s/ P. Steven Melman, Attorney-in-Fact for Kimon W.
Michaels

10/31/2005

__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) Of the total shares subject to the option (the "Total Shares") 25% vest on October 27, 2006 and 1/48th of the Total Shares vest on the 27th day of each month thereafter, provided that the reporting person remains an employee or consultant of PDFS.

Remarks:

This Form 4 is the first of two Form 4 reports filed on October 31, 2005 regarding the Reporting Person's sale of Common Stock.

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.