SEC Form 4

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

☐ Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934
or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person*	2. Issuer Name **and** Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)
MALIK ZIA	PDF SOLUTIONS INC [PDFS]	
(Last) (First) (Middle)	3. Date of Earliest Transaction (Month/Day/Year) 11/10/2006	
333 WEST SAN CARLOS STREET SUITE 700		

Relationship box:

	Director		10% Owner
X	Officer (give title below)		Other (specify below)
	VP of Sales		

(Street)	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line)
SAN JOSE CA 95110		X Form filed by One Reporting Person
(City) (State) (Zip)		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	11/10/2006		M		10,000	A	$9.66	10,000	D	
Common Stock	11/10/2006		S		10,000	D	$14	0	D	
Common Stock	11/10/2006		M		2,177	A	$9.66	2,177	D	
Common Stock	11/10/2006		S		2,177	D	$14.1	0	D	
Common Stock	11/13/2006		M		5,000	A	$9.66	5,000	D	
Common Stock	11/13/2006		S		5,000	D	$14.45	0	D	

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 Securities Underlying Derivative Security (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: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
2001 Stock Plan Option (Right to Buy)	$9.66	11/10/2006		M			10,000	(1)	09/02/2014	Common Stock	10,000	$9.66	15,000	D	
2001 Stock Plan Option (Right to Buy)	$9.66	11/10/2006		M			2,177	(1)	09/02/2014	Common Stock	2,177	$9.66	12,823	D	
2001 Stock Plan Option (Right to Buy)	$9.66	11/13/2006		M			5,000	(1)	09/02/2014	Common Stock	5,000	$9.66	7,823	D	

Explanation of Responses:

1. 12/36ths of the total shares subject to the option (the "Total Shares") vested on September 3, 2005 and 1/36th of the Total Shares continue to vest monthly on the 3rd day of each month thereafter.

Remarks:

<u>/s/ P. Steven Melman,</u>
<u>Attorney-in-Fact for Zia Malik</u> <u>11/14/2006</u>

** Signature of Reporting Person Date

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

* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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 Number.