

PDF SOLUTIONS INC  
Form 10-K/A  
May 24, 2012

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

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Form 10-K/A  
(Amendment No. 2)

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934  
For the fiscal year ended December 31, 2011

Or  
TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934  
For the transition period from to

000-31311  
(Commission file number)

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PDF SOLUTIONS, INC.  
(Exact name of registrant as specified in its charter)

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Delaware  
(State or Other Jurisdiction of  
Incorporation or Organization)

25-1701361  
(I.R.S. Employer  
Identification No.)

333 West San Carlos Street, Suite 1000  
San Jose, California  
(Address of Principal Executive Offices)

95110  
(Zip Code)

(408) 280-7900  
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, \$0.00015 par value	The NASDAQ Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act:  
None



Indicate by check mark if the registrant is a well-known seasoned issuer (as defined in Rule 405 of the Securities Act). Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer <input type="radio"/>	Accelerated filer <input checked="" type="radio"/>	Non-accelerated filer <input type="radio"/>	Smaller reporting company <input type="radio"/>
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(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes  No

The aggregate market value of the voting stock held by non-affiliates of the Registrant was approximately \$121.9 million as of the last business day of the Registrant's most recently completed second quarter, based upon the closing sale price on the NASDAQ Global Market reported for such date. Shares of Common Stock held by each officer and director and by each person who owns 10% or more of the outstanding Common Stock have been excluded in that such persons may be deemed to be affiliates. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

There were 28,546,192 shares of the Registrant's Common Stock outstanding as of April 1, 2012.

#### DOCUMENTS INCORPORATED BY REFERENCE

None.

EXPLANATORY NOTE

PDF Solutions, Inc. (the “Company”) is filing this Amendment No. 2 (“Amendment”) to our Annual Report on Form 10-K for the year ended December 31, 2011, filed with the Securities and Exchange Commission (the “SEC”) on March 15, 2012 (the “Original 10-K”), as subsequently amended with Part III information by the Form 10-K/A filed with the SEC on April 30, 2012 (the “Part III Form 10-K”), to make the following corrections in Item 11, Part III:

1. This Amendment corrects the salary, severance pay, accrued paid time off at the time of termination of employment, as well as certain premiums for COBRA coverage, paid by the Company to Ms. Joy E. Leo, our former Executive Vice President, Chief Administration Officer, and acting Chief Financial Officer. This Amendment also includes the amount received by Mr. Shahbazian, our former interim Chief Financial Officer, and Vice President, Finance, for accrued paid time off paid at the time of termination of employment. Such information was inadvertently excluded from the Part III Form 10-K.
2. This Amendment corrects the sum reflected in the “Value of the Benefit and Payment Amount Received at the Time of Resignation (\$)” column in the “Potential Payment Upon Termination of Employment” table from \$895,600 to \$780,800. Such sum was incorrect in the Part III Form 10-K.
3. This Amendment corrects the sum reflected for Lucio Lanza, the Chairman of the Board of Directors, in the “Total (\$)” column in the “Director Compensation Table.” from \$210,800 to \$210,400. Such sum was incorrect in the Part III Form 10-K.

In addition to the corrections above, this Amendment also restates Item 15 of Part IV to include new certifications pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

This Amendment does not reflect events occurring after the filing of the Original Form 10-K or Amended Form 10-K. Except for the amendments described above and included below, this Amendment does not modify or update the disclosure in the Original Form 10-K or Amended Form 10-K. Accordingly, this Amendment should be read in conjunction with the Company’s other filings made with the SEC, including the Original Form 10-K, the Part III 10-K, and any filings made subsequent to the filing of the Original 10-K.

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1. The compensation data for Mr. Shahbazian and Ms. Leo in the “Summary Compensation Table,” and the related footnotes, are amended and restated in their entirety as follows:

Name & Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)(1)	Option Awards (\$)(1)	All Other Compensation (\$)(2)	Total (\$)
Michael Shahbazian Former Interim Chief Financial Officer, and Vice President, Finance (5)	2011	128,950	-	50,670	-	7,600(6)	187,220
	2010	-	-	-	-	-	-
	2009	-	-	-	-	-	-
Joy E. Leo Former Executive Vice President, Chief Administration Officer and Acting Chief Financial Officer (7)	2011	125,830	-	-	-	160,070(8)	285,900
	2010	270,000	-	-	-	200	270,200
	2009	270,000	89,400(9)	-	98,600	200	458,200

(5) Mr. Shahbazian was appointed as our Vice President Finance and Interim Chief Financial Officer on June 17, 2011 and served through December 1, 2011.

(6) This amount includes amounts received by the executive officer for accrued paid time off paid at the time of termination of employment.

(7) Ms. Leo resigned as our Executive Vice President, Chief Administration Officer and Acting Chief Financial Officer effective June 17, 2011

(8) This amount includes the portion of then current base salary paid to Ms. Leo in connection with termination of Ms. Leo’s employment as set forth under Ms. Leo’s employment offer. This also includes the amounts received for accrued paid time off at the time of termination of employment, severance payment and the premiums for COBRA coverage paid by the Company, as set forth under Ms. Leo’s employment offer.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

(a) The following documents are filed as part of this report:

(3) Exhibits

Exhibits are incorporated herein by reference or are filed with this Amendment as indicated below (numbered in accordance with Item 601 of Regulation S-K):

Exhibit Number	Description
31.01	Certification of principal executive officer Pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.02	Certification of principal finance and accounting officer Pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this Annual Report on Form 10-K/A to be signed on its behalf by the undersigned, thereunto duly authorized, on the 24th day of May, 2012.

PDF SOLUTIONS, INC.

By: /s/ JOHN K. KIBARIAN  
 John K. Kibarian  
 President and Chief Executive Officer  
 (principal executive officer)

By: /s/ GREGORY WALKER  
 Gregory Walker  
 Vice President, Finance, and CFO  
 (principal financial and accounting officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report on Form 10-K/A has been signed below by the following persons on behalf of the registrant and in the capacities and dates indicated below.

Date	Signature	Title
May 24, 2012	/S/ JOHN K. KIBARIAN  John K. Kibarian	Director, President and Chief Executive Officer  (principal executive officer)
May 24, 2012	/S/ GREGORY WALKER  Gregory Walker	Vice President, Finance and Chief Financial Officer  (principal financial and accounting officer)
May 24, 2012	/S/ KIMON W. MICHAELS Kimon W. Michaels	Director, Vice President, Products and Solutions
May 24, 2012	* Lucio L. Lanza	Chairman of the Board of Directors
May 24, 2012	* R. Stephen Heinrichs	Director
May 24, 2012	* Thomas Caulfield	Director
May 24, 2012	* Albert Y.C. Yu	Director

\*By: /s/ JOHN K. KIBARIAN  
John K. Kibarian,  
Attorney-in-Fact

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INDEX TO EXHIBITS

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