

SECURITIES AND EXCHANGE COMMISSION

FORM 4

Statement of changes in beneficial ownership of securities

Filing Date: **2010-06-01** | Period of Report: **2010-06-01**
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REPORTING OWNER

Culhane Mark

CIK: **1407712**

Type: **4** | Act: **34** | File No.: **000-50463** | Film No.: **10871123**

Mailing Address

*C/O DEMANDTEC, INC.
1 FRANKLIN PARKWAY
SAN MATEO CA 94403*

ISSUER

CALLIDUS SOFTWARE INC

CIK: **1035748** | IRS No.: **770438629** | State of Incorporation: **DE** | Fiscal Year End: **1231**

SIC: **7371** Computer programming services

Mailing Address

*160 WEST SANTA CLARA
STREET
15TH FLOOR
SAN JOSE CA 95113*

Business Address

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FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

1. Name and Address of Reporting Person Culhane Mark			2. Issuer Name and Ticker or Trading Symbol CALLIDUS SOFTWARE INC [CALD]			5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below)		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 06/01/2010					
C/O CALLIDUS SOFTWARE INC., 160 WEST SANTA CLARA STREET			4. If Amendment, Date Original Filed(Month/Day/Year)			6. Individual or Joint/Group Filing (Check applicable line) <input checked="" type="checkbox"/> Form Filed by One Reporting Person <input type="checkbox"/> Form Filed by More than One Reporting Person		
(Street) SAN JOSE, CA 95113								
(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 Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)			
Common Stock	06/01/2010		A		7,500 ⁽¹⁾	A	\$ 0	7,500	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 of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date					
Stock Option	\$3.13	06/01/2010		A		25,000		06/01/2011 ⁽²⁾	06/01/2015	Common Stock	25,000	\$ 0	25,000	D

Explanation of Responses:

- The shares indicated are restricted stock units. Although they are fully vested on the date of award, the shares may not be released to the Reporting Person until (a) the Reporting Person is no longer a member of the Issuer's board of directors and is not performing services for the Issuer or any affiliate of Issuer, or (b) a Change of Control of the Issuer occurs.
- The option vests and becomes 25% exercisable on the first anniversary of the grant date and the remainder vests and becomes exercisable in 36 equal monthly installments over the following three years.

Signatures

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.