

Yang Thomas  
Form 4  
July 12, 2011

**FORM 4**

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

OMB APPROVAL

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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 \*  
Yang Thomas

2. Issuer Name and Ticker or Trading Symbol  
CALLAWAY GOLF CO [ELY]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
2180 RUTHERFORD ROAD  
(Street)

3. Date of Earliest Transaction (Month/Day/Year)  
07/08/2011

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)

Senior VP, International

CARLSBAD, CA 92008

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(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 Ownership (Instr. 4)
			Code	V	Amount (A) or (D) Price		
Common Stock	07/08/2011		M		15,189 (1) (2) A \$ 0	38,180 (3)	D
Common Stock	07/08/2011		F		5,572 (4) D \$ 6.58	32,608	D
Common Stock	07/08/2011		M		34,943 (5) A \$ 0	67,551 (5)	D
Common Stock	07/08/2011		D		34,943 (5) D \$ 6.58	32,608	D

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

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(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 Security (Instr. 3 and 4)	Amount of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount of Shares
Restricted Stock Units	\$ 0 <sup>(6)</sup>	07/08/2011		M	15,189.43 <sup>(7)</sup>	<sup>(8)</sup>	<sup>(8)</sup>	Common Stock	15,189.43
Phantom Stock Units	<sup>(9)</sup>	07/08/2011		M	34,943	07/08/2011	07/08/2011	Common Stock	34,943

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Yang Thomas 2180 RUTHERFORD ROAD CARLSBAD, CA 92008			Senior VP, International	

## Signatures

/s/ Brian P. Lynch Attorney-in-Fact for Thomas Yang under a Limited Power of Attorney dated July 17, 2006. 07/12/2011

\*\*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) Reflects vesting of prior restricted stock unit grants, which were previously reported on a Form 4 and additional restricted stock units accrued as a result of dividend equivalent rights paid by the Company pursuant to the terms of the grants.
- (2) Reflects a deduction for cash paid in lieu of fractional shares upon the settlement of the restricted stock units.  
The amount of securities beneficially owned includes the reporting person's acquisition in exempt transactions of 3,178 shares of common stock acquired through dividend reinvestment and the Company's employee stock purchase plan since the date these holdings were last reported.
- (4) The 5,572 shares reported in this line item represent the number of shares of restricted stock withheld by the Company to satisfy tax withholding requirements in connection with the vesting of the restricted stock unit.

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- (5) The Phantom Stock Units were settled in cash as per the terms of the award. For reporting purposes, however, the transaction is deemed to be a simultaneous acquisition and disposition of the underlying common stock and is reflected as such in this report.
- (6) Each restricted stock unit represents a contingent right to receive one share of common stock.
- (7) Per the terms of the reporting persons' separation from the Company, his restricted stock units have fully vested effective July 8, 2011 relating to the following grant: 15,189.43 restricted stock units which were originally scheduled to vest on January 29, 2012.
- (8) The restricted stock units vested in full on July 8, 2011.
- (9) Each Phantom Stock Unit represents a contingent right to receive a cash payment equal to the value on the vesting date of one share of the Company's Common Stock.

### **Remarks:**

Thomas Yang resigned from his position as Senior Vice President, International effective July 8, 2011.

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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