

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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

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

OMB APPROVAL

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| | | |
|---|---|---|
| 1. Name and Address of Reporting Person* <u>MCCRACKEN STEVEN C</u> (Last) (First) (Middle) <u>2180 RUTHERFORD ROAD</u> (Street) <u>CARLSBAD CA 92008</u> (City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol <u>CALLAWAY GOLF CO [ELY]</u> 3. Date of Earliest Transaction (Month/Day/Year) <u>01/16/2010</u> 4. If Amendment, Date of Original Filed (Month/Day/Year) | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner X Officer (give title below) Other (specify below) <u>Sr. EVP, CAO</u> 6. Individual or Joint/Group Filing (Check Applicable Line) X 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 | 01/16/2010 | | M | | 9,789 ⁽¹⁾⁽²⁾ | A | \$0.00 | 16,940 | D | |
| Common Stock | 01/16/2010 | | F | | 4,291 ⁽³⁾ | D | \$8.39 | 12,649 | D | |
| Common Stock | | | | | | | | 25,995 | I | Trust |
| Common Stock | | | | | | | | 1,500 | I | Spouse |

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 | | | | |
| Restricted Stock Units | ⁽⁴⁾ | 01/16/2010 | | M | | | 9,789.45 | 01/16/2010 | 01/16/2010 | Common Stock | 9,789.45 | \$0.00 | 0 ⁽⁵⁾ | D | |

Explanation of Responses:

1. Reflects the vesting of a prior restricted stock unit grant, which was 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 grant.
2. Reflects a deduction for cash paid in lieu of fractional shares upon the settlement of the restricted stock units in shares of common stock.
3. The 4,291 shares reported in this line item represent the number of shares of restricted stock withheld by the Company for tax purposes in connection with the vesting of the prior restricted stock unit grant.
4. Each restricted stock unit represents a contingent right to receive one share of common stock.
5. The reporting person is the holder of other Restricted Stock Units as follows: 8,116.16 restricted stock units are scheduled to vest on January 14, 2011 and 15,065.56 restricted stock units are scheduled to vest on January 29, 2012.

/s/ Brian P. Lynch Attorney-in-Fact for Steven C. McCracken under a Limited Power of Attorney dated August 21, 2002. 01/20/2010

** 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.