

PHILLIPS STUART G  
Form 4  
March 23, 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 \*  
Bay Management Co XI LLC

(Last) (First) (Middle)

490 S. CALIFORNIA AVENUE,  
SUITE 200

(Street)

PALO ALTO, CA 94306

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
Cornerstone OnDemand Inc [CSOD]

3. Date of Earliest Transaction  
(Month/Day/Year)  
03/22/2011

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
\_\_\_ Form filed by One Reporting Person  
\_X\_ 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	03/22/2011		C		4,202,478	A	$\frac{(1) (2) (3)}{(4) (5)}$ 4,252,228	I	See footnote (6)
Common Stock	03/22/2011		X		1,273,901	A	<u>(7)</u> 5,526,129	I	See footnote (6)
Common Stock	03/22/2011		F		165,264	D	\$ 18.5 5,360,865	I	See footnote (6)
Common Stock	03/22/2011		S		696,500	D	\$ 12.0718 4,664,365	I	See footnote

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								(6)	
Common Stock	03/22/2011		C	21,119	A	$\frac{(1) (2) (3)}{(4) (5)}$	21,369	I	See footnote (8)
Common Stock	03/22/2011		X	6,402	A	(7)	2,771	I	See footnote (8)
Common Stock	03/22/2011		F	831	D	\$ 18.5	26,940	I	See footnote (8)
Common Stock	03/22/2011		S	3,500	D	\$ 12.0718	23,440	I	See footnote (8)

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 Underlying (Instr. 3 and 4)
					(A)	(D)	Date Exercisable	Expiration Date	
Series A Convertible Preferred Stock	(1)	03/22/2011		C	V	82,915	(1)	(1)	Common Stock
Series B Convertible Preferred Stock	(2)	03/22/2011		C		19,900	(2)	(2)	Common Stock
Series C Convertible Preferred Stock	(3)	03/22/2011		C		217,656	(3)	(3)	Common Stock
Series D Convertible Preferred Stock	(4)	03/22/2011		C		3,731,250	(4)	(4)	Common Stock

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Series E Convertible Preferred Stock	<u>(5)</u>	03/22/2011	C	150,757	<u>(5)</u>	<u>(5)</u>	Comm Stock
Series D Convertible Preferred Warrant (right to buy)	\$ 2.4	03/22/2011	C <sup>(8)</sup>	1,243,750	<u>(4)</u>	<u>(4)</u>	Series Convert Preferr Stock
Series E Convertible Preferred Warrant (right to buy)	\$ 2.4	03/22/2011	C <sup>(9)</sup>	30,151	<u>(5)</u>	<u>(5)</u>	Series Convert Preferr Stock
Common Stock Warrant (right to buy)	\$ 2.4	03/22/2011	C <sup>(8)(9)</sup>	1,273,901	<u>(10)</u>	<u>(10)</u>	Comm Stock
Common Stock Warrant (right to buy)	\$ 2.4	03/22/2011	X	1,273,901	<u>(7)</u>	<u>(7)</u>	Comm Stock
Series A Convertible Preferred Stock	<u>(1)</u>	03/22/2011	C	417	<u>(1)</u>	<u>(1)</u>	Comm Stock
Series B Convertible Preferred Stock	<u>(2)</u>	03/22/2011	C	100	<u>(2)</u>	<u>(2)</u>	Comm Stock
Series C Convertible Preferred Stock	<u>(3)</u>	03/22/2011	C	1,094	<u>(3)</u>	<u>(3)</u>	Comm Stock
Series D Convertible Preferred Stock	<u>(4)</u>	03/22/2011	C	18,750	<u>(4)</u>	<u>(4)</u>	Comm Stock
Series E Convertible Preferred Stock	<u>(5)</u>	03/22/2011	C	758	<u>(5)</u>	<u>(5)</u>	Comm Stock

Series D Convertible Preferred Warrant (right to buy)	\$ 2.4	03/22/2011	C <sup>(8)</sup>	6,250	(4)	(4)	Series Convert Preferr Stock
Series E Convertible Preferred Warrant (right to buy)	\$ 2.4	03/22/2011	C <sup>(9)</sup>	152	(5)	(5)	Series Convert Preferr Stock
Common Stock Warrant (right to buy)	\$ 2.4	03/22/2011	C <sup>(8)(9)</sup>	6,402	(10)	(10)	Comm Stock
Common Stock Warrant (right to buy)	\$ 2.4	03/22/2011	X	6,402	(7)	(7)	Comm Stock

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Bay Management Co XI LLC 490 S. CALIFORNIA AVENUE, SUITE 200 PALO ALTO, CA 94306		X		
Bay Partners XI L P 490 S. CALIFORNIA AVENUE, SUITE 200 PALO ALTO, CA 94306		X		
BAY PARTNERS XI PARALLEL FUND L P 490 S. CALIFORNIA AVENUE, SUITE 200 PALO ALTO, CA 94306		X		
PHILLIPS STUART G 490 S. CALIFORNIA AVENUE, SUITE 200 PALO ALTO, CA 94306		X		

## Signatures

/s/ Stuart G. Phillips, as Manager of Bay Management Company XI, LLC 03/22/2011  
 \*\*Signature of Reporting Person Date

/s/ Stuart G. Phillips, as Manager of Bay Management Company XI, LLC, the General Partner of Bay Partners XI, L.P. 03/22/2011

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Signature of Reporting Person Date
/s/ Stuart G. Phillips, as Manager of Bay Management Company XI, LLC, the General Partner of Bay Partners XI Parallel Fund, L.P. 03/22/2011

Signature of Reporting Person Date
/s/ Stuart G. Phillips 03/22/2011

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) The Series A Convertible Preferred Stock automatically converted into Common Stock on a 1:1 basis immediately prior to the closing of the Issuer's initial public offering of common stock and had no expiration date.
(2) The Series B Convertible Preferred Stock automatically converted into Common Stock on a 1:1 basis immediately prior to the closing of the Issuer's initial public offering of common stock and had no expiration date.
(3) The Series C Convertible Preferred Stock automatically converted into Common Stock on a 1:1 basis immediately prior to the closing of the Issuer's initial public offering of common stock and had no expiration date.
(4) The Series D Convertible Preferred Stock automatically converted into Common Stock on a 1:1 basis immediately prior to the closing of the Issuer's initial public offering of common stock and had no expiration date.
(5) The Series E Convertible Preferred Stock automatically converted into Common Stock on a 1:1 basis immediately prior to the closing of the Issuer's initial public offering of common stock and had no expiration date.
(6) The reported securities are held of record by Bay Partners XI, L.P. ("Bay Partners"). Stuart G. Phillips, the Manager of Bay Management Company XI, LLC ("Bay Mgmt"), the General Partner of Bay Partners, has sole voting and dispositive power with respect to the shares held of record by Bay Partners. Mr. Phillips disclaims beneficial ownership of these securities except to the extent of his individual respective pecuniary interest therein.
(7) The Common Stock Warrants were net exercised immediately prior to the closing of Issuer's initial public offering.
(8) The Series D Convertible Preferred Stock Warrants to purchase shares of Series D Convertible Preferred Stock automatically converted into warrants to purchase an equivalent number of shares of Common Stock, at the same exercise price, immediately prior to the closing of the Issuer's initial public offering.
(9) The Series E Convertible Preferred Stock Warrants to purchase shares of Series E Convertible Preferred Stock automatically converted into warrants to purchase an equivalent number of shares of Common Stock, at the same exercise price, immediately prior to the closing of the Issuer's initial public offering.
(10) The Common Stock Warrants are immediately exercisable and expire upon closing of the Issuer's initial public offering of common stock.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.