CASTELLE \CA\ Form 4 July 31, 2006

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

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OMB APPROVAL

if no longer subject to Section 16. Form 4 or Form 5 obligations may continue.

Check this box

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(b).

(Print or Type Responses)

See Instruction

1. Name and Address of Reporting Person * **ZEFF DANIEL**

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to

Issuer

(Middle)

CASTELLE \CA\ [CSTL]

3. Date of Earliest Transaction

(Month/Day/Year) 07/28/2006

Director _X__ 10% Owner Officer (give title __ Other (specify below)

(Check all applicable)

50 CALIFORNIA STREET, SUITE 1500

(Street)

(First)

(Last)

4. If Amendment, Date Original

Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check

Applicable Line)

Form filed by One Reporting Person X Form filed by More than One Reporting

Person

SAN FRANCISCO, CA 94111

(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. Transactic Code (Instr. 8)	4. Securi on(A) or Di (D) (Instr. 3,	4 and (A) or	d of	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)
Common Stock (1)	07/28/2006		P	100 <u>(2)</u>	` ´	\$ 2.53	411,727	I	See footnote (2)
Common Stock (1)	07/28/2006		P	700 (2)	A	\$ 2.58	412,427	I	See footnote (2)
Common Stock (1)	07/28/2006		P	100 (2)	A	\$ 2.59	412,527	I	See footnote (2)
Common Stock (1)	07/28/2006		P	1,900 (2)	A	\$ 2.6	414,427	I	See footnote (2)
Common Stock (1)	07/28/2006		P	300 (2)	A	\$ 2.63	414,727	I	See footnote (2)

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Common Stock (1)	07/28/2006	P	300 (2)	A	\$ 2.64	415,027	I	See footnote (2)
Common Stock (1)	07/28/2006	P	1,370 (2)	A	\$ 2.65	416,397	I	See footnote (2)
Common Stock (1)	07/28/2006	P	200 (2)	A	\$ 2.66	416,597	I	See footnote (2)
Common Stock (1)	07/28/2006	P	2,500 (2)	A	\$ 2.67	419,097	I	See footnote (2)
Common Stock (1)	07/28/2006	P	200 (2)	A	\$ 2.68	419,297	I	See footnote (2)
Common Stock (1)	07/28/2006	P	2,000 (2)	A	\$ 2.69	421,297	I	See footnote (2)
Common Stock (1)	07/28/2006	P	100 (2)	A	\$ 2.73	421,397	I	See footnote (2)
Common Stock (1)	07/28/2006	P	2,400 (2)	A	\$ 2.74	423,797	I	See footnote (2)
Common Stock (1)	07/28/2006	P	6,440 (2)	A	\$ 2.75	430,237	I	See footnote (2)

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

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of	2.	3. Transaction Date	3A. Deemed	4.	5.	6. Date Exerc	isable and	7. Titl	e and	8. Price of
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transacti	onNumber	Expiration Da	ate	Amou	nt of	Derivative
Security	or Exercise		any	Code	of	(Month/Day/	Year)	Under	lying	Security
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Derivative	e		Securi	ties	(Instr. 5)
	Derivative				Securities			(Instr.	3 and 4)	
	Security				Acquired					
	•				(A) or					
					Disposed					
					of (D)					
					(Instr. 3,					
					4, and 5)					
									Amount	
						Date	Expiration		or	
						Exercisable	Date		Number	
						2.1010104010	2		of	
				Code V	(A) (D)				Shares	

9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr

Reporting Owners

Reporting Owner Name / Address	Relationships							
Reporting Owner Name / Nauress	Director	10% Owner	Officer	Other				
ZEFF DANIEL 50 CALIFORNIA STREET SUITE 1500 SAN FRANCISCO, CA 94111		X						
Zeff Holding Company, LLC 50 CALIFORNIA STREET SAN FRANCISCO, CA 94111	X							
Zeff Capital Partners I, L.P. C/O ZEFF HOLDING COMPANY, LLC 50 CALIFORNIA STREET SAN FRANCISCO, CA 94111		X						
Spectrum Galaxy Fund Ltd. 50 CALIFORNIA STREET SUITE 1500 SAN FRANCISCO, CA 94111	X							
Signatures								
Daniel Zeff	07/31/2006							
**Signature of Reporting Person		Date						
Daniel Zeff for Zeff Capital Partners I, L.P.	. 07/31/2006							
**Signature of Reporting Person		Date						
Dion R. Friedland for Spectrum Galaxy Fund Ltd.		07/31/20	006					
**Signature of Reporting Person		Date						
Daniel Zeff for Zeff Holding Company, LLC		07/31/20	006					
**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) This Form 4 is being filed by Daniel Zeff, Spectrum Galaxy Fund Ltd. ("Spectrum"), Zeff Capital Partners I, L.P. ("Capital") and Zeff Holding Company, LLC ("Holding").
 - This transaction was effected through Capital. Mr. Zeff is the sole manager and member of Holding, which in turn serves as the general partner for Capital. In accordance with Instruction 4(b)(iv) of Form 4, the entire amount of the Issuer's securities held by Capital is
- reported herein. Each of Mr. Zeff and Holding disclaims, for purposes of Section 16 of the Securities Exchange Act of 1934, beneficial ownership of such securities, except to the extent of its/his indirect pecuniary interest therein, and this report shall not be deemed an admission that any of Mr. Zeff or Holding is the beneficial owner of such securities for purposes of Section 16 or for any other purposes. Spectrum disclaims beneficial ownership over all shares held through Capital.

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.

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