

SCHWARTZ JONATHAN I

Form 4

May 01, 2006

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 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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
SCHWARTZ JONATHAN I

2. Issuer Name **and** Ticker or Trading
Symbol
SUN MICROSYSTEMS, INC.
[SUNW]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)

4150 NETWORK CIRCLE

(Street)

SANTA CLARA, CA 95054

(City) (State) (Zip)

3. Date of Earliest Transaction
(Month/Day/Year)
04/27/2006

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

☐ Director ☐ 10% Owner
☒ Officer (give title below) ☐ Other (specify below)
President and CEO

6. Individual or Joint/Group Filing(Check
Applicable Line)
☒ 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)
Common Stock	04/27/2006		A	1,500,000	A \$ 0.0007	2,713,965 (1)	D

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

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information contained in this form are not
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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)**

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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 Underlying Securities (Instr. 3 and 4)				
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 7.8672							<u>(3)</u>	11/11/2006	Common Stock	40,000
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 14.6094							<u>(3)</u>	06/16/2007	Common Stock	80,000
Employee Stock Option ⁽²⁾	\$ 17							<u>(3)</u>	08/11/2007	Common Stock	140,000
Employee Stock Option ⁽²⁾	\$ 36.7188							<u>(3)</u>	12/15/2007	Common Stock	120,000
Employee Stock Option ⁽²⁾	\$ 40							<u>(3)</u>	04/12/2010	Common Stock	70,000
Employee Stock Option ⁽²⁾	\$ 45.0313							<u>(3)</u>	06/13/2010	Common Stock	30,000
Employee Stock Option ⁽²⁾	\$ 18.58							<u>(3)</u>	04/18/2011	Common Stock	200,000
Employee Stock Option ⁽²⁾	\$ 12.59							<u>(3)</u>	11/07/2011	Common Stock	75,000
Employee Stock Option ⁽²⁾	\$ 12.59							<u>(3)</u>	11/07/2011	Common Stock	75,000
Employee Stock Option ⁽²⁾	\$ 9.14							<u>(3)</u>	03/19/2012	Common Stock	20,000
Employee Stock Option ⁽²⁾	\$ 6.45							<u>(3)</u>	05/02/2012	Common Stock	200,000

Employee Stock Option ⁽²⁾	\$ 3.7				<u>(4)</u>	07/25/2012	Common Stock	300,
Employee Stock Option ⁽²⁾	\$ 3.85				<u>(5)</u>	07/23/2013	Common Stock	500,
Employee Stock Option ⁽²⁾	\$ 3.9				<u>(6)</u>	04/30/2014	Common Stock	1,000,
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 3.79				<u>(7)</u>	07/29/2014	Common Stock	800,
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 3.85				<u>(8)</u>	07/28/2015	Common Stock	900,
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 4.95	04/27/2006	A	2,000,000	<u>(9)</u>	04/27/2016	Common Stock	2,000,

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SCHWARTZ JONATHAN I 4150 NETWORK CIRCLE SANTA CLARA, CA 95054	X		President and CEO	

Signatures

/s/ Jonathan I.
Schwartz

05/01/2006

 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).

Includes: (i) 432,000 shares of restricted stock, which are held in an escrow account with respect to which Mr. Schwartz has no voting power and which provides for the immediate sale of the shares upon vesting, subject to Sun's policies and applicable securities laws; and

- (1) (ii) 6,493 shares purchased under the Sun Microsystems, Inc. 1990 Employee Stock Purchase Plan on April 28, 2006. The number of shares reported in this column in Mr. Schwartz's last Form 4 filing was incorrectly reported due to a typographical error as 1,207,422 shares. The number that should have been reported in this column in that report was 1,207,472 shares.

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- (2) This option was granted under the Sun Microsystems, Inc. 1990 Long-Term Equity Incentive Plan.
- (3) Immediately.
- (4) A total of 180,000 shares are fully vested and exercisable with the remaining 120,000 shares becoming exercisable as follows: (i) 60,000 shares on July 25, 2006; and (ii) 60,000 shares on July 25, 2007.
- (5) A total of 200,000 shares are fully vested and exercisable with the remaining 300,000 shares becoming exercisable as follows: (i) 100,000 shares on July 23, 2006; (ii) 100,000 shares on July 23, 2007; and (iii) 100,000 shares on July 23, 2008.
A total of 200,000 shares are fully vested and exercisable with the remaining 800,000 shares becoming exercisable as follows: (i) 200,000 shares on April 30, 2006; (ii) 200,000 shares on April 30, 2007; (iii) 200,000 shares on April 30, 2008; and (iv) 200,000 shares on April 30, 2009.
- (6) A total of 160,000 shares are fully vested and exercisable with the remaining 640,000 shares becoming exercisable as follows: (i) 160,000 shares on July 29, 2006; (ii) 160,000 shares on July 29, 2007; (iii) 160,000 shares on July 29, 2008; and (iv) 160,000 shares on July 29, 2009.
- (7) This option vests and becomes exercisable in five equal annual installments of 180,000 shares beginning on July 28, 2006.
- (8) This option vests and becomes exercisable in five equal annual installments of 400,000 shares beginning on April 27, 2007.

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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