

SUN MICROSYSTEMS, INC.

Form 4

August 02, 2007

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

OMB
Number: 3235-0287
Expires: January 31,
2005
Estimated average
burden hours per
response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person *
YEN DAVID W

(Last) (First) (Middle)

4150 NETWORK CIRCLE

(Street)

SANTA CLARA, CA 95054

(City) (State) (Zip)

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

3. Date of Earliest Transaction
(Month/Day/Year)
07/31/2007

4. If Amendment, Date 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)

EVP, Microelectronics

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)
Common Stock	07/31/2007		M ⁽¹¹⁾	37,500 A	\$ 5.1 354,970 ⁽¹⁾	D	
Common Stock	07/31/2007		F ⁽¹²⁾	17,123 D	\$ 5.1 337,847 ⁽¹⁾	D	

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

**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 control
number.**

SEC 1474
(9-02)

Edgar Filing: SUN MICROSYSTEMS, INC. - Form 4

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 Securities (Instr. 3 and 4)				
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 36.7188							<u>(3)</u>	12/15/2007	Common Stock	100,000
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 40							<u>(3)</u>	04/12/2008	Common Stock	26,000
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 57.6875							<u>(3)</u>	08/16/2008	Common Stock	30,000
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 31.75							<u>(3)</u>	12/13/2008	Common Stock	250,000
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 16.25							<u>(3)</u>	06/13/2009	Common Stock	20,000
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 16.25							<u>(3)</u>	06/13/2009	Common Stock	250,000
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 7.91							<u>(3)</u>	09/27/2009	Common Stock	20,000

Edgar Filing: SUN MICROSYSTEMS, INC. - Form 4

Employee Stock Option (Right to Buy) ⁽²⁾	\$ 12.59	<u>(3)</u>	11/07/2009	Common Stock	50,000
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 12.59	<u>(3)</u>	11/07/2009	Common Stock	50,000
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 9.14	<u>(3)</u>	03/19/2010	Common Stock	200
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 9.14	<u>(3)</u>	03/19/2010	Common Stock	20,000
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 6.45	<u>(3)</u>	05/02/2012	Common Stock	200,000
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 3.7	<u>(4)</u>	07/25/2012	Common Stock	300,000
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 3.85	<u>(5)</u>	07/23/2013	Common Stock	500,000
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 3.79	<u>(6)</u>	07/29/2012	Common Stock	400,000
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 4.12	<u>(7)</u>	01/27/2013	Common Stock	200,000
	\$ 3.85	<u>(8)</u>	07/28/2013		300,000

Employee
Stock
Option
(Right to
Buy) ⁽²⁾

Common
Stock

Employee
Stock
Option \$ 4.26
(Right to
Buy) ⁽²⁾

(9)

07/27/2014

Common
Stock

500,00

Employee
Stock
Option \$ 5.1
(Right to
Buy) ⁽²⁾

07/31/2007

A

425,000

(10)

07/31/2017

Common
Stock

425,00

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
YEN DAVID W 4150 NETWORK CIRCLE SANTA CLARA, CA 95054			EVP, Microelectronics	

Signatures

/s/ David W.
Yen 08/01/2007

 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 includes 36,500 shares of unvested restricted stock.
- (2) This option was granted under the Sun Microsystems, Inc. 1990 Long-Term Equity Incentive Plan.
- (3) Immediately.
- (4) This option vests and becomes exercisable in five equal annual installments of 60,000 shares beginning on July 25, 2003.
- (5) This option vests and becomes exercisable in five equal annual installments of 100,000 shares beginning on July 23, 2004.
- (6) This option vests and becomes exercisable in five equal annual installments of 80,000 shares beginning on July 29, 2005.
- (7) This option vests and becomes exercisable in five equal annual installments of 40,000 shares beginning on January 27, 2006.
- (8) This option vests and becomes exercisable in five equal annual installments of 60,000 shares beginning on July 28, 2006.
- (9) This option vests and becomes exercisable in five equal annual installments of 100,000 shares beginning on July 27, 2007.
- (10) This option vests and becomes exercisable in five equal annual installments of 85,000 shares beginning on July 31, 2008.
- (11) Represents performance-based restricted stock units that have vested and are paid out in shares of common stock.

Edgar Filing: SUN MICROSYSTEMS, INC. - Form 4

- (12) Represents the surrender of shares to the issuer upon vesting of performance-based restricted stock units to satisfy tax withholding obligations.

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.