

SUN MICROSYSTEMS, INC.
 Form 4
 April 30, 2008

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 *
 SCHWARTZ JONATHAN I

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 4150 NETWORK CIRCLE
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 04/28/2008

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

SANTA CLARA, CA 95054
 (City) (State) (Zip)

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

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount | (D) | Price |
| Common Stock | 04/28/2008 | | M ⁽¹⁰⁾ | | 50,000 | A | \$ 15.52 |
| Common Stock | 04/28/2008 | | F ⁽¹¹⁾ | | 20,165 | D | \$ 15.52 |
| | | | | | 499,038 | D | |
| | | | | | 478,873 ⁽¹⁾ | D | |

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

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SEC 1474 (9-02)

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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) | 8. Fair Value of Derivative Security (Instr. 3 and 4) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|---|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Employee Stock Option ⁽²⁾ | \$ 160 | | | | | <u>(3)</u> 04/12/2010 | Common Stock | 17,500 | |
| Employee Stock Option ⁽²⁾ | \$ 180.1252 | | | | | <u>(3)</u> 06/13/2010 | Common Stock | 7,500 | |
| Employee Stock Option ⁽²⁾ | \$ 74.32 | | | | | <u>(3)</u> 04/18/2011 | Common Stock | 50,000 | |
| Employee Stock Option ⁽²⁾ | \$ 50.36 | | | | | <u>(3)</u> 11/07/2011 | Common Stock | 18,750 | |
| Employee Stock Option ⁽²⁾ | \$ 50.36 | | | | | <u>(3)</u> 11/07/2011 | Common Stock | 18,750 | |
| Employee Stock Option ⁽²⁾ | \$ 36.56 | | | | | <u>(3)</u> 03/19/2012 | Common Stock | 50 | |
| Employee Stock Option ⁽²⁾ | \$ 25.8 | | | | | <u>(3)</u> 05/02/2012 | Common Stock | 50,000 | |
| Employee Stock Option ⁽²⁾ | \$ 14.8 | | | | | <u>(3)</u> 07/25/2012 | Common Stock | 75,000 | |
| Employee Stock Option ⁽²⁾ | \$ 15.4 | | | | | <u>(4)</u> 07/23/2013 | Common Stock | 125,000 | |
| Employee Stock Option ⁽²⁾ | \$ 15.6 | | | | | <u>(5)</u> 04/30/2014 | Common Stock | 250,000 | |
| | \$ 15.16 | | | | | <u>(6)</u> 07/29/2014 | | 200,000 | |

| | | | | | | |
|---|---------|------------|------------|-----------------|-----------------|--|
| Employee Stock Option (Right to Buy) <u>(2)</u> | | | | | Common Stock | |
| Employee Stock Option (Right to Buy) <u>(2)</u> | \$ 15.4 | <u>(7)</u> | 07/28/2015 | Common Stock | 225,000 | |
| Employee Stock Option (Right to Buy) <u>(2)</u> | \$ 19.8 | <u>(8)</u> | 04/27/2016 | Common Stock | 500,000 | |
| Employee Stock Option (Right to Buy) <u>(2)</u> | \$ 20.4 | <u>(9)</u> | 07/31/2017 | Common Stock | 500,000 | |

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

04/29/2008

 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 12,500 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 beginning on July 23, 2004.
- (5) This option vests and becomes exercisable in five equal annual installments beginning on April 30, 2005.
- (6) This option vests and becomes exercisable in five equal annual installments beginning on July 29, 2005.
- (7) This option vests and becomes exercisable in five equal annual installments beginning on July 28, 2006.

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- (8) This option vests and becomes exercisable in five equal annual installments beginning on April 27, 2007.
- (9) This option vests and becomes exercisable in five equal annual installments beginning on July 31, 2008.
- (10) This represents performance-based restricted stock units that have vested and are paid out in shares of common stock.
- (11) This 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.

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