

SUN MICROSYSTEMS, INC.  
 Form 4  
 August 02, 2007

**FORM 4**

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

OMB APPROVAL

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

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 \*  
 Fowler John F

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)

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

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
 EVP, Systems Group

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|                                 |                                      |  | Code                           | V Amount (A) or (D) Price   |   |  |                                   |
| Common Stock                    | 07/31/2007                           |  | M <sup>(14)</sup>              | 37,500 A \$ 5.1   | 149,026 <sup>(1)</sup>  | D  |                                   |
| Common Stock                    | 07/31/2007                           |  | F <sup>(15)</sup>              | 13,380 D \$ 5.1   | 135,646 <sup>(1)</sup>  | D  |                                   |
| Common Stock                    |                                      |  |                                |   | 9,834   | I  | Shares held by wife.              |

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**

SEC 1474 (9-02)

displays a currently valid OMB control number.

**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) <sup>(2)</sup> | \$ 17  |                                      |  |                                |   |  | <u>(3)</u>  | 08/11/2007      | Common Stock | 8,000                |
| Employee Stock Option (Right to Buy) <sup>(2)</sup> | \$ 28.0782   |                                      |  |                                |   |  | <u>(3)</u>  | 11/10/2007      | Common Stock | 20,000               |
| Employee Stock Option (Right to Buy) <sup>(2)</sup> | \$ 40  |                                      |  |                                |   |  | <u>(3)</u>  | 04/12/2008      | Common Stock | 10,000               |
| Employee Stock Option (Right to Buy) <sup>(2)</sup> | \$ 18.58   |                                      |  |                                |   |  | <u>(3)</u>  | 04/18/2009      | Common Stock | 8,000                |
| Employee Stock Option (Right to Buy) <sup>(2)</sup> | \$ 7.91  |                                      |  |                                |   |  | <u>(3)</u>  | 09/27/2009      | Common Stock | 10,000               |
| Employee Stock Option (Right to Buy) <sup>(2)</sup> | \$ 12.59   |                                      |  |                                |   |  | <u>(3)</u>  | 11/07/2009      | Common Stock | 25,000               |
| Employee Stock Option                               | \$ 12.59   |                                      |  |                                |   |  | <u>(3)</u>  | 11/07/2009      | Common Stock | 25,000               |

Edgar Filing: SUN MICROSYSTEMS, INC. - Form 4

|   |          |             |            |              |         |  |
|---|----------|-------------|------------|--------------|---------|--|
| (Right to Buy) <u>(2)</u>                       |          |             |            |              |         |  |
| Employee Stock Option (Right to Buy) <u>(2)</u> | \$ 9.14  | <u>(3)</u>  | 03/19/2010 | Common Stock | 200     |  |
| Employee Stock Option (Right to Buy) <u>(2)</u> | \$ 9.14  | <u>(3)</u>  | 03/19/2010 | Common Stock | 5,000   |  |
| Employee Stock Option (Right to Buy) <u>(2)</u> | \$ 3.7   | <u>(4)</u>  | 07/25/2010 | Common Stock | 8,000   |  |
| Employee Stock Option (Right to Buy) <u>(2)</u> | \$ 3.7   | <u>(5)</u>  | 07/25/2010 | Common Stock | 26,883  |  |
| Employee Stock Option (Right to Buy) <u>(2)</u> | \$ 4.2   | <u>(6)</u>  | 05/21/2011 | Common Stock | 30,000  |  |
| Employee Stock Option (Right to Buy) <u>(2)</u> | \$ 4.208 | <u>(7)</u>  | 11/13/2011 | Common Stock | 25,000  |  |
| Employee Stock Option (Right to Buy) <u>(2)</u> | \$ 3.79  | <u>(8)</u>  | 07/29/2012 | Common Stock | 300,000 |  |
| Employee Stock Option (Right to Buy) <u>(2)</u> | \$ 3.85  | <u>(9)</u>  | 07/28/2013 | Common Stock | 300,000 |  |
| Employee Stock Option (Right to Buy) <u>(2)</u> | \$ 4.26  | <u>(10)</u> | 07/27/2014 | Common Stock | 500,000 |  |



## Edgar Filing: SUN MICROSYSTEMS, INC. - Form 4

- (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 1,600 shares beginning on July 25, 2003.
- (5) This option vests and becomes exercisable in five equal annual installments of approximately 5,377 shares beginning on July 25, 2003.
- (6) This option vests and becomes exercisable in five equal annual installments of 6,000 shares beginning on May 21, 2004.
- (7) This option vests and becomes exercisable in five equal annual installments of 5,000 shares beginning on November 13, 2004.
- (8) This option vests and becomes exercisable in five equal annual installments of 60,000 shares beginning on July 29, 2005.
- (9) This option vests and becomes exercisable in five equal annual installments of 60,000 shares beginning on July 28, 2006.
- (10) This option vests and becomes exercisable in five equal annual installments of 100,000 shares beginning on July 27, 2007.
- (11) This option vests and becomes exercisable in five equal annual installments of 600 shares beginning on December 17, 2003.
- (12) This option vests and becomes exercisable in five equal annual installments of 600 shares beginning on February 9, 2006.
- (13) This option vests and becomes exercisable in five equal annual installments of 85,000 shares beginning on July 31, 2008.
- (14) Represents performance-based restricted stock units that have vested and are paid out in shares of common stock.
- (15) 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.