

SUN MICROSYSTEMS, INC.
Form 4
August 02, 2007

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 *
PAPADOPOULOS GREGORY M

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)
Executive Vice President & CTO

SANTA CLARA, CA 95054

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

(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. 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 ⁽¹²⁾		62,500	A	\$ 5.1
							248,873 ⁽¹⁰⁾ ₍₁₄₎
Common Stock	07/31/2007		F ⁽¹³⁾		28,591	D	\$ 5.1
							220,282 ⁽¹⁰⁾ ₍₁₄₎

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

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(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)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount Number Shares
Employee Stock Option (Right to Buy) ⁽¹⁾	\$ 5.0235					⁽²⁾ 04/15/2008	Common Stock 294,000
Employee Stock Option (Right to Buy) ⁽¹⁾	\$ 12.5313					⁽²⁾ 04/20/2009	Common Stock 100,000
Employee Stock Option (Right to Buy) ⁽¹⁾	\$ 40					⁽²⁾ 04/12/2010	Common Stock 51,670
Employee Stock Option (Right to Buy) ⁽¹⁾	\$ 18.58					⁽²⁾ 04/18/2011	Common Stock 111,680
Employee Stock Option (Right to Buy) ⁽¹⁾	\$ 12.59					⁽²⁾ 11/07/2011	Common Stock 39,210
Employee Stock Option (Right to Buy) ⁽¹⁾	\$ 12.59					⁽²⁾ 11/07/2011	Common Stock 44,785
Employee Stock Option (Right to Buy) ⁽¹⁾	\$ 9.14					⁽³⁾ 03/19/2010	Common Stock 125

Employee Stock Option (Right to Buy) ⁽¹⁾	\$ 6.45				<u>(4)</u>	05/02/2012	Common Stock	126,97
Employee Stock Option (Right to Buy) ⁽¹⁾	\$ 3.7				<u>(5)</u>	07/25/2012	Common Stock	197,71
Employee Stock Option (Right to Buy) ⁽¹⁾	\$ 3.85				<u>(6)</u>	07/23/2013	Common Stock	399,15
Employee Stock Option (Right to Buy) ⁽¹⁾	\$ 3.79				<u>(7)</u>	07/29/2014	Common Stock	400,00
Employee Stock Option (Right to Buy) ⁽¹⁾	\$ 3.85				<u>(8)</u>	07/28/2015	Common Stock	300,00
Employee Stock Option (Right to Buy) ⁽¹⁾	\$ 4.26				<u>(9)</u>	07/27/2016	Common Stock	500,00
Employee Stock Option (Right to Buy) ⁽¹⁾	\$ 5.1	07/31/2007	A	450,000	<u>(11)</u>	07/31/2017	Common Stock	450,00

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
PAPADOPOULOS GREGORY M 4150 NETWORK CIRCLE SANTA CLARA, CA 95054			Executive Vice President & CTO	

Signatures

/s/ Gregory M.
Papadopoulos

08/02/2007

__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 option was granted under the Sun Microsystems, Inc. 1990 Long-Term Equity Incentive Plan.
- (2) Immediately.
- (3) This option vests and becomes exercisable in five equal annual installments of 25 shares beginning on March 19, 2003.
- (4) This option vests and becomes exercisable in five equal annual installments of approximately 25,394 shares beginning on May 2, 2003.
- (5) This option vests and becomes exercisable in five equal annual installments of approximately 39,542 shares beginning on July 25, 2003.
- (6) This option vests and becomes exercisable in five equal annual installments of approximately 79,830 shares beginning on July 23, 2004.
- (7) This option vests and becomes exercisable in five equal annual installments of 80,000 shares beginning on July 29, 2005.
- (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) Includes 16,500 shares of unvested restricted stock.
- (11) This option vests and becomes exercisable in five equal annual installments of 90,000 shares beginning on July 31, 2008.
- (12) Represents performance-based restricted stock units that have vested and are paid out in shares of common stock.
- (13) Represents the surrender of shares to the issuer upon vesting of performance-based restricted stock units to satisfy tax withholding obligations.
- (14) This amount was overstated by 250,000 shares in the Form 4 filed on August 1, 2007 due to the incorrect inclusion of shares representing unvested restricted stock units with performance-based vesting. This amount has been corrected in this filing.

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.