

SCHWARTZ JONATHAN I  
Form 4  
May 01, 2006

**FORM 4**

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

OMB APPROVAL

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**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.  
[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)  
04/27/2006

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



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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.
- (9)

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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