SUN MICROSYSTEMS, INC.
Form 4
January 31, 2007

FORM 4

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

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

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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).

(Print or Type Responses)

1. Name and Address of Reporting Person *
MacGowan William N

(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)
01/29/2007

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)
Chief HR Officer & EVP

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)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	01/29/2007		F		16,341	D	$ 6.33	245,882 (10)	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)

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. P Der Sec (Ins
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Employee Stock Option (Right to Buy) [(1)]	$ 12.5313							[(2)]	04/20/2007	Common Stock	24,000	
Employee Stock Option (Right to Buy) [(1)]	$ 17							[(2)]	08/11/2007	Common Stock	40,000	
Employee Stock Option (Right to Buy) [(1)]	$ 40							[(2)]	04/12/2008	Common Stock	12,000	
Employee Stock Option (Right to Buy) [(1)]	$ 45.0313							[(2)]	06/13/2008	Common Stock	24,000	
Employee Stock Option (Right to Buy) [(1)]	$ 18.58							[(2)]	04/18/2009	Common Stock	15,000	
Employee Stock Option (Right to Buy) [(1)]	$ 16.25							[(2)]	06/13/2009	Common Stock	5,000	
Employee Stock Option (Right to Buy) [(1)]	$ 7.91							[(2)]	09/27/2009	Common Stock	18,000	

Employee Stock Option (Right to Buy) [(1)]	$ 12.59		[(2)]	11/07/2009	Common Stock	30,000
Employee Stock Option (Right to Buy) [(1)]	$ 12.59		[(2)]	11/07/2009	Common Stock	30,000
Employee Stock Option (Right to Buy) [(1)]	$ 9.14		[(2)]	03/19/2010	Common Stock	200
Employee Stock Option (Right to Buy) [(1)]	$ 9.14		[(2)]	03/19/2010	Common Stock	15,000
Employee Stock Option (Right to Buy) [(1)]	$ 3.7		[(3)]	07/25/2010	Common Stock	40,000
Employee Stock Option (Right to Buy) [(1)]	$ 4.2		[(4)]	05/21/2011	Common Stock	30,000
Employee Stock Option (Right to Buy) [(1)]	$ 4.208		[(5)]	11/13/2011	Common Stock	40,000
Employee Stock Option (Right to Buy) [(1)]	$ 3.9		[(6)]	04/30/2012	Common Stock	300,000
Employee Stock Option (Right to Buy) [(1)]	$ 3.79		[(7)]	07/29/2012	Common Stock	100,000
	$ 3.85		[(8)]	07/28/2013		300,000

Employee Stock Option (Right to Buy) [(1)]					Common Stock	
Employee Stock Option (Right to Buy) [(1)]	$ 4.26		[(9)]	07/27/2016	Common Stock	400,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MacGowan William N 4150 NETWORK CIRCLE SANTA CLARA, CA 95054			Chief HR Officer & EVP	

Signatures

/s/ William N. MacGowan	01/30/2007
[**]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 8,000 shares beginning on July 25, 2003.

(4) This option vests and becomes exercisable in five equal annual installments of 6,000 shares beginning on May 21, 2004.

(5) This option vests and becomes exercisable in five equal annual installments of 8,000 shares beginning on November 13, 2004.

(6) This option vests and becomes exercisable in five equal annual installments of 60,000 shares beginning on April 30, 2005.

(7) This option vests and becomes exercisable in five equal annual installments of 20,000 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 80,000 shares beginning on July 27, 2007.

(10) Includes 174,750 shares of unvested restricted stock.

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