

SUN MICROSYSTEMS, INC.  
 Form 4  
 July 30, 2008

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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.  
 [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)  
**07/27/2008**

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
**EVP, R&D & CTO**

**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	07/27/2008		A <sup>(2)</sup>		46,875	A	\$ 0.0007
Common Stock	07/27/2008		F <sup>(3)</sup>		5,586	D	\$ 10.43
Common Stock	07/28/2008		F <sup>(3)</sup>		737	D	\$ 9.94
							95,622 <sup>(4)</sup>

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

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SEC 1474 (9-02)

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)	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 (Right to Buy)	\$ 50.1252					<u>(1)</u> 04/20/2009		Common Stock	25,000
Employee Stock Option (Right to Buy)	\$ 160					<u>(1)</u> 04/12/2010		Common Stock	12,919
Employee Stock Option (Right to Buy)	\$ 74.32					<u>(1)</u> 04/18/2011		Common Stock	27,921
Employee Stock Option (Right to Buy)	\$ 50.36					<u>(1)</u> 11/07/2011		Common Stock	9,802
Employee Stock Option (Right to Buy)	\$ 50.36					<u>(1)</u> 11/07/2011		Common Stock	11,196
Employee Stock Option (Right to Buy)	\$ 36.56					<u>(1)</u> 03/19/2010		Common Stock	31

Employee Stock Option (Right to Buy)	\$ 25.8	(1)	05/02/2012	Common Stock	31,743
Employee Stock Option (Right to Buy)	\$ 14.8	(1)	07/25/2012	Common Stock	49,428
Employee Stock Option (Right to Buy)	\$ 15.4	(1)	07/23/2013	Common Stock	99,788
Employee Stock Option (Right to Buy)	\$ 15.16	(1)	07/29/2014	Common Stock	100,000
Employee Stock Option (Right to Buy)	\$ 15.4	(1)	07/28/2015	Common Stock	75,000
Employee Stock Option (Right to Buy)	\$ 17.04	(1)	07/27/2016	Common Stock	125,000
Employee Stock Option (Right to Buy)	\$ 20.4	(1)	07/31/2017	Common Stock	112,500

## Reporting Owners

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

## Signatures

/s/ Gregory M.  
Papadopoulos

07/29/2008

\_\_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 option vests and becomes exercisable in five equal annual installments beginning on the first anniversary of the date of grant.  
This includes performance-based restricted stock units in which the award criteria was satisfied in 2007. Upon satisfaction of the award criteria, 25% of the underlying shares vested immediately and 25% of the underlying shares shall vest on each anniversary of the date of grant thereafter. The reporting person's Form 4 filed in connection with the initial vesting of this performance-based restricted stock unit award did not include the report of the unvested portion, which is now being reported.
- (2) This represents the surrender of shares to the issuer upon the vesting of time-based restricted stock units to satisfy tax withholding obligations.
- (3) This includes 2,063 shares of unvested restricted stock and 31,250 shares of unvested restricted stock units.

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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