

EASTMAN CHEMICAL CO

Form 4

November 02, 2006

**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 \*  
Lindsay Ronald Carter

(Last) (First) (Middle)

EASTMAN CHEMICAL  
COMPANY, 200 SOUTH WILCOX  
DRIVE

(Street)

KINGSPORT, TN 37660

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

EASTMAN CHEMICAL CO [EMN]

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

10/31/2006

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
SVP and CTO

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	10/31/2006		M		1,000 A \$ 29.9	1,286 <sup>(2)</sup>	D
Common Stock	10/31/2006		S		1,000 D \$ 60.869 <sup>(1)</sup>	286 <sup>(2)</sup>	D
Common Stock	10/31/2006		M		1,666 A \$ 43.66	1,952 <sup>(2)</sup>	D
Common Stock	10/31/2006		S		1,666 D \$ 60.8238 <sup>(1)</sup>	286 <sup>(2)</sup>	D
						199 <sup>(3)</sup>	I 401(k)

Common  
Stock

Common  
Stock

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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 Security (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title
Employee Stock Option (Right to Buy)	\$ 60.92	10/31/2006		A	20,000	10/31/2007 <sup>(4)</sup> 10/30/2016	Common Stock
Employee Stock Option (Right to Buy)	\$ 29.9	10/31/2006		M	1,000	04/04/2005 04/03/2013	Common Stock
Employee Stock Option (Right to Buy)	\$ 43.66	10/31/2006		M	1,666	04/02/2006 04/01/2014	Common Stock

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Lindsay Ronald Carter EASTMAN CHEMICAL COMPANY 200 SOUTH WILCOX DRIVE			SVP and CTO	

KINGSPORT, TN 37660

## Signatures

Brian L. Henry, by Power of  
Attorney

11/02/2006

\_\_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) Average sale price for shares disposed of in the reported transaction. The shares were sold in multiple brokers' transactions at various market prices per share ranging from \$60.81 to \$60.89.
- (2) Shares held jointly with spouse; includes 6 shares acquired since April 1, 2006 resulting from automatic reinvestment of dividends
- (3) Includes 3 shares acquired since April 1, 2006 resulting from automatic reinvestment of dividends.
- (4) One-third of the option becomes exercisable on October 31, 2007, October 31, 2008 and October 31, 2009, respectively.

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.