

SUN MICROSYSTEMS, INC.
 Form 3
 September 15, 2006

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF 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 * | | 2. Date of Event Requiring Statement | 3. Issuer Name and Ticker or Trading Symbol | |
| Green Richard L | | (Month/Day/Year) | SUN MICROSYSTEMS, INC. [SUNW] | |
| (Last) | (First) | (Middle) | 09/05/2006 | |
| 4150 NETWORK CIRCLE | | | 4. Relationship of Reporting Person(s) to Issuer | 5. If Amendment, Date Original Filed(Month/Day/Year) |
| (Street) | | | (Check all applicable) | |
| SANTA CLARA, CA 95054 | | | <input type="checkbox"/> Director <input type="checkbox"/> 10% Owner | 6. Individual or Joint/Group Filing(Check Applicable Line) |
| (City) | (State) | (Zip) | <input checked="" type="checkbox"/> Officer <input type="checkbox"/> Other | <input checked="" type="checkbox"/> Form filed by One Reporting Person |
| | | | (give title below) (specify below) | <input type="checkbox"/> Form filed by More than One Reporting Person |
| | | | EVP, Software Group | |

Table I - Non-Derivative Securities Beneficially Owned

| 1. Title of Security (Instr. 4) | 2. Amount of Securities Beneficially Owned (Instr. 4) | 3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 4. Nature of Indirect Beneficial Ownership (Instr. 5) |
|---------------------------------|---|--|---|
| Common Stock | 435,138 ⁽¹⁾ | D | |
| Common Stock | 4,604 | I | Shares held by wife. |
| Common Stock | 1,104 | I | Shares held in a custodial account for son. |

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

SEC 1473 (7-02)

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Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security | 2. Date Exercisable and Expiration Date (Month/Day/Year) | 3. Title and Amount of Securities Underlying | 4. Conversion | 5. Ownership | 6. Nature of Indirect Beneficial |
|---------------------------------|--|--|---------------|--------------|----------------------------------|
|---------------------------------|--|--|---------------|--------------|----------------------------------|

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| (Instr. 4) | Date Exercisable | Expiration Date | Derivative Security (Instr. 4) Title | Amount or Number of Shares | or Exercise Price of Derivative Security | Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 5) | Ownership (Instr. 5) |
|---|---------------------------|-----------------|---|----------------------------|--|--|-----------------------|
| Employee Stock Option (Right to Buy) <u>(2)</u> | 05/21/2004 ⁽³⁾ | 05/21/2011 | Common Stock | 3,000 | \$ 4.2 | I | Options held by wife. |
| Employee Stock Option (Right to Buy) <u>(2)</u> | 11/13/2004 ⁽⁴⁾ | 11/13/2011 | Common Stock | 5,000 | \$ 4.208 | I | Options held by wife. |
| Employee Stock Option (Right to Buy) <u>(2)</u> | 09/17/2005 ⁽⁵⁾ | 09/17/2012 | Common Stock | 5,000 | \$ 3.94 | I | Options held by wife. |
| Employee Stock Option (Right to Buy) <u>(2)</u> | 01/27/2006 ⁽⁶⁾ | 01/27/2013 | Common Stock | 12,000 | \$ 4.12 | I | Options held by wife. |
| Employee Stock Option (Right to Buy) <u>(2)</u> | 07/27/2007 ⁽⁷⁾ | 07/27/2014 | Common Stock | 250,000 | \$ 4.26 | D | Â |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-----------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Green Richard L 4150 NETWORK CIRCLE SANTA CLARA, CA 95054 | Â | Â | Â EVP, Software Group | Â |

Signatures

/s/ Richard L. Green 09/15/2006

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 5(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 includes 423,000 shares of unvested restricted stock units.
- (2) This option was granted under the Sun Microsystems, Inc. 1990 Long-Term Equity Incentive Plan.
- (3) This option vests and becomes exercisable in five equal annual installments of 600 shares beginning on May 21, 2004.
- (4) This option vests and becomes exercisable in five equal annual installments of 1,000 shares beginning on November 13, 2004.
- (5) This option vests and becomes exercisable in five equal annual installments of 1,000 shares beginning on September 17, 2005.
- (6) This option vests and becomes exercisable in five equal annual installments of 2,400 shares beginning on January 27, 2006.

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(7) This option vests and becomes exercisable in five equal annual installments of 50,000 shares beginning on July 27, 2007.

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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