

Taffe Norman P
Form 4
August 12, 2009

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 *
Taffe Norman P

2. Issuer Name and Ticker or Trading Symbol
CYPRESS SEMICONDUCTOR CORP /DE/ [CY]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
198 CHAMPION COURT
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
08/10/2009

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Executive Vice President

SAN JOSE, CA 95134
(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 or Price		
Common Stock	08/10/2009		M		140,245 (1)	A	\$ 0 263,219 D
Common Stock	08/10/2009		F		64,163 (2)	D	\$ 10.47 199,056 D

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

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(9-02)

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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 Underlying Security (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title
Restricted Stock Units	\$ 0	08/10/2009		M	56,653 (3)	08/10/2009(3) 05/11/2015	Common Stock
Restricted Stock Units	\$ 0	08/10/2009		M	56,653 (4)	(4) 05/11/2015	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Taffe Norman P 198 CHAMPION COURT SAN JOSE, CA 95134			Executive Vice President	

Signatures

Neil H. Weiss, Treasurer, as attorney-in-fact for Norman P. Taffe. 08/12/2009

__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) As reported in Form 4 dated 5/11/2007, Mr. Taffe was granted 1,416,325 Performance RSUs (as adjusted for the SunPower Spin factor of 4.12022) that could result in 0 to 283,265 Performance RSUs being earned annually by Mr. Taffe based on the company's achievement of performance milestones set by the Company's Compensation Committee. The amount reported on this Form 4 reflects the delivery based upon the achievement of first half 2009 performance milestones as approved by the Compensation Committee on August 6, 2009 and includes a milestone measured by the Company's Common Stock appreciation as compared to the SOXX Index. The remaining target shares have been forfeited and are not able to be earned in a future period.
- (2) The amount reported in this Form 4 represents shares withheld to comply with tax withholding requirements due to the settlement of performance grant milestones reported under footnote #1 above.
- (3) The amount reported on this Form 4 reflects the maximum amount that Mr. Taffe was eligible to earn for first half 2009 based upon the achievement of a performance milestone related to the Company's Common Stock appreciation as compared to the SOXX Index. Targeted shares related to performance milestones not achieved are forfeited and are not able to be earned in a future period.
- (4) As reported in Form 4 dated 5/11/2007, Mr. Taffe was granted 1,416,325 Performance RSUs (as adjusted for the SunPower Spin factor of 4.12022) that could result in 0 to 283,265 Performance RSUs being earned annually by Mr. Taffe based on the

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company's achievement of performance milestones set by the Company's Compensation Committee. The amount reported on this Form 4 reflects the maximum amount that Mr. Taffe is eligible to earn for the second half 2009 based upon the achievement of a performance milestones related to the Company's Common Stock appreciation as compared to the SOXX Index. Targeted shares associated with that milestone are forfeited and are not able to be earned in a future period.

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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