

SUN MICROSYSTEMS, INC.
 Form 4
 November 14, 2007

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 *
YEN DAVID W

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)
11/12/2007

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
EVP, Microelectronics

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)
				(A) or (D)	Price		
Common Stock	11/12/2007		S(10)	0.75	D	\$ 15.53	84,461 (1) 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)

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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. F...	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 146.8752					⁽³⁾	12/15/2007	Common Stock	25,000
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 160					⁽³⁾	04/12/2008	Common Stock	6,500
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 230.75					⁽³⁾	08/16/2008	Common Stock	7,500
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 127					⁽³⁾	12/13/2008	Common Stock	62,500
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 65					⁽³⁾	06/13/2009	Common Stock	5,000
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 65					⁽³⁾	06/13/2009	Common Stock	62,500
Employee Stock Option (Right to Buy) ⁽²⁾	\$ 31.64					⁽³⁾	09/27/2009	Common Stock	5,000

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Employee Stock Option (Right to Buy) <u>(2)</u>	\$ 50.36	<u>(3)</u>	11/07/2009	Common Stock	12,500
Employee Stock Option (Right to Buy) <u>(2)</u>	\$ 50.36	<u>(3)</u>	11/07/2009	Common Stock	12,500
Employee Stock Option (Right to Buy) <u>(2)</u>	\$ 36.56	<u>(3)</u>	03/19/2010	Common Stock	50
Employee Stock Option (Right to Buy) <u>(2)</u>	\$ 36.56	<u>(3)</u>	03/19/2010	Common Stock	5,000
Employee Stock Option (Right to Buy) <u>(2)</u>	\$ 25.8	<u>(3)</u>	05/02/2012	Common Stock	50,000
Employee Stock Option (Right to Buy) <u>(2)</u>	\$ 14.8	<u>(3)</u>	07/25/2012	Common Stock	75,000
Employee Stock Option (Right to Buy) <u>(2)</u>	\$ 15.4	<u>(4)</u>	07/23/2013	Common Stock	125,000
Employee Stock Option (Right to Buy) <u>(2)</u>	\$ 15.16	<u>(5)</u>	07/29/2012	Common Stock	100,000
Employee Stock Option (Right to Buy) <u>(2)</u>	\$ 16.48	<u>(6)</u>	01/27/2013	Common Stock	50,000
	\$ 15.4	<u>(7)</u>	07/28/2013		75,000

Employee Stock Option (Right to Buy) <u>(2)</u>				Common Stock	
Employee Stock Option (Right to Buy) <u>(2)</u>	\$ 17.04	<u>(8)</u>	07/27/2014	Common Stock	125,000
Employee Stock Option (Right to Buy) <u>(2)</u>	\$ 20.4	<u>(9)</u>	07/31/2017	Common Stock	106,250

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
YEN DAVID W 4150 NETWORK CIRCLE SANTA CLARA, CA 95054			EVP, Microelectronics	

Signatures

/s/ David W.
Yen

11/13/2007

 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 includes 9,125 shares of unvested restricted stock.
- (2) This option was granted under the Sun Microsystems, Inc. 1990 Long-Term Equity Incentive Plan.
- (3) Immediately.
- (4) The remainder of this option vests in one annual installment of 25,000 shares on the fifth anniversary of the date of grant.
- (5) The remainder of this option vests in two equal annual installments of 20,000 shares on each of the fourth and fifth anniversaries of the date of grant.
- (6) The remainder of this option vests in three equal annual installments of 10,000 shares on each of the third, fourth and fifth anniversaries of the date of grant.
- (7) The remainder of this option vests in three equal annual installments of 15,000 shares on each of the third, fourth and fifth anniversaries of the date of grant.
- (8) The remainder of this option vests in four equal annual installments of 25,000 shares on each of the second, third, fourth and fifth anniversaries of the date of grant.

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(9) This option vests and becomes exercisable in five equal annual installments of 21,250 shares beginning on July 31, 2008.

This transaction represents the purchase by Sun Microsystems, Inc. of a fractional share of Common Stock resulting from the company's

(10) one-for-four reverse stock split effective November 12, 2007 at a purchase price of \$20.71 per share, which was the average closing price as reported on NASDAQ for the four trading days preceding the effective date.

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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