#### KAVANAUGH JAMES J

Form 3 May 06, 2008

# FORM 3

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

OMB APPROVAL

OMB Number:

3235-0104

Expires:

January 31, 2005

0.5

Estimated average burden hours per

response...

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)

Common Stock

1. Name and Address of Reporting 2. Date of Event Requiring 3. Issuer Name and Ticker or Trading Symbol Person \* Statement INTERNATIONAL BUSINESS MACHINES CORP KAVANAUGH JAMES J (Month/Day/Year) [IBM] 05/02/2008 (Last) (First) (Middle) 4. Relationship of Reporting 5. If Amendment, Date Original Person(s) to Issuer Filed(Month/Day/Year) IBM CORPORATION. ONE (Check all applicable) NORTH CASTLE DRIVE (Street) 6. Individual or Joint/Group Director 10% Owner \_X\_\_ Officer Other Filing(Check Applicable Line) (give title below) (specify below) \_X\_ Form filed by One Reporting Vice President and Controller Person ARMONK, NYÂ 10504 Form filed by More than One Reporting Person (City) Table I - Non-Derivative Securities Beneficially Owned (State) (Zip) 2. Amount of Securities 4. Nature of Indirect Beneficial 1. Title of Security Ownership (Instr. 4) Beneficially Owned Ownership (Instr. 4) Form: (Instr. 5) Direct (D) or Indirect (I) (Instr. 5)

2,000

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

SEC 1473 (7-02)

D

Â

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of	5. Ownership Form of Derivative	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Title	Derivative	Security:	

### Edgar Filing: KAVANAUGH JAMES J - Form 3

		Expiration Date		Amount or Number of Shares	Security	Direct (D) or Indirect (I) (Instr. 5)	
Emp. Stock Option (right to buy)	02/23/2003(1)	02/22/2009	Common Stock	1,124	\$ 88.955	D	Â
Emp. Stock Option (right to buy)	02/23/2003(1)	02/22/2009	Common Stock	2,276	\$ 88.955	D	Â
Emp. Stock Option (right to buy)	02/29/2004(1)	02/28/2010	Common Stock	968	\$ 103.25	D	Â
Emp. Stock Option (right to buy)	02/29/2004(1)	02/28/2010	Common Stock	2,032	\$ 103.25	D	Â
Emp. Stock Option (right to buy)	02/27/2005(1)	02/26/2011	Common Stock	955	\$ 104.71	D	Â
Emp. Stock Option (right to buy)	02/27/2005(1)	02/26/2011	Common Stock	6,045	\$ 104.71	D	Â
Emp. Stock Option (right to buy)	02/26/2006(1)	02/25/2012	Common Stock	10,011	\$ 97.59	D	Â
Emp. Stock Option (right to buy)	02/25/2007(1)	02/24/2013	Common Stock	16,455	\$ 78.13	D	Â
Emp. Stock Option (right to buy)	02/24/2008(1)	02/23/2014	Common Stock	16,087	\$ 105.96	D	Â
Emp. Stock Option (right to buy)	03/08/2008(2)	03/07/2015	Common Stock	794	\$ 92.12	D	Â
Emp. Stock Option (right to buy)	03/08/2008(3)	03/07/2015	Common Stock	8,560	\$ 101.33	D	Â
Emp. Stock Option (right to buy)	05/08/2009(4)	05/07/2016	Common Stock	1,352	\$ 82.76	D	Â
Emp. Stock Option (right to buy)	05/08/2010(4)	05/07/2017	Common Stock	559	\$ 102.8	D	Â
Rst. Stock Unit	(5)	(5)	Common Stock	2,500	\$ 0	D	Â
Rst. Stock Unit	(6)	(6)	Common Stock	2,106	\$ 0	D	Â
Rst. Stock Unit	(7)	(7)	Common Stock	6,098	\$ 0	D	Â
Rst. Stock Unit	(8)	(8)	Common Stock	7,282	\$ 0	D	Â
Phantom Stock Unit	(9)	(9)	Common Stock	1,914	\$ 0	D	Â
Rst. Stock Unit	(10)	(10)	Common Stock	149	\$ 0	D	Â

# **Reporting Owners**

Reporting Owner Name / Address

Director 10% Owner Officer Other

KAVANAUGH JAMES J

IBM CORPORATION
ONE NORTH CASTLE DRIVE
ARMONK, NYÂ 10504

ARMONK, NYÂ 10504

# **Signatures**

D. Cummins for James J. Kavanaugh by power-of-attorney

05/06/2008

\*\*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 grant vested in four equal annual installments; the last installment vested on the date shown above.
- (2) This grant vested in its entirety on the date shown above.
- (3) This grant vests in four equal annual installments; the most recent vesting occurred on the date shown above.
- (4) This grant vests in its entirety on the date shown above.
- Upon lapse of the restrictions, these units are payable in cash or the company's common stock. The restrictions lapse for 1,250 of these units on May 8, 2008 and for 1,250 of these units on May 8, 2010.
- (6) Upon lapse of the restrictions, these units are payable in cash or the company's common stock. The restrictions lapse for 1,053 of these units on May 8, 2009 and for 1,053 of these units on May 8, 2011.
- (7) These units are payable in cash or the company's common stock upon lapse of the restrictions on November 2, 2010.
- (8) These units are payable in cash or the company's common stock upon lapse of the restrictions on September 4, 2012.
- Phantom stock units acquired under the IBM Excess 401(k) Plus Plan convert to the cash value of the company's common stock on a one-for-one basis, and distribution is deferred until separation from the company. The reporting person may transfer some of these
- (9) one-for-one basis, and distribution is deferred until separation from the company. The reporting person may transfer some of these phantom stock units into an alternative investment account under such plan.
- (10) These units have been deferred and are payable in the company's common stock upon lapse of restriction after retirement.

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.

Reporting Owners 3