

INTERNATIONAL BUSINESS MACHINES CORP

Form 4

May 09, 2007

**FORM 4****UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

OMB APPROVAL

OMB  
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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 \*  
PALMISANO SAMUEL J

(Last) (First) (Middle)

IBM CORPORATION, NEW  
ORCHARD ROAD

(Street)

ARMONK, NY 10504

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading  
Symbol  
INTERNATIONAL BUSINESS  
MACHINES CORP [IBM]3. Date of Earliest Transaction  
(Month/Day/Year)  
05/08/20074. 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)  
Chairman, Pres., and CEO6. 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<br>Security<br>(Instr. 3) | 2. Transaction Date<br>(Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3. Transaction<br>Code<br>(Instr. 8) | 4. Securities<br>Acquired (A) or<br>Disposed of (D)<br>(Instr. 3, 4 and 5) | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership<br>Form: Direct<br>(D) or Indirect<br>(I)<br>(Instr. 4) | 7. Nature of<br>Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
|---------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------|
|                                       |                                         |                                                             | Code                                 | V Amount (D) Price                                                         |                                                                                                                    |                                                                      |                                                                   |

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

**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.**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<br>Derivative | 2. Conversion | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if | 4. Transaction | 5. Number of<br>Derivative | 6. Date Exercisable and Expiration<br>Date | 7. Title and Amount<br>Underlying Security |
|---------------------------|---------------|-----------------------------------------|----------------------------------|----------------|----------------------------|--------------------------------------------|--------------------------------------------|
|---------------------------|---------------|-----------------------------------------|----------------------------------|----------------|----------------------------|--------------------------------------------|--------------------------------------------|

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| Security<br>(Instr. 3)                       | or Exercise<br>Price of<br>Derivative<br>Security | any<br>(Month/Day/Year) | Code<br>(Instr. 8) | Securities<br>Acquired (A)<br>or Disposed of<br>(D)<br>(Instr. 3, 4,<br>and 5) | (Month/Day/Year) |     | (Instr. 3 and 4)          |                           |                 |                                     |
|----------------------------------------------|---------------------------------------------------|-------------------------|--------------------|--------------------------------------------------------------------------------|------------------|-----|---------------------------|---------------------------|-----------------|-------------------------------------|
|                                              |                                                   |                         | Code               | V                                                                              | (A)              | (D) | Date Exercisable          | Expiration Date           | Title           | Amount<br>or<br>Number<br>of Shares |
| Emp.<br>Stock<br>Option<br>(right to<br>buy) | \$ 102.8                                          | 05/08/2007              | A                  |                                                                                | 58,264           |     | 05/08/2010 <sup>(1)</sup> | 05/07/2017 <sup>(1)</sup> | Common<br>Stock | 58,264                              |
| Rst.<br>Stock<br>Unit                        | \$ 0 <sup>(2)</sup>                               | 05/08/2007              | A <sup>(2)</sup>   |                                                                                | 31,579           |     | <sup>(2)</sup>            | <sup>(2)</sup>            | Common<br>Stock | 31,579                              |
| Phantom<br>Stock<br>Unit                     | \$ 0 <sup>(3)</sup>                               | 05/08/2007              | A <sup>(4)</sup>   |                                                                                | 242              |     | <sup>(5)</sup>            | <sup>(5)</sup>            | Common<br>Stock | 242                                 |

## Reporting Owners

| Reporting Owner Name / Address                                                | Relationships |           |                          |       |
|-------------------------------------------------------------------------------|---------------|-----------|--------------------------|-------|
|                                                                               | Director      | 10% Owner | Officer                  | Other |
| PALMISANO SAMUEL J<br>IBM CORPORATION<br>NEW ORCHARD ROAD<br>ARMONK, NY 10504 | X             |           | Chairman, Pres., and CEO |       |

## Signatures

D. Cummins for S. J. Palmisano by  
power-of-attorney

05/09/2007

**\*\*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) These derivative securities vest 100% on the date exercisable shown. All expire on the expiration date shown above.
- (2) Upon lapse of the restrictions, these units are payable in cash or the company's common stock. The restrictions lapse for 10,526 of these units on 05/08/2008, for 10,526 of these units on 05/08/2009, and for the remaining 10,527 of these units on 05/08/2010.
- (3) Phantom stock units convert to the cash value of the company's common stock on a one-for-one basis.
- (4) Acquisition of phantom stock units under the IBM Executive Deferred Compensation Plan.
- (5) Distribution of phantom stock units under the IBM Executive Deferred Compensation Plan is deferred until separation from the company.

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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