

ADOBE SYSTEMS INC
Form 4
October 17, 2006

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 *
ELOP STEPHEN A

2. Issuer Name and Ticker or Trading Symbol
ADOBE SYSTEMS INC [ADBE]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
10/13/2006

___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)

ADOBE SYSTEMS INCORPORATED, 345 PARK AVENUE

President WW Field Ops

(Street)

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

SAN JOSE, CA 95110

(City) (State) (Zip)

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 Indirect Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	10/13/2006		M		53,187	A	\$ 14.16
							204,676 ⁽¹⁾
Common Stock	10/13/2006		M		12,937	A	\$ 14.16
							217,613 ⁽¹⁾
Common Stock	10/13/2006		M		50,000	A	\$ 21.74
							267,613 ⁽¹⁾
Common Stock	10/13/2006		S		116,124	D	\$ 38.7589
							151,489 ⁽¹⁾
Common Stock	10/13/2006		S		16,298	D	\$ 39.0553
							135,191 ⁽¹⁾

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Common Stock	10/16/2006	M	100,000	A	\$ 21.74	235,191 ⁽¹⁾	D
Common Stock	10/16/2006	S	100,000	D	\$ 38.5789	135,191 ⁽¹⁾	D

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

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(9-02)

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
Non-Qualified Stock Option (right to buy)	\$ 14.16	10/13/2006		M	53,187	10/13/2006 ⁽²⁾	04/12/2014	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 14.16	10/13/2006		M	12,937	10/13/2006 ⁽²⁾	04/12/2014	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 21.74	10/13/2006		M	50,000	10/13/2006 ⁽³⁾	01/24/2015	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 21.74	10/16/2006		M	100,000	10/16/2006 ⁽³⁾	01/24/2015	Common Stock

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

ELOP STEPHEN A
ADOBE SYSTEMS INCORPORATED
345 PARK AVENUE
SAN JOSE, CA 95110

President WW Field Ops

Signatures

/s/ Stuart Fagin, as
attorney-in-fact

10/17/2006

__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) Currently includes 80,500 shares of restricted stock, which vests at a rate of 2,875 shares per month.
Options vest and become exercisable at a rate of 25% on the one-year anniversary of the grant date and continue to vest at 2.08333% on a
 - (2) monthly basis thereafter, subject to an 18-month acceleration on the effective date of the merger between Adobe Systems Incorporated and Macromedia, Inc.
 - (3) Options vest at a rate of 25% on the one-year anniversary of the grant date and continue to vest at 2.08333% per month thereafter.

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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