IWATA JON C Form 4 May 10, 2010

FORM 4

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

Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

Number: Expires:

OMB

Estimated average burden hours per 0.5

OMB APPROVAL

3235-0287

January 31,

2005

response...

Form 4 or Form 5 obligations may continue. See Instruction

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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * 5. Relationship of Reporting Person(s) to 2. Issuer Name and Ticker or Trading **IWATA JON C** Issuer Symbol INTERNATIONAL BUSINESS (Check all applicable) MACHINES CORP [IBM] (Last) (First) (Middle) 3. Date of Earliest Transaction Director 10% Owner Other (specify X_ Officer (give title (Month/Day/Year) below) IBM CORPORATION, ONE NEW 05/08/2010 Senior Vice President ORCHARD ROAD (Street) 4. If Amendment, Date Original 6. Individual or Joint/Group Filing(Check Filed(Month/Day/Year) Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting

ARMONK, NY 10504

Common

Stock

05/08/2010

| (City) | (State) | (Zip) Tab | le I - Non- | Derivativ | e Secu | rities Acqui | red, Disposed of, | or Beneficiall | y Owned |
|--------------------------------------|--------------------------------------|---|--|-----------|--------|--|--|---|---------|
| 1.Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transactic Code (Instr. 8) | (A) or | | 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 Beneficial Ownership (Instr. 4) | |
| Common Stock | 05/08/2010 | | M | 2,106 | A | \$ 0 | 41,229.3399 | D | |
| Common Stock | 05/08/2010 | | M | 2,337 | A | \$ 0 | 43,566.3399 | D | |
| Common Stock | 05/08/2010 | | F | 957 | D | \$ 122.185 | 42,609.3399 | D | |

1.062 D

122.185

41,547.3399

D

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

F

Edgar Filing: IWATA JON C - Form 4

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 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) | Transaction Derivative Code Securities | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | |
|---|---|---|---|---|--|---------------------|--|-----------------|---|------|
| | | | | Code V | (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | |
| Rst. Stock Unit | \$ 0 (1) | 05/08/2010 | | M(2) | 2,106 | <u>(1)</u> | <u>(1)</u> | Common Stock | 2,106 | \$ (|
| Rst. Stock Unit | \$ 0 (1) | 05/08/2010 | | M(2) | 2,337 | (1) | (1) | Common Stock | 2,337 | \$ (|

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | | | | |
|---|---------------|-----------|-----------------------------|-------|--|--|--|
| | Director | 10% Owner | Officer | Other | | | |
| IWATA JON C IBM CORPORATION ONE NEW ORCHARD ROAD ARMONK, NY 10504 | | | Senior Vice President | | | | |

Signatures

D. Cummins on behalf of J. C. Iwata 05/10/2010

**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 units were payable in cash or the company's common stock upon the lapse of the restrictions on the transaction date shown.
- (2) Release of restricted stock units.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Reporting Owners 2

Edgar Filing: IWATA JON C - Form 4

| 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. |
|---|
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |