NAWAZ AHMED Form 4 October 22, 2008

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**

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

(Print or Type Responses)

1(b).

1. Name and Address of Reporting Person * NAWAZ AHMED

> (Last) (First) (Middle)

C/O SPANSION INC., 915 DEGUIGNE DRIVE, P.O. BOX 3453

SUNNYVALE, CA 94088-3453

(Street)

2. Issuer Name and Ticker or Trading Symbol

Spansion Inc. [SPSN]

3. Date of Earliest Transaction (Month/Day/Year) 10/20/2008

4. If Amendment, Date Original

Filed(Month/Day/Year)

OMB

3235-0287 Number:

OMB APPROVAL

January 31, Expires: 2005 Estimated average

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5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner X_ Officer (give title Other (specify

below) below) EVP, WSD

6. Individual or Joint/Group Filing(Check

Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

(City)	(State)	Zip) Table	e I - Non-D	erivative	Secur	ities Acq	quired, Disposed	of, or Beneficial	lly 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)	4. Secur on(A) or D (D) (Instr. 3,	4 and (A) or	d of	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)
Class A Common Stock	10/20/2008		M	750	A	\$ 0 (1)	11,997	D	
Class A Common Stock	10/21/2008		S(2)	290	D	\$ 0.98	11,707	D	
Class A Common Stock	10/21/2008		S(2)	2	D	\$ 0.99	11,705	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)

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. Transacti Code (Instr. 8)	5. Number owf 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. Price Derivat Securit (Instr. 5
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Restricted Stock Units	(1)	10/20/2008		M	750	(3)	<u>(1)</u>	Class A Common Stock	750	<u>(1)</u>

Reporting Owners

Reporting Owner Name / Address	Relationships					
Fg	Director	10% Owner	Officer	Other		
NAWAZ AHMED						
C/O SPANSION INC., 915 DEGUIGNE DRIVE			EVP,			
P.O. BOX 3453			WSD			
SUNNYVALE, CA 94088-3453						

Signatures

/s/ Robert C. Melendres, Attorney-in-Fact for Reporting Person

Date

10/22/2008

**Signature of Reporting Person

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).
- Each restricted stock unit represents a contingent right to receive one share of Spansion Inc. Class A Common Stock. There is no exercise **(1)** price or expiration date.
- The sale reported on this Form 4 was effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on August 26, 2007 to satisfy the tax obligations by the reporting person in connection with the vesting of the restricted stock units.
- (3) Restricted stock units were granted to the reporting person on April 20, 2007 and vest over a four-year period. One quarter of the shares subject to the award vested on the one year anniversary date. The remaining shares subject to the award vest in equal installments

Reporting Owners 2

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quarterly, until 100% vested on April 20, 2011. Vested shares are delivered to the reporting person on each vesting date.

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.