

Arnold Colleen F.
Form 3
January 21, 2010

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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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)

<p>1. Name and Address of Reporting Person *</p> <p>Arnold Colleen F.</p> <p>(Last) (First) (Middle)</p> <p>IBM CORPORATION, 294 ROUTE 100</p> <p>(Street)</p> <p>SOMERS, NY 10589</p> <p>(City) (State) (Zip)</p>	<p>2. Date of Event Requiring Statement</p> <p>(Month/Day/Year)</p> <p>01/12/2010</p>	<p>3. Issuer Name and Ticker or Trading Symbol</p> <p>INTERNATIONAL BUSINESS MACHINES CORP [IBM]</p> <p>4. Relationship of Reporting Person(s) to Issuer</p> <p>(Check all applicable)</p> <p><input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer <input type="checkbox"/> Other (give title below) (specify below) Senior Vice President</p>	<p>5. If Amendment, Date Original Filed(Month/Day/Year)</p> <p>6. Individual or Joint/Group Filing(Check Applicable Line)</p> <p><input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person</p>
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Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	22,637.514	D	Â
Common Stock	3,524	I ⁽¹⁾	trust
Common Stock	130	I ⁽¹⁾	son
Common Stock	130	I ⁽¹⁾	daughter

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

SEC 1473 (7-02)

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

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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 Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)		
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
Emp. Stock Option (right to buy)	05/08/2009 ⁽²⁾	05/07/2016	Common Stock	1,560	\$ 82.76	D	Â
Emp. Stock Option (right to buy)	05/08/2010 ⁽³⁾	05/07/2017	Common Stock	1,172	\$ 102.8	D	Â
Rst. Stock Unit	Â ⁽⁴⁾	Â ⁽⁴⁾	Common Stock	3,125	\$ 0	D	Â
Rst. Stock Unit	Â ⁽⁵⁾	Â ⁽⁵⁾	Common Stock	2,369	\$ 0	D	Â
Rst. Stock Unit	Â ⁽⁶⁾	Â ⁽⁶⁾	Common Stock	12,196	\$ 0	D	Â
Rst. Stock Unit	Â ⁽⁷⁾	Â ⁽⁷⁾	Common Stock	9,709	\$ 0	D	Â
Rst. Stock Unit	Â ⁽⁸⁾	Â ⁽⁸⁾	Common Stock	4,206	\$ 0	D	Â
Phantom Stock Unit	Â ⁽⁹⁾	Â ⁽⁹⁾	Common Stock	3,371	\$ 0	D	Â

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Arnold Colleen F. IBM CORPORATION 294 ROUTE 100 SOMERS, NY 10589	Â	Â	Â Senior Vice President	Â

Signatures

D. Cummins on behalf of C.F. Arnold
01/21/2010

__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) The reporting person disclaims beneficial ownership of the securities, and this report shall not be deemed an admission that the reporting person is the beneficial owner of such securities for purposes of Section 16 or for any other purpose.
- (2) This grant vested in its entirety on the date shown above.

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- (3) This grant vests in its entirety on the date shown above.
- (4) These units are payable in cash or the company's common stock upon lapse of the restrictions on May 8, 2010.
- (5) These units are payable in cash or the company's common stock upon lapse of the restrictions on May 8, 2011.
- (6) These units are payable in cash or the company's common stock upon lapse of the restrictions on October 25, 2010.
- (7) These units are payable in cash or the company's common stock upon lapse of the restrictions on September 4, 2012.
- (8) Upon lapse of the restrictions, these units are payable in cash or the company's common stock. The restrictions lapse for 2,103 of the units on May 8, 2010 and for 2,103 of the units on May 8, 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

- (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.

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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