

MARVELL TECHNOLOGY GROUP LTD
 Form 4
 December 29, 2006

FORM 4

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

OMB APPROVAL

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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 *
 Weili Dai & Sehat Sutardja

2. Issuer Name and Ticker or Trading Symbol
 MARVELL TECHNOLOGY GROUP LTD [MRVL]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 5488 MARVELL LANE
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 12/27/2006

Director 10% Owner
 Officer (give title below) Other (specify below)
 Executive Vice President & CEO

SANTA CLARA, CA 95054
 (City) (State) (Zip)

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

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 Beneficial Ownership (Instr. 4)
Common Stock				(A) or (D)	20,453,334 (15)	I	By Sutardja Family Partners (1)
Common Stock				(A) or (D)	52,252,316 (2) (15)	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)

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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 (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Employee Stock Option (Right to Buy)	\$ 9.125	12/27/2006		<u>D</u> ⁽¹⁾	2,083,334	<u>(3)</u> ⁽¹⁹⁾	12/26/2013	Common Stock
Employee Stock Option (Right to Buy)	\$ 10.91	12/27/2006		<u>A</u> ⁽¹⁾	2,083,334	<u>(3)</u> ⁽¹⁹⁾	12/26/2013	Common Stock
Employee Stock Option (Right to Buy)	\$ 9.125	12/27/2006		<u>D</u> ⁽²⁾	3,000,000	<u>(4)</u> ⁽¹⁹⁾	12/26/2013	Common Stock
Employee Stock Option (Right to Buy)	\$ 10.91	12/27/2006		<u>A</u> ⁽²⁾	3,000,000	<u>(4)</u> ⁽¹⁹⁾	12/26/2013	Common Stock
Employee Stock Option (Right to Buy)	\$ 34.375					<u>(5)</u> ⁽¹⁹⁾	01/31/2016	Common Stock
Employee Stock Option (Right to Buy)	\$ 34.375					<u>(6)</u> ⁽¹⁹⁾	01/31/2016	Common Stock
Employee Stock Option (Right to Buy)	\$ 24.795					<u>(7)</u> ⁽¹⁹⁾	05/25/2016	Common Stock
Employee Stock	\$ 24.795					<u>(8)</u> ⁽¹⁹⁾	05/25/2016	Common Stock

Option (Right to Buy)					
Employee Stock Option	\$ 24.795		<u>(9)(10)(19)</u>	05/25/2016	Common Stock
(Right to Buy)					
Employee Stock Option	\$ 24.795		<u>(11)(12)(19)</u>	05/25/2016	Common Stock
(Right to Buy)					
Employee Stock Option	\$ 24.795		<u>(13)(14)(19)</u>	05/25/2016	Common Stock
(Right to Buy)					
Employee Stock Option	\$ 24.795		<u>(15)(16)(19)</u>	05/25/2016	Common Stock
(Right to Buy)					
Employee Stock Option	\$ 6.003		<u>(17)(19)</u>	05/06/2012	Common Stock
(Right to Buy)					
Employee Stock Option	\$ 6.003		<u>(18)(19)</u>	05/06/2012	Common Stock
(Right to Buy)					

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Weili Dai & Sehat Sutardja 5488 MARVELL LANE SANTA CLARA, CA 95054	X	X	Executive Vice President & CEO	
Sehat Sutardja & Weili Dai 5488 MARVELL LANE SANTA CLARA, CA 95054	X	X	CEO & Executive Vice President	

Signatures

By: Weili Dai & Dr. Sehat
Sutardja

12/29/2006

__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) Ms. Weili Dai & Dr. Sehat Sutardja are the general partners of The Sutardja Family Partners, a California family limited partnership.
- (2) These securities are jointly owned by Ms. Weili Dai and Dr. Sehat Sutardja who are members of a "Group" for purposes of Section 13(d) of the Exchange Act.
- (3) The reported transactions result from an agreement with Marvell Technology Group Ltd. (the "Company") involving the reformation of an outstanding option, resulting, for Section 16 reporting purposes only, in the deemed cancellation of the old option and the grant of a replacement option. The reformation increased the exercise price of the option deemed, for section 16 reporting purposes, to have been cancelled and replaced. The other terms of the option, which was originally granted on December 26, 2003, remain unchanged. This option provides for vesting as follows: 25% on 12/26/04 and 83,332 per month from 01/26/05-12/26/07. Options become exercisable as they vest. This option is owned directly by Ms. Weili Dai and indirectly by her spouse, Dr. Sehat Sutardja.
- (4) The reported transactions result from an agreement with the Company involving the reformation of an outstanding option, resulting, for Section 16 reporting purposes only, in the deemed cancellation of the old option and the grant of a replacement option. The reformation increased the exercise price of the option deemed, for section 16 reporting purposes, to have been cancelled and replaced. The other terms of the option, which was originally granted on December 26, 2003, remain unchanged. This option provides for vesting as follows: 25% on 12/26/04 and 125,000 per month from 01/26/05-12/26/07. Options become exercisable as they vest. This option is owned directly by Dr. Sehat Sutardja. and indirectly by his spouse, Ms. Weili Dai.
- (5) Vests 100% on 01/31/2009. This option is owned directly by Ms. Weili Dai and indirectly by her spouse, Dr. Sehat Sutardja.
- (6) Vests 100% on 01/31/2009. This option is owned directly by Dr. Sehat Sutardja and indirectly by his spouse, Ms. Weili Dai.
- (7) Vests 50% on 05/25/2007 and 50% on 05/25/2008. This option is owned directly by Ms. Weili Dai and indirectly by her spouse, Dr. Sehat Sutardja.
- (8) Vests 50% on 05/25/2007 and 50% on 05/25/2008. This option is owned directly by Dr. Sehat Sutardja and indirectly by his spouse, Ms. Weili Dai.
- (9) This option shall become vested and fully exercisable and the shares will be fully vested on the 10-K Due Date corresponding to the first fiscal year ending on or prior to January 30, 2010 in which Pro Forma EPS for such fiscal year exceeds \$1.39 (the "Target EPS"). The Target EPS shall be proportionately adjusted by the Executive Compensation Committee of the Board for any stock split, reverse stock split, stock dividend, share combination, recapitalization or similar event effected subsequent to the date of grant. As used herein, "10-K Due Date" shall mean, with respect to the fiscal year in question, the prescribed due date on which the Company's Annual Report on Form 10-K is required to be filed with the Securities and Exchange Commission.
- (10) (FOOTNOTE 10 IS A CONTINUATION OF FOOTNOTE 9) "Pro Forma EPS" shall be calculated by adjusting diluted net income per share under generally accepted accounting principles ("GAAP EPS") for the impact of (i) non-cash stock-based compensation charges by adding to GAAP EPS non-cash stock-based compensation expense recognized under Statement of Financial Accounting Standard No. 123 (R) ("SFAS 123R"), and (ii) non-cash charges associated with purchase accounting and other write-off related expenses by adding to GAAP EPS amortization and write-off of acquired intangible assets and other, and acquired in-process research and development. If this option shall not have become vested and fully exercisable as of the 10-K Due Date for the fiscal year ending January 30, 2010, this option shall terminate and be of no further force or effect. This option is owned directly by Ms. Weili Dai and indirectly by her spouse, Dr. Sehat Sutardja.
- (11) This option shall become vested and fully exercisable and the shares will be fully vested on the 10-K Due Date corresponding to the first fiscal year ending on or prior to January 30, 2010 in which Pro Forma EPS for such fiscal year exceeds \$2.085 (the "Target EPS"). The Target EPS shall be proportionately adjusted by the Executive Compensation Committee of the Board for any stock split, reverse stock split, stock dividend, share combination, recapitalization or similar event effected subsequent to the date of grant. As used herein, "10-K Due Date" shall mean, with respect to the fiscal year in question, the prescribed due date on which the Company's Annual Report on Form 10-K is required to be filed with the Securities and Exchange Commission.
- (12) "Pro Forma EPS" shall be calculated by adjusting diluted net income per share under generally accepted accounting principles ("GAAP EPS") for the impact of (i) non-cash stock-based compensation charges by adding to GAAP EPS non-cash stock-based compensation expense recognized under Statement of Financial Accounting Standard No. 123 (R) ("SFAS 123R"), and (ii) non-cash charges

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associated with purchase accounting and other write-off related expenses by adding to GAAP EPS amortization and write-off of acquired intangible assets and other, and acquired in-process research and development. If this option shall not have become vested and fully exercisable as of the 10-K Due Date for the fiscal year ending January 30, 2010, this option shall terminate and be of no further force or effect. This option is owned directly by Ms. Weili Dai and indirectly by her spouse, Dr. Sehat Sutardja.

- (13) This option shall become vested and fully exercisable and the shares will be fully vested on the 10-K Due Date corresponding to the first fiscal year ending on or prior to January 30, 2010 in which Pro Forma EPS for such fiscal year exceeds \$1.39 (the "Target EPS"). The Target EPS shall be proportionately adjusted by the Executive Compensation Committee of the Board for any stock split, reverse stock split, stock dividend, share combination, recapitalization or similar event effected subsequent to the date of grant. As used herein, "10-K Due Date" shall mean, with respect to the fiscal year in question, the prescribed due date on which the Company's Annual Report on Form 10-K is required to be filed with the Securities and Exchange Commission.

- (14) "Pro Forma EPS" shall be calculated by adjusting diluted net income per share under generally accepted accounting principles ("GAAP EPS") for the impact of (i) non-cash stock-based compensation charges by adding to GAAP EPS non-cash stock-based compensation expense recognized under Statement of Financial Accounting Standard No. 123 (R) ("SFAS 123R"), and (ii) non-cash charges associated with purchase accounting and other write-off related expenses by adding to GAAP EPS amortization and write-off of acquired intangible assets and other, and acquired in-process research and development. If this option shall not have become vested and fully exercisable as of the 10-K Due Date for the fiscal year ending January 30, 2010, this option shall terminate and be of no further force or effect. This option is owned directly by Dr. Sehat Sutardja and indirectly by his spouse, Ms. Weili Dai.

- (15) This option shall become vested and fully exercisable and the shares will be fully vested on the 10-K Due Date corresponding to the first fiscal year ending on or prior to January 30, 2010 in which Pro Forma EPS for such fiscal year exceeds \$2.085 (the "Target EPS"). The Target EPS shall be proportionately adjusted by the Executive Compensation Committee of the Board for any stock split, reverse stock split, stock dividend, share combination, recapitalization or similar event effected subsequent to the date of grant. As used herein, "10-K Due Date" shall mean, with respect to the fiscal year in question, the prescribed due date on which the Company's Annual Report on Form 10-K is required to be filed with the Securities and Exchange Commission.

- (16) "Pro Forma EPS" shall be calculated by adjusting diluted net income per share under generally accepted accounting principles ("GAAP EPS") for the impact of (i) non-cash stock-based compensation charges by adding to GAAP EPS non-cash stock-based compensation expense recognized under Statement of Financial Accounting Standard No. 123 (R) ("SFAS 123R"), and (ii) non-cash charges associated with purchase accounting and other write-off related expenses by adding to GAAP EPS amortization and write-off of acquired intangible assets and other, and acquired in-process research and development. If this option shall not have become vested and fully exercisable as of the 10-K Due Date for the fiscal year ending January 30, 2010, this option shall terminate and be of no further force or effect. This option is owned directly by Dr. Sehat Sutardja and indirectly by his spouse, Ms. Weili Dai.

- (17) This option vests as follows: 25% on 06/06/03 and 8,333 shares per month from 07/06/03-06/06/06. Options become exercisable as they vest. This option is owned directly by Ms. Weili Dai and indirectly by her spouse, Dr. Sehat Sutardja.

- (18) This option vests as follows: 25% on 06/06/03 and 16,666 shares per month from 07/06/03-06/06/06. Options become exercisable as they vest. This option is owned directly by Dr. Sehat Sutardja and indirectly by his spouse, Ms. Wei Dai.

- (19) On July 10, 2006, the common stock of MRVL split 2-for-1. All beneficially owned securities and derivative securities beneficially owned by the reporting person and the respective option prices have been adjusted accordingly.

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.