

CHIRON CORP
Form 4
April 19, 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 *
RAPPUOLI RINO

(Last) (First) (Middle)
4560 HORTON STREET
(Street)

EMERYVILLE, CA 94608

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
CHIRON CORP [CHIR]

3. Date of Earliest Transaction (Month/Day/Year)
04/18/2006

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
V.P., Chief Scientific Officer

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Stock | 04/18/2006 | | M | | 2,812 | A | \$ 19.4375 |
| Common Stock | 04/18/2006 | | S | | 2,812 | D | \$ 47.95 |
| Common Stock | 04/18/2006 | | M | | 20,000 | A | \$ 43.8125 |
| Common Stock | 04/18/2006 | | S | | 20,000 | D | \$ 47.95 |
| Common Stock | 04/18/2006 | | M | | 20,000 | A | \$ 45.7188 |

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| | | | | | | | |
|--------------|------------|---|--------|---|-----------|--------|---|
| Common Stock | 04/18/2006 | S | 20,000 | D | \$ 47.95 | 14,148 | D |
| Common Stock | 04/18/2006 | M | 10,000 | A | \$ 44.84 | 24,148 | D |
| Common Stock | 04/18/2006 | S | 10,000 | D | \$ 47.95 | 14,148 | D |
| Common Stock | 04/18/2006 | M | 15,000 | A | \$ 42.535 | 29,148 | D |
| Common Stock | 04/18/2006 | S | 15,000 | D | \$ 47.95 | 14,148 | D |
| Common Stock | 04/18/2006 | M | 11,563 | A | \$ 36.335 | 25,711 | D |
| Common Stock | 04/18/2006 | S | 11,563 | D | \$ 47.95 | 14,148 | D |
| Common Stock | 04/18/2006 | M | 15,573 | A | \$ 33.88 | 29,721 | D |
| Common Stock | 04/18/2006 | S | 15,573 | D | \$ 47.95 | 14,148 | D |

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

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) | 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 Amount of Underlying Security (Instr. 3 and 4) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Employee Stock Option (Right to Buy) | \$ 19.4375 | 04/18/2006 | | M | 2,812 | 02/19/1999 ⁽¹⁾ 02/18/2008 | Common Stock | 2,812 |
| Employee Stock | \$ 43.8125 | 04/18/2006 | | M | 20,000 | 01/02/2002 ⁽³⁾ 01/01/2011 | Common Stock | 20,000 |

| | | | | | | | | | |
|--|------------|------------|---|--------|---------------------------|------------|-----------------|------|--|
| Option (Right to Buy) | | | | | | | | | |
| Employee Stock Option (Right to Buy) | \$ 45.7188 | 04/18/2006 | M | 20,000 | 02/16/2002 ⁽⁴⁾ | 02/15/2011 | Common Stock | 20,0 | |
| Employee Stock Option (Right to Buy) | \$ 44.84 | 04/18/2006 | M | 10,000 | 01/11/2003 ⁽⁵⁾ | 01/10/2012 | Common Stock | 10,0 | |
| Employee Stock Option (Right to Buy) | \$ 42.535 | 04/18/2006 | M | 15,000 | 02/21/2003 ⁽⁶⁾ | 02/20/2012 | Common Stock | 15,0 | |
| Employee Stock Option (Right to Buy) | \$ 36.335 | 04/18/2006 | M | 11,563 | 02/20/2004 ⁽⁷⁾ | 02/19/2013 | Common Stock | 11,5 | |
| Employee Stock Option (Right to Buy) | \$ 33.88 | 04/18/2006 | M | 15,573 | 02/22/2006 ⁽⁸⁾ | 02/21/2015 | Common Stock | 15,5 | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|--------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| RAPPUOLI RINO 4560 HORTON STREET EMERYVILLE, CA 94608 | | | V.P., Chief Scientific Officer | |

Signatures

| | |
|--|------------|
| Rino Rappuoli by Naima Robinson as Atty-in-Fact | 04/19/2006 |
| **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).

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- (1) The option was originally granted for 15,000 shares on February 19, 1998. The option vested and became exercisable for one-fourth of the total shares on the first anniversary of the grant date and vested and became exercisable for the balance of the option shares in a series of thirty-six successive equal monthly installments upon the Reporting Person's completion of each additional month of service with the Issuer thereafter.
- (2) Employee Stock Option granted under the Issuer's 1991 Stock Option Plan in a transaction exempt under Rule 16b-3(d).
The option was originally granted for 25,000 shares on January 2, 2001. The option vests after seven years of service with the Issuer or upon earlier achievement of specified performance objectives. Certain performance objectives were achieved during the initial three-year period measured from the grant date, and the option accordingly vested in part and became exercisable as follows: 5,000 shares on January 2, 2002; 5,000 shares on January 2, 2003; and 10,000 shares on January 2, 2004. The option will vest and become exercisable for the balance of the option shares upon the Reporting Person's completion of seven years of service with the Issuer or upon earlier achievement of specified performance objectives.
- (4) The option was originally granted for 20,000 shares on February 16, 2001. The option vested and became exercisable for one-fourth of the total shares on the first anniversary of the grant date and vested and became exercisable for the balance of the option shares in a series of thirty-six successive equal monthly installments upon the Reporting Person's completion of each additional month of service with the Issuer thereafter.
- (5) The option was originally granted for 25,000 shares on January 2, 2001. The option vests after seven years of service with the Issuer or upon earlier achievement of specified performance objectives. Certain performance objectives were achieved during the initial two-year period measured from the grant date, and the option accordingly vested in part and became exercisable as follows: 2,500 shares on January 11, 2003 and 7,500 shares on January 11, 2004. The option will vest and become exercisable for the balance of the option shares upon the Reporting Person's completion of seven years of service with the Issuer or upon earlier achievement of specified performance objectives.
- (6) The option was originally granted for 15,000 shares on February 21, 2002. The option vested and became exercisable for one-fourth of the total shares on the first anniversary of the grant date and vested and became exercisable for the balance of the option shares in a series of thirty-six successive equal monthly installments upon the Reporting Person's completion of each additional month of service with the Issuer thereafter.
- (7) The option was originally granted for 15,000 shares on February 20, 2003. The option vested and became exercisable for one-fourth of the total shares on the first anniversary of the grant date and vests and becomes exercisable for the balance of the option shares in a series of thirty-six successive equal monthly installments upon the Reporting Person's completion of each additional month of service with the Issuer thereafter.
- (8) The option was originally granted for 57,500 shares on February 22, 2005. The option vested and became exercisable for one-fourth of the total shares on the first anniversary of the grant date and vests and becomes exercisable for the balance of the option shares in a series of thirty-six successive equal monthly installments upon the Reporting Person's completion of each additional month of service with the Issuer thereafter.
- (9) Employee Stock Option granted under the Issuer's 2004 Stock Compensation Plan in a transaction exempt under Rule 16b-3(d).

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.