

BENNETT MICHAEL S  
Form 4  
January 15, 2010

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
Estimated average burden hours per response... 0.5

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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 \*  
BENNETT MICHAEL S

(Last) (First) (Middle)

C/O SOLARWINDS, INC., 3711 S.  
MOPAC EXPY., BLDG TWO

(Street)

AUSTIN, TX 78746

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
SolarWinds, Inc. [SWI]

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

01/13/2010

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)

Chairman of the Board & CEO

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 Ownership (Instr. 4) |   |                      |                      |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|---|----------------------|----------------------|
|                                 |                                      |  | Code                           | V   | Amount  | (A) or (D)   | Price                                      |   |                      |                      |
| Common Stock                    | 01/13/2010                           |  | M                              |   | 40,241  | A  | \$ 2.6867 40,241                           | D |                      |                      |
| Common Stock                    | 01/13/2010                           |  | S                              |   | 40,241<br><u>(1)</u>  | D  | \$ 21.8294<br><u>(2)</u>                   | 0 | D                    |                      |
| Common Stock                    | 01/13/2010                           |  | M                              |   | 19,800  | A  | \$ 2.6867 19,800                           | I | by LP <sup>(4)</sup> |                      |
| Common Stock                    | 01/13/2010                           |  | S                              |   | 19,800<br><u>(1)</u>  | D  | \$ 21.8312<br><u>(3)</u>                   | 0 | I                    | by LP <sup>(4)</sup> |

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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. 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 Securities (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable Expiration Date                         | Title Amount or Number of Shares                              |
| Employee Stock Option (right to buy)       | \$ 2.6867  | 01/13/2010                           |  | M                              | 40,241  | <sup>(5)</sup> 07/26/2016                                | Common Stock 40,241   |
| Employee Stock Option (right to buy)       | \$ 2.6867  | 01/13/2010                           |  | M                              | 19,800  | <sup>(5)</sup> 07/26/2016                                | Common Stock 19,800   |

**Reporting Owners**

| Reporting Owner Name / Address   | Relationships |           |                             |       |
|--|---------------|-----------|-----------------------------|-------|
|  | Director      | 10% Owner | Officer                     | Other |
| BENNETT MICHAEL S<br>C/O SOLARWINDS, INC.<br>3711 S. MOPAC EXPY., BLDG TWO<br>AUSTIN, TX 78746 | X             |           | Chairman of the Board & CEO |       |

**Signatures**

/s/ Bryan A. Sims, Attorney-in-Fact for Michael Bennett 01/15/2010

\_\_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) Shares sold pursuant to a 10b5-1 Trading Plan.

This transaction was executed in multiple trades at prices ranging from \$21.48 to \$22.20, inclusive. The price reported above reflects the weighted average sale price. The reporting person hereby undertakes to provide upon request to the SEC staff, the issuer or a security holder of the issuer full information regarding the number of shares sold and each separate price within the ranges set forth in footnote 2 and footnote 3.

(3) This transaction was executed in multiple trades at prices ranging from \$21.465 to \$22.20, inclusive. The price reported above reflects the weighted average sale price.

Vested options held by MSB Asset Management, LP. MSB Asset Management GP, LLC is the general partner of the MSB Asset Management, L.P. Mr. Bennett is the sole manager of MSB Asset Management GP, LLC, and by virtue of this relationship, may be deemed to have voting and dispositive power over the shares issuable upon the exercise of options held by MSB Asset Management, L.P. Mr. Bennett disclaims beneficial ownership of the shares issuable upon the exercise of options held by MSB Asset Management, L.P. except to the extent of his pecuniary interest therein.

(5) Grant subject to a right of early exercise by Mr. Bennett prior to vesting and a right of repurchase by issuer that lapses in accordance with the vesting schedule. 1/4th of the shares vested on May 30, 2007 and 1/48th of the shares vest each month thereafter.

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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