

KLEIN JONATHAN F  
 Form 4  
 November 02, 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 \*  
**KLEIN JONATHAN F**

(Last) (First) (Middle)

**C/O MICROSTRATEGY  
 INCORPORATED, 1861  
 INTERNATIONAL DRIVE**

(Street)

**MCLEAN, VA 22102**

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**MICROSTRATEGY INC [MSTR]**

3. Date of Earliest Transaction  
 (Month/Day/Year)  
**10/31/2006**

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)  
 VP, Law and General Counsel

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)	
				(A) or (D)	Price			
				Code	V	Amount		
Class A Common Stock	10/31/2006		M	2,000	A	\$ 4.7	2,000	D
Class A Common Stock	10/31/2006		M	2,000	A	\$ 20.69	4,000	D
Class A Common Stock	10/31/2006		S	1,367	D	\$ 119	2,633 <sup>(1)</sup>	D
Class A Common Stock	10/31/2006		S	1,133	D	\$	1,500	D

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Common Stock						119.05		
Class A Common Stock	10/31/2006		S	100	D	\$ 119.07	1,400	D
Class A Common Stock	10/31/2006		S	100	D	\$ 119.08	1,300	D
Class A Common Stock	10/31/2006		S	100	D	\$ 119.09	1,200	D
Class A Common Stock	10/31/2006		S	100	D	\$ 119.1	1,100	D
Class A Common Stock	10/31/2006		S	600	D	\$ 119.11	500	D
Class A Common Stock	10/31/2006		S	500	D	\$ 119.12	0	D

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

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(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)	8. Amount or Number of Shares
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Employee Stock Options (right to buy)	\$ 4.7	10/31/2006		M	2,000	(2) 07/26/2012	Class A Common Stock	2,000

Employee Stock Options (right to buy)	\$ 20.69	10/31/2006	M	2,000	(3)	02/08/2013	Class A Common Stock	2,000
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## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KLEIN JONATHAN F C/O MICROSTRATEGY INCORPORATED 1861 INTERNATIONAL DRIVE MCLEAN, VA 22102			VP, Law and General Counsel	

## Signatures

Jonathan F. Klein	11/02/2006
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\*\*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) Separate open market sale transactions that were executed on 10/31/2006 at the same price have been reported on an aggregate basis on a single line in Table I. The order in which sale transactions are set forth in Table I is not necessarily reflective of the sequence in which the sale transactions occurred in fact.
  - (2) The 2,000 shares exercised on 10/31/2006 pursuant to this stock option vested on 07/26/2004. Of the remaining 47,346 shares subject to the stock option, 12,346 shares vested on 07/26/2004, 17,500 shares vested on 07/26/2005 and 17,500 shares vested on 07/26/2006.
  - (3) The 2,000 shares exercised on 10/31/2006 pursuant to this stock option vested on 02/08/2004. Of the remaining 48,000 shares subject to the stock option, 8,000 shares vested on 02/08/2004, 10,000 shares vested on 02/08/2005, 10,000 shares vested on 02/08/2006, 10,000 shares vest on 02/08/2007 and 10,000 shares vest on 02/08/2008.
  - (4) See Exhibit A.

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.