

NETWORK APPLIANCE INC

Form 4

March 16, 2006

**FORM 4****UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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

## OMB APPROVAL

OMB  
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2005  
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(Print or Type Responses)

1. Name and Address of Reporting Person \*  
ALLEN JEFFRY R

2. Issuer Name **and** Ticker or Trading  
Symbol  
NETWORK APPLIANCE INC  
[NTAP]

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

(Last) (First) (Middle)  
495 EAST JAVA DRIVE  
(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
03/15/2006

☒ Director ☐ 10% Owner  
☐ Officer (give title below) ☐ Other (specify below)

SUNNYVALE, CA 94089

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

(City) (State) (Zip)

**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	03/15/2006		M	V 43,497 A \$ 11.25	116,979	D	
Common Stock	03/15/2006		M	V 128,187 A \$ 11.25	245,166	D	
Common Stock	03/15/2006		M	V 25,000 A \$ 9.99	270,166	D	
Common Stock	03/15/2006		S	V 196,684 D \$ 34.0413 (1)	73,482	D	
Common Stock	03/15/2006		G	V 1,316 D \$ 0	72,166	D	

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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 Underlying Security (Instr. 3 and 4)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount Number of Shares
Non-Qualified Stock Option (right to buy)	\$ 9.99	03/15/2006		M		25,000		<u>(2)</u>	10/31/2012	Common Stock	25,000
Non-Qualified Stock Option (right to buy)	\$ 11.25	03/15/2006		M		43,497		<u>(3)</u>	05/24/2009	Common Stock	43,497
Non-Qualified Stock Option (right to buy)	\$ 11.25	03/15/2006		M		128,187		<u>(3)</u>	05/24/2009	Common Stock	128,187

## Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
ALLEN JEFFRY R 495 EAST JAVA DRIVE SUNNYVALE, CA 94089	X

## Signatures

By: Janice Mahoney by Power of Attorney For: Jeffry R.  
Allen

03/16/2006

\_\_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) The sale prices for the reported transaction were in a range of \$34.00 to \$34.08 per share.

(2) Option vests in a series of equal monthly installments over 48 months of service beginning with the one-month anniversary of the grant date.

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- Option vests with respect to 10% of the option shares on the first anniversary of the grant date; 20% of the shares in equal monthly
- (3) installments over the next 12 months of service; 30% of the shares in equal monthly installments over the following 12 months of service; and 40% of the shares in equal monthly installments over the final 12 months of service.

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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