

NETWORK APPLIANCE INC  
Form 4  
December 07, 2004

**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 \*  
MENDOZA THOMAS F

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 E. JAVA DRIVE  
  
(Street)

3. Date of Earliest Transaction (Month/Day/Year)  
12/03/2004

\_\_\_\_ Director  
 Officer (give title below)  
\_\_\_\_ 10% Owner  
\_\_\_\_ Other (specify below)  
President

SUNNYVALE, CA 94089  
  
(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)
			Code	V	Amount or Price		
Common Stock	12/03/2004		M		54,940 A \$ 2.368	1,806,665	D
Common Stock	12/03/2004		M		125,000 A \$ 4.508	1,931,665	D
Common Stock	12/03/2004		M		2,648 A \$ 14.167	1,934,313	D
Common Stock	12/03/2004		M		2,187 A \$ 17.146	1,936,500	D
Common Stock	12/03/2004		M		34,000 A \$ 15.32	1,970,500	D

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Common Stock	12/03/2004	S	218,775	D	\$ 32.521	1,751,725	D	
Common Stock						192,377	I	by Spouse

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

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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 Amount of Underlying Security (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Am Nur Sha
Non-Qualified Stock Option (right to buy)	\$ 2.368	12/03/2004		M	54,940	<u>(1)</u>	07/17/2007	Common Stock	54
Non-Qualified Stock Option (right to buy)	\$ 4.509	12/03/2004		M	125,000	<u>(1)</u>	04/30/2008	Common Stock	12
Non-Qualified Stock Option (right to buy)	\$ 14.167	12/03/2004		M	2,648	<u>(2)</u>	01/02/2010	Common Stock	2
Non-Qualified Stock Option (right to buy)	\$ 15.32	12/03/2004		M	34,000	<u>(3)</u>	02/06/2012	Common Stock	34
Non-Qualified Stock Option (right to buy)	\$ 17.146	12/03/2004		M	2,187	<u>(2)</u>	01/01/2011	Common Stock	2
Non-Qualified Stock Option (right to buy)	\$ 14.167					<u>(2)</u>	01/02/2010	Common Stock	2
Non-Qualified Stock Option (right to buy)	\$ 17.146					<u>(2)</u>	01/01/2011	Common Stock	2

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MENDOZA THOMAS F 495 E. JAVA DRIVE SUNNYVALE, CA 94089			President	

## Signatures

Janice Mahoney by Power of Attorney for Thomas F.  
Mendoza

12/07/2004

\_\_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) Option vests with respect to 25% of the option shares on the first anniversary of the grant date and the balance in a series of equal monthly installments over the next 36 months of service thereafter.
  - (2) Option vests in a series of equal monthly installments over 12 months of service beginning with the one-month anniversary of the grant date.  
Option vests with respect to 20% of the shares in equal monthly installments over the 12 months of service measured from the first anniversary of the option date; 30% of the shares in equal monthly installments over the following 12 months of service; and 50% of the shares in equal monthly installments over the next 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. 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.