

NETWORK APPLIANCE INC
 Form 4
 December 09, 2004

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 *
WARMENHOVEN DANIEL J

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)
 12/07/2004

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Chief Executive Officer

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 Ownership (Instr. 4)		
			Code	V	Amount	(A) or (D)	Price		
Common Stock	12/07/2004		M		6,668	A	\$ 3.75	116,668 I	by Limited Partnership ⁽²⁾
Common Stock	12/07/2004		M		140,000	A	\$ 1.82	256,668 I	by Limited Partnership ⁽²⁾
Common Stock	12/08/2004		G	V	21,250	D	\$ 0	4,041,051 I	by Trust ⁽¹⁾
Common Stock								42,490 D	
								970,000 I	

Common Stock				By Limited Partnership2
Common Stock	170	I		by Spouse
Common Stock	1,806,500	I		by Trust1
Common Stock	85,800	I		by Trust2
Common Stock	9,567	I		by Trust3

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 Security (Instr. 3 and 4)	8. Amount of Underlying Security (Instr. 3 and 4)
Non-Qualified Stock Option (right to buy)	\$ 1.82	12/07/2004		M	140,000	⁽³⁾ 04/30/2007	Common Stock	14
Non-Qualified Stock Option (right to buy)	\$ 3.75	12/07/2004		M	6,668	⁽⁴⁾ 01/03/2009	Common Stock	6

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
WARMENHOVEN DANIEL J 495 E. JAVA DRIVE SUNNYVALE, CA 94089			Chief Executive Officer	

Signatures

Janice Mahoney by Power of Attorney for Daniel J.
Warmenhoven

12/09/2004

__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) Shares held in trust by Daniel J. Warmenhoven & Charmaine A. Warmenhoven, Trustees to The Warmenhoven 1987 Revocable Trust UTA dated 12/16/87, as amended.
- (2) Shares held by Warmenhoven Enterprises LP, a limited partnership of which the Warmenhoven Management Trust is the general partner, of which the reporting person and his wife are the trustees. Reporting person disclaims beneficial ownership of such shares except to the extent of his pecuniary interest therein.
- (3) 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.
- (4) Option vests in a series of equal monthly installments over 12 months of service beginning with the one-month anniversary of the grant date.

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.