

NETWORK APPLIANCE INC
Form 4
November 20, 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 *
MOORE NICHOLAS G

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)

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

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

24520 BELLA LADERA

11/17/2006

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)

LOS ALTOS HILLS, CA 94024

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)
			Code	V	Amount	(A) or (D)	Price
Common Stock	11/17/2006		M		10,000	A	\$ 16.78
Common Stock	11/17/2006		S		10,000	D	\$ 39.75
Common Stock	11/17/2006		M		5,000	A	\$ 20.61
Common Stock	11/17/2006		M		5,000	A	\$ 20.61
Common Stock	11/17/2006		S		10,000	D	\$ 39.75
					10,000	I	
					0	D	
					5,000	I	by Lmtd Ptnrshp ⁽¹⁾
					10,000	I	by Lmtd Ptnrshp ⁽¹⁾
					0	I	by Lmtd Ptnrshp ⁽¹⁾

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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 or Number of Shares
Non-Qualified Stock Option (right to buy)	\$ 16.78	11/17/2006		M	10,000	<u>(2)</u> 04/08/2012	Common Stock	10,000
Non-Qualified Stock Option (right to buy)	\$ 20.61	11/17/2006		M	5,000	<u>(3)</u> 09/01/2014	Common Stock	5,000
Non-Qualified Stock Option (right to buy)	\$ 20.61	11/17/2006		M	5,000	<u>(3)</u> 09/01/2014	Common Stock	5,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MOORE NICHOLAS G 24520 BELLA LADERA LOS ALTOS HILLS, CA 94024		X		

Signatures

By: Janice Mahoney by Power of Attorney For: Nicholas G. Moore
11/20/2006

**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) Shares held by The Moore Family Ventures,, LP, a limited partnership of which the reporting person is General Partner.

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- The option shares are immediately exercisable as of the grant date and shall initially be unvested and subject to repurchase by the corporation at the exercise price per share. Optionee shall acquire a vested interest in the option shares, and the corporation's repurchase right shall accordingly lapse, with respect to 25,000 shares upon the optionee's completion of one year of service as a member of the corporation's Board of Directors measured from the grant date; and the balance of the shares in a series of three successive equal annual installments upon optionee's completion of each year of Board service over the three-year period measure from the first anniversary of the grant date.
- (2) Option is immediately exercisable, but any shares purchased under the option will be subject to repurchase by the Company at the option exercise price paid per share, upon the Optionee's cessation of Board service prior to vesting in those shares. The shares will vest upon the Optionee's continuation in Board service through the day immediately preceding the next Annual Stockholders Meeting following the grant date.
- (3) Option held by The Moore Family Ventures, LP, a limited partnership of which the reporting person is General Partner.

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.