

HITZ DAVID  
Form 4  
May 12, 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 \*  
HITZ DAVID

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)  
05/10/2006

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
Executive Vice 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 (A) or (D) Price   |   |  |   |
| Common Stock                    | 05/10/2006                           |  | M <sup>(1)</sup>               | 9,000 A \$ 4.508  | 4,327,064   | I  | by Trust <sup>(2)</sup>                               |
| Common Stock                    | 05/10/2006                           |  | M <sup>(1)</sup>               | 5,000 A \$ 11.25  | 4,332,064   | I  | by Trust <sup>(2)</sup>                               |
| Common Stock                    | 05/10/2006                           |  | S <sup>(1)</sup>               | 25,000 D \$ 36.1813 <sup>(3)</sup>                                | 4,307,064   | I  | by Trust <sup>(2)</sup>                               |
| Common Stock                    |                                      |  |                                |   | 22,855  | D  |   |
| Common Stock                    |                                      |  |                                |   | 200   | I  | by Trust <sup>(4)</sup>                               |

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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 of Underlying Security (Instr. 3 and 4) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Non-Qualified Stock Option (right to buy)  | \$ 4.508   | 05/10/2006                           |  | M <sup>(1)</sup>               | 9,000   | <sup>(5)</sup> 04/30/2008                                | Common Stock  | 9,000                      |
| Non-Qualified Stock Option (right to buy)  | \$ 11.25   | 05/10/2006                           |  | M <sup>(1)</sup>               | 5,000   | <sup>(5)</sup> 05/24/2009                                | Common Stock  | 5,000                      |

## Reporting Owners

| Reporting Owner Name / Address                           | Relationships |           |                          |       |
|--|---------------|-----------|--------------------------|-------|
|  | Director      | 10% Owner | Officer                  | Other |
| HITZ DAVID<br>495 EAST JAVA DRIVE<br>SUNNYVALE, CA 94089 |               |           | Executive Vice President |       |

## Signatures

By: Janice Mahoney by Power of Attorney For: David Hitz

05/12/2006

\*\*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 option exercises and sales were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on March 17, 2006
- (2) Shares held in trust by David Hitz, Trustee to the Sundance Trust UTA 1/17/02. The reporting person continues to report beneficial ownership of all the issuers common stock held by the trust but disclaims beneficial ownership except to the extent of his pecuniary

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interest therein.

- (3) The sale prices for the reported transaction were in a range of \$35.83 to \$37.05 per share.

Shares held in trust by The XYZZY 2000 Charitable Remainder Trust, David Hitz, Trustee. The reporting person continues to report

- (4) beneficial ownership of all the issuers common stock held by the trust but disclaims beneficial ownership except to the extent of his pecuniary interest therein.
- (5) 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.

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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