LAU JAMES K Form 4

February 24, 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

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(b).

(Last)

1. Name and Address of Reporting Person * LAU JAMES K

(First) (Middle)

495 EAST JAVA DRIVE

(Street)

SUNNYVALE, CA 94089

2. Issuer Name and Ticker or Trading

Symbol

NETWORK APPLIANCE INC [NTAP]

3. Date of Earliest Transaction

(Month/Day/Year) 02/23/2006

4. If Amendment, Date Original

Filed(Month/Day/Year)

OMB APPROVAL

OMB Number:

3235-0287

Expires:

January 31, 2005

Estimated average burden hours per

response...

0.5

Issuer (Check all applicable) Director 10% Owner Other (specify _X__ Officer (give title below) Executive Vice President, 6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person

5. Relationship of Reporting Person(s) to

(City)	(State)	(Zip)	Table I - Non	-Derivative Securities Acqui	red, Disposed of,	or Beneficia	ally Owned
1.Title of	2. Transaction Date	2A. Deemed	3.	4. Securities Acquired (A)	5. Amount of	6.	7. Nature

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	3. 4. Securities Acquired (A) Transaction Disposed of (D) Code (Instr. 3, 4 and 5) (Instr. 8) (A) or Code V Amount (D) Price			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	02/23/2006		S <u>(1)</u>	35,000 I	\$ D 32.8751 (2)	4,133,933	I	by Trust3
Common Stock						3,651	D	
Common Stock						52,600	I	by GRAT1
Common Stock						52,600	I	by GRAT2

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Common Stock	16,000	I	by Trust1
Common Stock	16,000	I	by Trust2

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

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SEC 1474

(9-02)

9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr

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. Transa Code (Instr. 3	5. ctionNumb of 8) Derive Securi Acqui (A) or Dispo of (D) (Instr. 4, and	(Month/Day ative ities ired r osed)	Date	7. Titl Amou Under Secur (Instr.	int of rlying	8. Price of Derivative Security (Instr. 5)
				Code	V (A) (Date Exercisable (D)	Expiration Date	Title	Amount or Number of Shares	

Reporting Owners

Reporting Owner Name / Address	rting Owner Name / Address			
	Director	10% Owner	Officer	Other

LAU JAMES K 495 EAST JAVA DRIVE SUNNYVALE, CA 94089

Executive Vice President,

Signatures

By: Janice Mahoney by Power of Attorney For: James K. Lau 02/24/2006

**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) This sale was effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on March 30, 2005.
- (2) The sale prices for the reported transaction were in a range of \$32.52 to \$33.16 per share.

Reporting Owners 2

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- (3) Shares held in trust by James K. Lau and Katherine S. Lau, trustees to the KNSK Trust UDT 9/18/00
- (4) Shares held in grantor retained annuity trust by Nextgen-K1 Trust U/I DTD Jan 30 2003, James K. Lau, Trustee
- (5) Shares held in grantor retained annuity trust by Nextgen-J1 Trust U/I DTD Jan 30 2003, James K. Lau, Trustee
- (6) Shares held in trust by Koon H. Lau, trustee to The Jason A. Lau 1998 Trust. Reporting person disclaims beneficial ownership of such shares.
- (7) Shares held in trust by Koon H. Lau, trustee to The Jonathan A. Lau 1998 Trust. Reporting person disclaims beneficial ownership of such shares.

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.