

JEHN CHRISTOPHER  
 Form 4  
 December 22, 2005

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287  
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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 \*  
**JEHN CHRISTOPHER**

2. Issuer Name and Ticker or Trading Symbol  
**CRAY INC [CRAY]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
**411 FIRST AVENUE  
 SOUTH, SUITE 600**

3. Date of Earliest Transaction (Month/Day/Year)  
**12/20/2005**

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

**VICE PRESIDENT**

**SEATTLE, WA 98104-2860**

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 (D) Price			
Common Stock <sup>(1)</sup>	12/20/2005		A	10,000 A \$ 0	33,970	D	
Common Stock					1,180	I	By 401(k) plan

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

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SEC 1474 (9-02)

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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)	Amount or Number of Shares
						Date Exercisable	Expiration Date		
Employee Stock Option (Right to Buy) <sup>(2)</sup>	\$ 3.95	12/20/2005		D	26,783	08/26/2003	08/26/2012	Common	26,783
Employee Stock Option (Right to Buy) <sup>(2)</sup>	\$ 1.49	12/20/2005		A	26,783	12/20/2005	08/26/2012	Common	26,783
Employee Stock Option (Right to Buy) <sup>(2)</sup>	\$ 3.95	12/20/2005		D	5,510	08/26/2003	08/26/2012	Common	5,510
Employee Stock Option (Right to Buy) <sup>(2)</sup>	\$ 1.49	12/20/2005		A	5,510	12/20/2005	08/26/2012	Common	5,510

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
JEHN CHRISTOPHER 411 FIRST AVENUE SOUTH SUITE 600 SEATTLE, WA 98104-2860			VICE PRESIDENT	

## Signatures

Christopher Jehn by Kenneth W. Johnson,  
Attorney-in-Fact

12/22/2005

        \*\*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) Restricted stock award, vests in full on June 30, 2007.

(2) These options were repriced with no changes to the other option terms. For Form 4 purposes, the recipient is considered to have received a grant of a new non-qualified stock option upon the surrender of an existing option, as indicated.

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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