

CRAY INC  
Form 8-K  
August 10, 2005

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
Form 8-K  
CURRENT REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934  
Date of Report (Date of earliest event reported): August 8, 2005**

**CRAY INC.**  
(Exact name of registrant as specified in its charter)

Washington  
(State or other jurisdiction of  
incorporation or organization)

0-26820  
(Commission  
File Number)  
411 First Avenue South, Suite 600  
Seattle, WA 98104-2860  
(Address of principal executive offices)

93-0962605  
(I.R.S. Employer  
Identification No.)

Registrant's telephone number, including area code: (206) 701-2000

Registrant's facsimile number, including area code: (206) 701-2500

None

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 1.01 Entry into a  
Material  
Definitive  
Agreement.**

On August 8, 2005, the Board of Directors amended the Executive Severance Policy to eliminate the eligibility of the Chairman of the Board, who as of that date is no longer an executive officer of the Company, from participating under that Policy. The Executive Severance Policy, as so amended, is filed as Exhibit 10.1 to this report.

**Item 2.02 Results of  
Operations and  
Financial  
Condition.**

On August 8, 2005, we issued a press release and held a conference call announcing our financial results for the quarter ended June 30, 2005. A copy of that press release is furnished as Exhibit 99.1 to this report.

**Item 5.02 Departure of  
Directors or  
Principal  
Officers;  
Election of  
Directors;  
Appointment  
of Principal  
Officers.**

(b) On August 8, 2005, James E. Rottsolk, retired from his positions as Chief Executive Officer and as Chairman of the Board.

(c) On August 8, 2005, the Cray Board of Directors appointed Peter J. Ungaro, President of Cray Inc., as Chief Executive Officer. There was no modification to Mr. Ungaro's compensation with this appointment.

Mr. Ungaro, 36, has served as President since March 2005; he previously served as Senior Vice President responsible for sales, marketing and services since September 2004 and before then served as Vice President responsible for sales and marketing from when he joined us in August 2003. Prior to joining us, he served as Vice President, Worldwide Deep Computing Sales for IBM. Prior to that assignment, he was IBM's vice president, worldwide high performance computing sales. He also held a variety of other sales leadership positions since joining IBM in 1991. Mr. Ungaro received a B.A. in business administration from Washington State University in 1990.

(d) On August 8, 2005, the Cray Board of Directors elected Peter J. Ungaro as a Director of the Company. Mr. Ungaro was not appointed to any committee of the Board. The Cray Board of Directors also appointed Stephen C. Kiely, formerly Lead Director, as Chairman of the Board.

**Item 5.03 Amendments  
to the Articles  
of  
Incorporation  
of Bylaws:  
Change in  
Fiscal Year.**

On August 8, 2005, the Board of Directors amended the Bylaws of the Company to increase the number of Directors from nine to ten, to provide that the Chairman of the Board is not an officer of the Company and to provide that the President is the Chief Executive Officer of the Company.

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A copy of the Bylaws as so amended is filed as Exhibit 3.1 to this report.

**Item 7.01 Regulation FD  
Disclosure.**

On August 8, 2005, we issued two press releases, one regarding our financial results for the quarter ended June 30, 2005, and the second relating to the appointment of Peter J. Ungaro as Chief Executive Officer, the appointment of Stephen C. Kiely as non-executive Chairman of the Board and the retirement of James E. Rottsolk as Chairman and Chief Executive Officer. A copy of each press release is being furnished as Exhibits 99.1 and 99.2 to this report, respectively, and shall not be deemed filed for purposes of section 18 of the Securities Exchange Act of 1934, as amended (the Exchange Act), nor shall they be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

**Item 9.01 Financial Statements and Exhibits.**

(c) Exhibits

- 3.1 Restated and Amended Bylaws, as amended on August 8, 2005
- 10.1 Executive Severance Policy, as amended on August 8, 2005
- 99.1 Press Release, dated August 8, 2005, regarding financial results for the quarter ended June 30, 2005
- 99.2 Press Release, dated August 8, 2005, regarding certain management changes

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

August 10, 2005

Cray Inc.

By: /s/ Kenneth W. Johnson  
Kenneth W. Johnson  
Senior Vice President and General  
Counsel