

STORAGE TECHNOLOGY CORP
 Form 4
 September 02, 2005

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

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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 *
LEE ROBERT E

2. Issuer Name and Ticker or Trading Symbol
STORAGE TECHNOLOGY CORP [STK]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
08/31/2005

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

ONE STORAGETEK DRIVE

(Street)

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

LOUISVILLE, CO 80028

(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	(A) or (D)	Price
Common Stock	08/31/2005		D		12,454	D	\$ 37 (1)
Common Stock	08/31/2005		D		1,000	D	\$ 37 (1)

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 Securities (Instr. 3 and 4)	8. Amount or Number of Shares
Stock Options (Right to buy)	\$ 11.813	08/31/2005		D	5,000	(2)(3) 05/18/2010	Common Stock	5,000
Stock Options (Right to buy)	\$ 15.9	08/31/2005		D	5,000	(2)(3) 05/24/2011	Common Stock	5,000
Stock Options (Right to buy)	\$ 18	08/31/2005		D	5,000	(2)(3) 05/23/2012	Common Stock	5,000
Stock Options (Right to buy)	\$ 24.82	08/31/2005		D	5,000	(2)(3) 05/21/2013	Common Stock	5,000
Stock Options (Right to buy)	\$ 26.39	08/31/2005		D	5,000	(2)(3) 05/20/2014	Common Stock	5,000
Stock Options (Right to buy)	\$ 28.58	08/31/2005		D	7,500	(2)(3) 04/26/2015	Common Stock	7,500

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LEE ROBERT E ONE STORAGETEK DRIVE	X			

LOUISVILLE, CO 80028

Signatures

Donald H. Kronenberg,
Attorney-in-Fact

09/02/2005

__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).

(2) One-third of the option shares vest on each of the first three anniversaries of the date of grant.

Notwithstanding the original vesting schedule cited in other footnotes to this form, all unvested shares were accelerated at the effective time of the merger. This option was canceled in the merger in exchange for a cash payment representing the difference between the exercise price of the option and the merger consideration of \$37.00 per share on the effective date of the merger.

(1) Disposed of pursuant to merger agreement between Storage Technology Corporation and Sun Microsystems in exchange for a cash consideration of \$37.00 per share on the effective date of the merger.

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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