SEAGATE TECHNOLOGY

Form 4 January 04, 2005

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL OMB 3235-0287

Number:

January 31,

Expires:

2005

0.5

Estimated average burden hours per

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if no longer subject to Section 16. Form 4 or Form 5 obligations

may continue.

See Instruction

Check this box

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

1(b).

(Print or Type Responses)

1. Name and Add WATKINS W	•	_	2. Issuer Name and Ticker or Trading Symbol SEAGATE TECHNOLOGY [STX]	5. Relationship of Reporting Person(s) to Issuer		
(Last) (First)		(Middle)	3. Date of Earliest Transaction	(Check all applicable)		
920 DISC DRIVE, ATTN: STOCK PLAN ADMINISTRATION			(Month/Day/Year) 01/03/2005	X Director 10% OwnerX Officer (give title Other (specify below) President and CEO		
(Street)			4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check		
SCOTTS VAI	LLEY, CA	95067	Filed(Month/Day/Year)	Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person		

(City)	(State)	(Zip) Ta	ble I - Non	-Derivative Sec	uritie	s Acquire	ed, Disposed of, o	r Beneficially	Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. 4. Securities Acquired (A) or TransactionDisposed of (D) Code (Instr. 3, 4 and 5) (Instr. 8) (A) or			5. Amount of Securities Beneficially Owned Following Reported Transaction(s)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
			Code V	Amount	(D)	Price	(Instr. 3 and 4)		
Common Shares	01/03/2005		C(2)	30,000,000	D	\$ 16.62	209,500,000	I	See footnotes (1) (2)
Common Shares	01/03/2005		M	10,000	D	\$ 2.3	11,239	D	
Common Shares	01/03/2005		S	10,000	D	\$ 17.44 (5)	1,239	D	

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)

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required to respond unless the form displays a currently valid OMB control number.

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 orDerivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and A Underlying Se (Instr. 3 and 4
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title
Futures Contract (obligation to sell)	\$ 16.62	01/03/2005		C(2)	30,000,000	06/10/2005	06/10/2005	Common Shares
NQ Stock Option	\$ 2.3	01/03/2005		M	10,000	11/22/2001(3)	07/24/2011	Common Shares
NQ Stock Option	\$ 8.22					02/14/2005(4)	02/14/2013	Common Shares

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Reporting Owners

Reporting Owner Name / Address	Keiauonsnips					
, <u>,</u>	Director	10% Owner	Officer	Other		
WATKINS WILLIAM D						
920 DISC DRIVE	X		President and CEO			
ATTN: STOCK PLAN ADMINISTRATION	Λ		riesidelli alid CEO			
SCOTTS VALLEY, CA 95067						

Signatures

/S/ Roberta S. Cohen for William D. 01/04/2005 Watkins

**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).

The reporting person is the President, chief executive officer and a director of Seagate Technology (the "Issuer") and also is a member of the board of directors of New SAC. New SAC is the controlling shareholder of the Issuer. New SAC entered into and delivered under the

- (1) futures contract reported hereby. As a director of New SAC, the reporting person may be deemed to beneficially own securities held by New SAC. The reporting person, however, disclaims beneficial ownership of any of the securities beneficially owned by New SAC, except to the extent of any pecuniary interest therein.
- (2) On January 3, 2005, New SAC rehypothecated 30,000,000 of Seagate Technology's common shares, par value \$0.00001 per share (the "Shares"), satisfying its delivery obligation under a forward sale agreement with Goldman Sachs Financial Markets, L.P. ("GSFM"). At

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the same time, New SAC transferred to GSFM all voting, dividend and economic rights to the Shares in accordance with the terms of the forward sale agreement. The transaction is reflected in Table I as the disposition of the underlying Shares and in Table II as the settlement of the futures contract. On the same date, New SAC received payment for the Shares in accordance with the terms of the forward sale agreement.

- Options granted to the Reporting Person under the Issuer's 2001 Share Option Plan are subject to a four-year vesting schedule. One quarter of the option shares vested on November 22, 2001. The remaining option shares are fully vested and vested proportionally each month over the 36 months following November 22, 2001.
 - Options granted to the Reporting Person under the 2001 Share Option Plan are subject to a six-year vesting schedule as follows. 200,000 of the option shares will vest on February 14, 2005. 250,000 option shares will vest proportionally on a monthly basis over the one-year
- (4) period from February 14, 2005 to February 14, 2006. 300,000 option shares will vest proportionally on a monthly basis over the one-year period from February 14, 2006 to February 14, 2007. 350,000 option shares will vest proportionally on a monthly basis over the one-year period from February 14, 2007 to February 14, 2008. 400,000 option shares will vest proportionally on a monthly basis over the one-year period from February 14, 2008 to February 14, 2009.
- (5) The sale reported on this Form 4 were effected pursuant to a 10b5-1 trading plan adopted by the reporting person on November 26, 2004. 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.