

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

1. Name and Address of Reporting Person * <u>Papaefstathiou Efsthios</u> (Last) (First) (Middle) C/O CRAY INC., 901 FIFTH AVENUE SUITE 1000 (Street) SEATTLE WA 98164 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>CRAY INC [CRAY]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) SVP, R&D
	3. Date of Earliest Transaction (Month/Day/Year) 09/25/2019	
		6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	09/25/2019		D		25,054	D	\$35 ⁽¹⁾	0	D	

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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Restricted Stock Unit (RSU)	(2)	09/25/2019		D			26,000	(3)	(3)	Common Stock	26,000	(4)	0	D	
Restricted Stock Unit (RSU)	(2)	09/25/2019		D			18,000	(5)	(5)	Common Stock	18,000	(6)	0	D	
Restricted Stock Unit (RSU)	(2)	09/25/2019		D			17,500	(7)	(7)	Common Stock	17,500	(6)	0	D	
Restricted Stock Unit (RSU)	(2)	09/25/2019		D			15,750	(8)	(8)	Common Stock	15,750	(6)	0	D	
Restricted Stock Unit (RSU)	(2)	09/25/2019		D			50,000	(9)	(9)	Common Stock	50,000	(6)	0	D	
Stock option (right to buy)	\$18	09/25/2019		D			35,000	(10)	05/18/2027	Common Stock	35,000	(11)	0	D	
Stock option (right to buy)	\$27.1	09/25/2019		D			21,000	(12)	05/17/2028	Common Stock	21,000	(11)	0	D	

Explanation of Responses:

- Disposed of pursuant to the merger agreement among Issuer, Canopy Merger Sub, Inc., and Hewlett Packard Enterprise Company ("HPE") dated May 16, 2019 (the "Merger Agreement") for a payment of \$35.00 in cash (the "Merger Consideration") on the closing date of the merger (the "Closing Date").
- Each restricted stock unit represents a contingent right to receive one share of the issuer's Common Stock.
- All or a portion of these shares vest if and when certain performance criteria relating to the issuer are met, subject to the reporting person's provision of service to the issuer on the applicable vesting date.
- Performance-vesting RSUs were converted on the Closing Date into a cash equivalent award with respect to 50% of the number of underlying shares (with the remainder of such shares forfeited) valued based on the Merger Consideration in accordance with certain terms and conditions that were individually agreed with HPE.
- On January 9, 2017, the reporting person was granted 36,000 restricted stock units, with one-quarter vesting on each of January 9, 2018, January 9, 2019, January 9, 2020 and January 9, 2021, subject to the reporting person's provision of service to the issuer on each vesting date.
- RSUs were converted on the Closing Date into a cash equivalent award valued based on the Merger Consideration in accordance with certain terms and conditions that were individually agreed with HPE.
- On May 18, 2017, the reporting person was granted 35,000 restricted stock units, with one quarter vesting on each of May 18, 2018, May 18, 2019, May 18, 2020 and May 18, 2021, subject to the reporting person's provision of service to the issuer on each vesting date.
- On May 17, 2018, the reporting person was granted 21,000 restricted stock units, with one-quarter vesting on each of May 17, 2019, May 17, 2020, May 17, 2021 and May 17, 2022, subject to the reporting person's provision of service to the issuer on each vesting date.
- On May 2, 2019, the reporting person was granted 50,000 restricted stock units, with one-quarter vesting on each of May 2, 2020, May 2, 2021, May 2, 2022 and May 2, 2023, subject to the reporting person's provision of service to the issuer on each vesting date.

10. One-quarter of these shares vested on May 18, 2018 and 1/48th of these shares vest monthly thereafter, with 100% of the total shares vested and exercisable on May 18, 2021, subject to the reporting person's provision of service to the issuer on each vesting date.

11. To the extent vested, the option was cancelled and converted on the Closing Date into a cash payment equal to the product of (a) the aggregate number of underlying shares multiplied by (b) the excess of the Merger Consideration over the applicable per share exercise price of such option. To the extent unvested, the option was converted on the Closing Date into a cash equivalent award valued based on the Merger Consideration in accordance with certain terms and conditions that were individually agreed with HPE.

12. One-quarter of these shares vested on May 17, 2019 and 1/48th of these shares vest monthly thereafter, with 100% of the total shares vested and exercisable on May 17, 2022, subject to the reporting person's provision of service to the issuer on each vesting date.

Remarks:

/s/ Michael C. Piraino as
attorney-in-fact for Efstathios 09/27/2019
Papaefstathiou

** Signature of Reporting Person Date

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

* 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).

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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