

Procedures for Reporting Concerns and Complaints

The Cray Audit Committee has established the following procedures for:

- (1) the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters, and alleged violations of Cray's Code of Business Conduct (the "Code"); and
- (2) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters and violations of the Code, Cray policies and guidelines and provisions of the Cray employee handbook.

The Audit Committee will oversee treatment of all complaints. This process is intended to supplement the Code.

This process applies to all complaints submitted to Cray. When practical, employees should discuss their concerns with management. However, Cray recognizes that there are occasions when concerns are so sensitive that one may not feel at ease going directly to management, but would be more comfortable raising concerns in a confidential manner. These procedures are designed to facilitate such confidential reporting.

Scope

These procedures relate to any complaint alleging a violation of the Code or concern about a possible violation. In accordance with Section 301 of the Sarbanes-Oxley Act of 2002 and Rule 10A-3(b)(3) of the Securities Exchange Commission, certain procedures have been designed specifically to address all complaints regarding accounting, internal accounting controls or auditing matters, including the confidential, anonymous submission by employees and others of complaints regarding questionable accounting or auditing matters, such as the following:

- improper expenditure of Cray funds;
- improper use of Cray property;
- any action to fraudulently influence, coerce, manipulate, or mislead any independent public or certified accountant engaged in the performance of an audit of the financial statements of Cray for the purpose of rendering such financial statements materially misleading;
- destroying or tampering with any record, document or tangible object with the intent to obstruct a pending or contemplated audit, review or federal investigation;
- fraud or deliberate error in the recording and maintaining of financial records of Cray in accordance with generally accepted accounting principles and all

regulatory requirements that apply to a multinational, U.S. publicly traded company;

- deviation from full and fair reporting of Cray's financial condition, results of operations or cash flows; or
- lack of compliance with Cray's system of internal accounting controls.

Reporting Concerns and Complaints

Anyone who has concerns or complaints regarding any accounting, internal accounting controls or auditing matters or any violations or possible violations of the Code, any Cray policy or guideline or any provision of the Cray employee handbook may report their concerns and complaints as follows:

Internet: www.ethicspoint.com

Cray Intranet: Click on the Ethicspoint Logo on "Inside Cray"

Telephone: Confidential Employee Hotline @ 1-866-384-4277

Mail:	Cray Inc. General Counsel 901 Fifth Avenue, Suite 1000 Seattle, WA USA 98164	or	Cray Inc. Chairman, Audit Committee 901 Fifth Avenue, Suite 1000 Seattle, WA USA 98164
-------	---	----	---

Concerns and complaints may be reported on a confidential or anonymous basis through any of the above options with the exception of the Cray Intranet, which uses a firewall password that logs activity by computer I.D. and web site address. To ensure confidentiality and anonymity when filing a report:

- Employees should not access the www.ethicspoint.com web site from the Cray Intranet, but rather use a personal computer or outside internet portal (*e.g.*, at home, public library or neighbors); and
- Telephone calls made to the Confidential Employee Hotline should be made from outside Cray.

To complete a report, simply follow the on-screen or compliance specialist instructions, being as thorough as you can.

- (1) Specify the kind of report you want to make from the choices available.
- (2) Please read or listen to the anonymity information very carefully; this will help ensure that you do not compromise your identity during the reporting process. Click on or say "I agree."

- (3) Complete the report, providing information about the incident, including:
 - **Who** – the persons involved, including titles;
 - **What** – what specifically occurred;
 - **Where** – the location of the incident; and
 - **When** – the time and duration of the incident.
- (4) Create a Password. Then the Ethicspoint system will generate an identification code called a “Report Key.” Write down both the Password and Report Key and keep them in a safe place. You will need them later to follow-up or if you want to review or amend your report.

Follow-up two business days after you complete your report by returning to the Ethicspoint system through Inside Cray, the Public Internet or the toll-free telephone.

- (1) This time click on (or ask to perform) a “Follow-Up.”
- (2) Provide your Password and Report Key.
- (3) Elect to review report details, respond to any questions and add information.
- (4) To review your report, click “Review Report Details” or ask the compliance specialist.
 - If there are any questions, answer the questions verbally or type in the question boxes and click “Submit.”
 - Add information either verbally or by using the “Submit New Information” box.
- (5) If you have agreed to participate in an “EthicsChat,” click “Chat About This Report” at the specified time, type your comments in the field at the bottom of the window and click “Submit.” (*An “EthicsChat” is a real-time communication between you and a Cray representative to clarify details and answer questions. It also is confidential and anonymous.*)
- (6) You may return regularly to review your report, answer questions and add information.

No Retaliation

Cray will take appropriate disciplinary action against anyone who retaliates, directly or indirectly, or encourages others to do so, against anyone who reports in good faith a violation or suspected violation of the law, the Code or any of our policies, guidelines or provisions of our employee handbook. Cray wants individuals to communicate concerns and report misconduct without fear of retribution. If any employee makes a knowingly false report for the purpose of harming another individual, however, that employee will be subject to disciplinary action.