UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 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): February 27, 2006

QUANTUM CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	**1-13449**	**94-2665054**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

1650 Technology Drive, Suite 800, San Jose, CA	**95110**
(Address of principal executive offices)	(Zip Code)

408-944-4000
(Registrant's telephone number, including area code)

Not Applicable
(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))

ITEM 1.01 Entry into a Material Definitive Agreement

On February 27, 2006, Quantum Corporation ("Quantum"), a Delaware corporation, entered into a patent cross license agreement with Storage Technology Corporation ("StorageTek") pursuant to which each party received a license to six of the other party's patents on a nonexclusive, worldwide basis. In connection with the cross license agreement, StorageTek dismissed a patent lawsuit against Quantum that had been pending in the United States District Court for the District of Colorado (Civil Action No. 03-cv-0672-RPM-PAC). A copy of the press release announcing this agreement is attached to this Form 8-K as Exhibit 99.1.

ITEM 1.01 Entry into a Material Definitive Agreement

Also on February 27, 2006, the Board of Directors of Quantum approved an amendment to the 1993 Long-Term Incentive Plan to permit the grant of restricted stock units and approved the form of a Restricted Stock Unit Agreement.

Copies of the patent cross license agreement, the amended 1993 Long-Term Incentive Plan, and the form of Restricted Stock Unit Agreement are filed as exhibits to this Form 8-K. The foregoing descriptions of these documents do not purport to be complete, and are qualified in their entirety by reference to documents filed hereto and incorporated by reference herein.

ITEM 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers

(b) Effective March 1, 2006, Mary Agnes Wilderotter has resigned from Quantum's Board of Directors

ITEM 9.01 Financial Statements and Exhibits.

(c) Exhibits.

Exhibit 10.1 Patent Cross License Agreement, dated February 27, 2006, between Registrant and Storage Technology Corporation

Exhibit 10.2 1993 Long-Term Incentive Plan, as amended February 27, 2006

Exhibit 10.3 Form of Restricted Stock Unit Agreement

Exhibit 99.1 Press release dated February 28, 2006

SIGNATURE

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

QUANTUM CORPORATION
By: /s/ SHAWN HALL

Shawn Hall
Vice President, General Counsel and Secretary

Dated: March 3, 2006

EXHIBIT INDEX

Exhibit	Description
10.1	Patent Cross License Agreement, dated February 27, 2006, between Registrant and Storage Technology Corporation
10.2	1993 Long-Term Incentive Plan, as amended February 27, 2006
10.3	Form of Restricted Stock Unit Agreement
99.1	Press release dated February 28, 2006

PATENT CROSS LICENSE AGREEMENT

Between

QUANTUM CORPORATION

And

STORAGE TECHNOLOGYCORPORATION

PATENT CROSS LICENSE AGREEMENT

THIS PATENT CROSS LICENSE AGREEMENT (hereinafter referred to as "Agreement") is entered into and effective as of the last date set of execution below (the “Effective Date” of this Agreement) by and between Storage Technology Corporation, (hereinafter referred to as "StorageTek"), a Delaware corporation, with principal offices located at One StorageTek Drive., Louisville, Colorado 80028-4309 and Quantum Corporation, a Delaware Corporation, with principal offices located at 1650 Technology Drive, Suite 800, San Jose, California 95110 (hereinafter referred to as “Quantum”);

WHEREAS, StorageTek and Quantum own or control, and have the right to license, certain patents and patent applications; and

WHEREAS, StorageTek and Quantum desire to grant, and the other Party desires to accept, a nonexclusive license under those rights;

NOW, THEREFORE in consideration of the mutual covenants herein contained and other good and valuable consideration, StorageTek and Quantum agree as follows:

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1. DEFINITIONS

The definitions set forth herein shall serve to define or limit the scope of this Agreement only and shall not be construed as defining or limiting the scope of any Letters Patent or other licensed rights.

1.1. “Licensed Patents” shall mean up to six utility patents (including utility models, but not including design patents or registrations) of the Licensing Party as selected in accordance with this Agreement by the Licensed Party (selected Licensed Patents are listed in Exhibit A for StorageTek and Exhibit B for Quantum). Such selection, once made, shall be irrevocable. The Licensed Party shall notify the Licensing Party in writing of the patent or patents it selects and the date of such notification shall be the “Selection Date”. Such selection may be made at any time prior to February 24, 2016 provided that, if the Licensing Party gives written notice of infringement of a patent (which is not a Licensed Patent) to the Licensed Party, then Licensed Party shall notify the Licensing Party in writing within ninety (90) days from the date of notification whether it wishes to select or not to select that patent as a Licensed Patent. If no response is received within the ninety (90) day period then the patent (s) shall be considered as not selected. Such selection (or notification that such patent is not selected) shall be irrevocable once made. Licensed Patents shall be limited to utility patents or utility patent applications (including utility models) of a Party which a Party now or in the future owns, controls, or has the right, as for example through Affiliates, to license or sublicense, respectively and which patents have issued prior to February 24, 2016, or will issue on applications (or which have a right to priority under law or treaty based upon applications) entitled to an effective filing date prior to February 24, 2016 provided that if any licenses granted hereunder result in an obligation of a Party or its Affiliates to pay royalties or other consideration by such Party or its Affiliates to third parties for a Licensed Patent (except for payments among a Party or its Affiliates, and payments to third parties for inventions made by said third parties while employed by a Party or any of its Affiliates) then a Party (Licensed Party) desiring a license under any such patents of the other Party (Licensing Party) shall be obligated to pay any such royalties or other consideration resulting from such grant or exercise of rights thereunder. Licensed Patents shall not include patents assigned to Sun Microsystems except that, in the event StorageTek is merged into Sun Microsystems pursuant to Section 8.5, then Licensed Patents filed by Sun primarily relating to Tape Products may be selected. Licensed Patents shall at no time include patents filed by Sun Microsystems primarily relating to encryption technologies, or software developed to run on a host system to manage Tape Products.

1.2. "Products" means hardware and software items including equipment, upgrades, spare parts, maintenance items, software fixes, and services performed in conjunction with the making, using, selling, importing, leasing, or offering for sale of such hardware and software items.

1.3. “Tape Products” shall mean magnetic recording tape, Tape Cartridges, Tape Heads, Tape Drives, and Tape Libraries including all network connections and interfaces necessary for their use as Tape Products. Tape Products shall not include Virtual Tape

Products.

1.4. “Licensed Products” shall mean Tape Products. Licensed Products may mean Quantum Licensed Products or StorageTek Licensed Products or both Quantum Licensed Products and StorageTek Licensed Products as the context of this Agreement may require.

1.5. “Party” shall mean Quantum or StorageTek or both as the context of this Agreement may require.

1.6. "Affiliate" shall mean any corporation, company or other business entity in which a Party owns or controls, directly or indirectly, more than fifty percent (50%) of the outstanding stock or other voting rights entitled to elect directors or other managing authority: provided, however, that in any country where the local law does not permit foreign equity participation of more than 50%, then an "Affiliate" shall include any company in which a Party, now or hereafter, owns or controls, directly or indirectly, the maximum percentage of such outstanding stock or voting rights permitted by local law. Affiliate further includes a corporation, company or other business entity which does not have outstanding shares or securities, as may be the case in a partnership, joint venture or unincorporated association, but more than 50% of whose ownership interest representing the right to make decisions for such corporation, company or business entity is, now or hereafter, owned or controlled, directly or indirectly, by a Party. In either case, such corporation, company or other business entity shall qualify as an Affiliate only so long as such ownership or control exists.

1.7. “Virtual Tape Product” shall mean any hardware and/or software combination that presents the image of a tape device/media that is different from the actual physical hardware (whether disk or tape). Tape Products used in conjunction with a Virtual Tape Product shall themselves not be considered a Virtual Tape Product and such Tape Products shall remain Licensed Products. All network connections and interfaces necessary or desirable for Tape Products used in conjunction with a Virtual Tape Product shall themselves be considered Licensed Products.

1.8. “Tape Cartridge” shall mean a removable cartridge containing magnetic recording tape.

1.9. “Tape Head” shall mean one or more transducers, each transducer operative to read and/or write information and/or servo tracks from or on magnetic tape and including both data and servo writer heads.

1.10. “Tape Drive” shall mean a Product primarily designed for recording and or reproducing information and for effecting relative movement between magnetic recording tape contained in a Tape Cartridge and a Tape Head contained in the Tape drive. Tape Drive and Tape Head shall also include, but not be limited to any instrumentality or aggregate of instrumentalities primarily designed for incorporation into a Tape Drive including tape media and servo technology (including but not limited to

servo patterns and methods to generate or use servo patterns), error correcting code, compression techniques, read/write channels, and tape formatting.

1.11. “Tape Library” shall mean a Product for storing and transferring Tape Cartridges and including one or more enclosures, each enclosure including both a plurality of storage bins for storing Tape Cartridges and means for transferring Tape Cartridges between the storage bins, one or more Tape Drives and, if there are a plurality of enclosures, through ports providing access directly between the enclosures. Tape Library shall also include any instrumentality or aggregate of instrumentalities primarily designed for incorporation into such a Product.

1.12. “Licensing Party” shall mean Quantum or StorageTek or both as the context of this Agreement may require 1.13. “Licensed Party” shall mean Quantum or StorageTek or both as the context of this Agreement may require

2. RIGHTS GRANTED

2.1. Except as otherwise provided in Sections 4.2 and 8 of this Agreement regarding termination of the license granted to the Licensed Patents, StorageTek hereby grants to Quantum a nonexclusive and worldwide license under Licensed Patents including (1) any patent or application that claims a right of priority under law or treaty commonly with said Licensed Patent such as any continuation, continuation-in-part (to the extent that any new matter has a priority date prior to February 24, 2016), division, reissue, reexamination, renewal or extension of the Licensed Patent, and (2) all foreign counterparts of Licensed Patents and of the patents or patent applications specified in sub-paragraph (1) of this paragraph:

a) to make (including the right to use any apparatus and practice any method or process in making), use, import, offer for sale, lease, sell and/or otherwise transfer Quantum Licensed Products; and

b) to have Quantum Licensed Products made by another manufacturer but only when the conditions of Section 2.4 are met.

2.2 Notwithstanding the provisions of Paragraph 2.1 above, the four Selected Patents listed in Attachment B “Quantum Selected Patents” shall count as four Licensed Patents

2.3. Except as otherwise provided in Section 8 of this Agreement regarding termination of the license granted to the Licensed Patents, Quantum hereby grants to StorageTek a nonexclusive, royalty free, irrevocable and worldwide license under Licensed Patents including (1) any patent or application that claims a right of priority under law or treaty commonly with said Licensed Patent such as any continuation, continuation-in-part (to the extent that any new matter has a priority date prior to February 24, 2016), division, reissue, reexamination, renewal or extension of the Licensed Patent, and (2) all foreign counterparts of Licensed Patents and of the patents or patent applications

specified in

sub-paragraph (1) of this paragraph::

a) to make (including the right to use any apparatus and practice any method or process in making), use, import, offer for sale, lease, sell and/or otherwise transfer StorageTek Licensed Products; and

b) to have StorageTek Licensed Products made by another manufacturer but only when the conditions of Section 2.4 are met.

2.4. The license granted in Section 2.1(b) to Quantum and Section 2.3 (b) to StorageTek to have Licensed Products made by another manufacturer:

a) shall only apply when the specifications or design for such Licensed Products were created either solely by Quantum or StorageTek or were created for Quantum or StorageTek by a third party or were created jointly by Quantum or StorageTek with one or more third parties; provided that, if such Licensed Products include a Tape Library, and such third party is ADIC then such Tape Libraries shall be considered a Licensed Product only to the extent that the “have made” right is not being used to circumvent either Section 2.4 (d) or Section 8.4 of this Agreement;

b) shall only be under claims of Licensed Patents, the infringement of which would be necessitated by compliance with such specifications;

c) shall not apply to (i) any methods used, or (ii) any products in the form manufactured or marketed, by said other manufacturer prior to a Party’s furnishing of said specifications to said manufacturer; and

d) shall be limited to Licensed Products which are manufactured for the sale, offer for sale, lease or use of Products by a Party hereto and such license shall not otherwise allow such third party manufacturer to make, sell, offer to sell, lease, or use Licensed Products of Quantum or StorageTek, except that Licensed Products shall be deemed to include magnetic recording tape and Tape Cartridges made to the specifications created by Quantum or StorageTek so as to be within the scope of Paragraph 2.4(a), above regardless of whether such tape is sold directly to third parties without passing through the hands of the Party that created the specification to which it was made.

Unless one Party informs the other to the contrary, the one Party shall be deemed to have authorized said other manufacturer to make Licensed Products under the license granted to the one Party in this section when the conditions specified in this Section 2.4 are fulfilled.

2.5 Except for the license under Licensed Patents granted herein to Licensed Products as purchased or acquired from a Party, no license or immunity is granted under this Agreement by either Party, either directly or by implication, estoppel or otherwise to any third parties purchasing or acquiring Licensed Products from a Party for the combination

of such Licensed Products with other items or systems containing non-licensed, patented technology (including non-licensed items or systems acquired from a Party) or for the use of such combination; provided that, third parties acquiring Licensed Products from one Party for the combination of such Licensed Products with other items shall be immune from suit from the other Party for the use, sale or other distribution of such combination, under any given Licensed Patent claim, but only to the extent that (i) such combination would constitute a Licensed Product under this Agreement, (ii) the sale of one or more such Licensed Products by a Party would, absent this Agreement, constitute direct or contributory infringement of such claim, and (iii) such claim would not be directly or contributorily infringed by such other items separate and apart from the combination with such Licensed Products. The determination of infringement for the purpose of this Section 2.5 shall assume the existence of any necessary knowledge or intent required to constitute contributory infringement.

2.6. Subject to Section 2.7, the licenses granted herein shall include the right by a Party to grant sublicenses to its Affiliates existing on or after the Effective Date, which sublicenses may include the right of sublicensed Affiliates to sublicense other Affiliates of the Party. No sublicense shall be broader in any respect at any time during the life of this Agreement than the license held at that time by the Party that granted the sublicense. The license granted herein shall not be sublicensed by a Party except to Affiliates as specifically provided herein.

2.7. A sublicense granted to an Affiliate of a Party shall terminate on the earlier of:

a) the date such Affiliate ceases to be an Affiliate of the Party; or

b) the date of termination or expiration of the license to the Party or its Affiliate that granted the sublicense.

2.8. In the event that a Party does not have the right to grant a license under any particular Licensed Patent of the full scope set forth in Section 2, then the license granted herein under said Licensed Patent shall be of the broadest scope which such Party has the right to grant within the scope set forth above.

2.9. The licenses granted hereunder are intended to cover only the Licensed Products of the two Parties to this Agreement and shall not extend to Tape Products manufactured by a Party on behalf of a third party from designs or specifications received in a substantially completed form from a third party for resale to or on behalf of that Party. Applying third party labels on Tape Products developed, designed and manufactured by a Party hereunder (ordinarily known as private labeling) shall be a licensed activity.

3. RELEASE

3.1. Subject to the terms of this Agreement, StorageTek and Quantum hereby release the other Party and the manufacturers of each Party benefiting from the "have made" licenses of Paragraphs 2.1(b) and 2.3(b), its Affiliates which are Affiliates on the Selection Date

for a Licensed Patent, and its and their respective customers from any and all claims of infringement of Licensed Patents, which claims are based on acts prior to the Selection Date, which, had they been performed after the Effective Date of this Agreement could have been licensed under this Agreement. This release shall include a release under (1) any patent or application that claims a right of priority under law or treaty commonly with said Licensed Patent such as any continuation, continuation-in-part (to the extent that any new matter has a priority date prior to February 24, 2016), division, reissue, reexamination, renewal or extension of the Licensed Patent, and (2) all foreign counterparts of Licensed Patents and of the patents or patent applications specified in sub-paragraph (1) of this paragraph

The release contained herein shall not apply to any person other than the persons named in this Section 3 and shall not apply to the manufacture of any items by any person other than a Party and its Affiliates and the manufacturers of each Party benefiting from the "have made" licenses in Paragraphs 2.1(b) and 2.3 (b). The release granted herein is effective on the Effective Date of this Agreement.

3.2. As soon as possible and in any event within five (5) days of the Effective Date the Parties shall execute and file a Stipulation and Order regarding Dismissal with Prejudice under Rule 41(a)(1)(ii) in the form attached hereto as Exhibit C. The dismissal shall dismiss the current litigation (Civil Action No. 03-cv-0672-RPM-PAC) currently pending in the United States District Court for the District of Colorado. The dismissal shall dismiss the litigation with prejudice, without any payment by either Party except as provided in this Agreement and with each Party to bear its own costs. Both Parties consent to the jurisdiction of the Colorado Federal District Court to enforce this settlement Agreement, and any claims arising from this settlement Agreement

4. PAYMENTS

4.1. As additional consideration for the license granted by StorageTek to Quantum under StorageTek Licensed Patents, Quantum agrees to pay to StorageTek:

a) twenty million dollars ($20,000,000.00) as a license fee, no portion of which shall be refundable, payable on or before March 15, 2006; and

b) five million dollars ($5,000,000.00) as a license fee payable in equal installments of one million dollars ($1,000,000.00) per calendar quarter, no portion of which shall be refundable, payable on or before the last day of five consecutive calendar quarters as follows:

one million dollars ($1,000,000.00) payable on or before June 30, 2006;

one million dollars ($1,000,000.00) payable on or before September 30, 2006;

one million dollars ($1,000,000.00) payable on or before December 31, 2006;

one million dollars ($1,000,000.00) payable on or before March 31, 2007; and

one million dollars ($1,000,000.00) payable on or before June 30, 2007.

4.2. The license granted herein by StorageTek to Quantum shall be fully paid up and irrevocable only upon Quantum making all payments timely and in full as provided in section 4.1 above. Should Quantum fail to make any payment when due, StorageTek shall have the right to immediately terminate the license granted to Quantum under any or all Licensed Patents provided Quantum does not cure such failure (with accrued interest) within thirty (30) days of written notice from StorageTek to Quantum of such failure to pay.

4.3. Any and all payments required to be made by Quantum pursuant to this Agreement shall be payable in U.S. Dollars, at StorageTek's option, either by check delivered to StorageTek or by transfer via wire in immediately available funds to a bank designated by StorageTek and credited to the account of StorageTek or its designee.

4.4. In the event any payment(s) by Quantum to StorageTek under this Agreement shall at any time be overdue and payable, StorageTek shall have the right to require Quantum to pay interest at the rate of three percent (3%) per annum more than the prime rate charged by Morgan Guaranty Trust of New York on any and all such overdue payments, such interest being calculated on each such overdue payment from the date when such payment became due to the date of actual payment thereof. The payment of such interest shall be in addition to any other rights under this Agreement resulting from a default in making timely payments due hereunder.

5. GUARANTEES, WARRANTIES AND LIABILITY

5.1. StorageTek and Quantum each represent and warrant that it has the full right and power to grant the licenses and releases set forth in Sections 2 and 3. EXCEPT AS SPECIFICALLY SET FORTH IN THIS SUBSECTION 5.1, STORAGETEK AND QUANTUM DO NOT MAKE ANY WARRANTY OF ANY KIND OR NATURE WHATSOEVER EITHER REGARDING THE VALIDITY OF THE LICENSED PATENTS OR THE COMMERCIAL VIABILITY OF PRODUCTS OR METHODS DISCLOSED OR CLAIMED THEREIN,

AND STORAGETEK AND QUANTUM HEREBY DISCLAIM ANY AND ALL OTHER WARRANTIES WITH RESPECT THERETO, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR USE OR PURPOSE.

5.2. NOTWITHSTANDING ANY OTHER PROVISION OF THIS OR ANY OTHER AGREEMENT BETWEEN THE PARTIES HERETO, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, CONSEQUENTIAL, OR INCIDENTAL DAMAGES OR DAMAGES BASED UPON LOST PROFITS ARISING OUT OF THE SUBJECT MATTER OF THIS AGREEMENT WHETHER OR NOT THAT PARTY HAS BEEN PREVIOUSLY ADVISED OF THE POSSIBILITY OF SUCH CLAIMS OR DAMAGES.

5.3. EACH PARTY AS LICENSEE HEREBY INDEMNIFIES, HOLDS HARMLESS AND SHALL DEFEND THE OTHER PARTY AS LICENSOR AGAINST ALL

LIABILITIES, CLAIMS, DEMANDS, DAMAGES, EXPENSES OR LOSSES ARISING (1) OUT OF THE USE OF LICENSED PRODUCTS BY THE LICENSEE OR ITS TRANSFEREES OR (2) OUT OF ANY USE, SALE, OR OTHER DISPOSITION OF LICENSED PRODUCTS BY THE LICENSEE OR ITS TRANSFEREES.

5.4. Neither Party shall have any obligation hereunder to institute any action or suit against third parties for infringement of any Licensed Patents or to defend any action or suit brought by a third party which challenges or concerns the validity of any Licensed Patents. Neither Party shall have the right to institute any action or suit against third parties for infringement of any Licensed Patents of the other Party. Neither Party shall be required to file any patent application or to secure any patent or patent rights, or to maintain any patent, including Licensed Patents, in force.

5.5. Neither Party makes any representation or warranty with respect to the patent, trademark, copyright, maskwork or trade secret rights of any third parties, and in particular, neither Party warrants that any product made in accordance with a Licensed Patent will be free from claims of infringement under intellectual property rights of any third party.

6. CONFIDENTIALITY - PRESS RELEASE

6.1. The Parties agree that each shall be allowed to issue a public announcement regarding the existence of this Patent Cross License Agreement, settlement of the lawsuit between the Parties, and the general terms of this Agreement without identifying specific patents that are not the subject of the current litigation (Civil Action No. 03-cv-0672-RPM-PAC). Copies of the Agreement itself shall be kept in confidence by the Parties and shall not be disclosed to any third party (other than its Affiliates) without the prior written consent of the other Party; provided, however, (i) disclosure is permissible if required by law (including Securities Law disclosure requirements) or court order, provided the Party required to disclose first gives the other Party prior written notice to enable it to seek a protective order, and (ii) either Party may disclose the specific terms of this Agreement to the extent reasonably necessary, on a confidential basis, to its accountants, attorneys, financial advisors, its present or future providers of venture capital and/or potential investors in or acquirers of such Party or product lines which qualify under Section 8.

7. CANCELLATION, EXPIRATION AND TERMINATION OF THIS AGREEMENT

7.1. Unless this Agreement is canceled or otherwise terminated earlier as provided herein or unless the license granted to Quantum is terminated for nonpayment pursuant to Section 4.2, the licenses granted in this Agreement shall continue until the expiration date of the last to expire of the patents licensed under Sections 2.1 and 2.3.

7.2. Each Party has the right to terminate the licenses granted in this Agreement if the other Party breaches or is in default of any material obligation hereunder, which default is

incapable of cure or which, being capable of cure, has not been cured within thirty (30) days after receipt of written notice of such default from a non-defaulting Party or within such additional cure period as the non-defaulting Party may authorize.

7.3. The license granted to Quantum under this Agreement shall terminate immediately and automatically if Quantum enters or is placed into receivership, is petitioned into bankruptcy or makes a proposal under the Bankruptcy Act for the benefit of its creditors, ceases to carry on business, or is wound up. In the event that StorageTek enters or is placed into receivership, is petitioned into bankruptcy or makes a proposal under the Bankruptcy Act for the benefit of its creditors, ceases to carry on business, or is wound up, then the license granted by StorageTek to Quantum shall continue according to the terms of this Agreement provided that Quantum performs its duties and obligations as provided herein.

7.4. Termination of this Agreement shall be in addition to any other right or remedy which the terminating Party may have either at law or in equity under this Agreement.

7.5. Notwithstanding any other provision of this Agreement, StorageTek shall have the right to terminate the license and other rights granted to Quantum under this Agreement if Quantum fails at any time to make any payment required herein provided that Quantum does not cure

such failure (with accrued interest) within thirty (30) days written notice from StorageTek to Quantum of such failure to pay.

8. ASSIGNABILITY AND TRANSFERABILITY

8.1. Except as specifically provided in this Section 8, the rights and obligations granted to and undertaken by a Party shall not be assignable or transferable, in whole or in part, by act of that Party or by operation of law without the express written consent of the other Party, and any purported but unauthorized assignment or delegation shall be null and void. The licenses granted in Section 2 of this Agreement by each Party to the other are personal and may not be transferred. Such licenses are granted to the Parties as they are constituted as of the Effective Date and, except as specifically provided in this Section 8, such licenses shall not extend to Products of entities acquired by either Party after the Effective Date and such acquired Products shall not be considered Licensed Products.

8.2. If one Party (the "Transferring Party") transfers a product line after the Agreement Date, either as part of, or separate from, a disposition of an Affiliate to any third party, and if such transfer includes at least one marketable product and tangible assets having a net value of at least twenty-five million US dollars ($25,000,000.00), then after written request to the other Party hereto jointly by the Transferring Party and such third party within sixty (60) days following the transfer, the other Party hereto agrees to grant a royalty-free license (under the same terms as the license granted to the Transferring Party herein) under its Licensed Patents for Licensed Products (as defined between the Transferring Party and the other Party hereto) of such product line to the ex-Affiliate in the case of a disposition of a Affiliate, or to such third party if not such a disposition, (each referred to as the "Recipient") provided that:

a) This Section 8 of this Agreement shall be omitted from the license granted to the Recipient; and

b) if the Recipient and such other Party are in patent infringement or validity litigation with each other on the date of such transfer, such other Party may refuse to enter into any patent license pursuant to this Section 8.2, or if Recipient later institutes or threatens patent infringement or validity litigation against such other Party after the date of such transfer, then such other Party may revoke such license to Recipient; and

c) the license granted to the Recipient shall terminate if the license granted to the Transferring Party terminates or is terminated for any reason; and

d) Licensed Patents shall be limited to those listed in the applicable Attachment (A or B) which would otherwise be infringed by the transferred product line and which have been selected pursuant to Section 1.1 of this Agreement more than ninety (90) days prior to the first signed document between the Transferring Party and the Recipient relating to such transfer. In addition the Transferring Party may transfer the right to select one or more Licensed Patents to the Recipient, with the selection being made according to Section 1.1, up to a maximum of half of the unused Licensed Patent selections remaining to the Transferring Party prior to the consummation of the sale to the Recipient; and

e) as a condition precedent to the transfer of rights under this Section 8.2, the Recipient shall grant to such other Party the right to select and license an additional number of patents from the portfolio of the Recipient equal to the remaining number of unused Licensed Patent selections of the other Party prior to the consummation of the sale or transfer to the Recipient

Notwithstanding the foregoing provisions of this Section 8.2, the transfer by one Party of substantially all of its assets to any third party shall not be considered to be a transfer of a product line under this Section 8.2, and the other Party shall have no obligation to grant a license under its Licensed Patents to such third party as a result of such transfer except as provided in section 8.3 below.

8.3. If one Party (the "Acquired Party") is acquired by a third party, either becoming an Affiliate of such third party or if it is no longer a separate legal entity after such acquisition:

a) The Acquired Party shall promptly give notice of such acquisition to the other Party; and

b) the license granted to the Acquired Party (or to the third party if the Acquired Party is no longer a separate legal entity) shall be limited in the twelve (12) months immediately following such transfer to a volume of Licensed Products having an aggregate selling price equal to no more than the aggregate selling prices of such products by the Acquired Party in the twelve (12) months preceding such transfer plus twenty percent (20%); and

shall be limited, in each of the successive twelve month periods following such transfer, to a volume of Licensed Products having an aggregate selling price equal to no more than the limit for the immediately preceding twelve-month period plus twenty percent (20%); and

c) no further transfers pursuant to this Section 8.3 shall be permitted by the Acquired Party (or the third party if the Acquired Party is no longer a separate legal entity); and

d) if the other Party and such third party are in patent infringement or validity litigation with each other on the date of such acquisition, such other Party may revoke any patent license granted to the third party or the Acquired Party pursuant to this Agreement; and

e) Licensed Patents shall be limited to those listed in the applicable Attachment (A or B) which have been selected pursuant to Section 1.1 of this Agreement more than ninety (90) days prior to the first signed document relating to the acquisition of the Acquired Party by the third party. In addition the Transferring Party may transfer the right to select one or more Licensed Patents to the Recipient, with the selection

being made according to Section 1.1, up to a maximum of half of the unused Licensed Patent selections remaining to the Transferring Party prior to the consummation of the sale to the Recipient; and

f) the transfer of rights pursuant to this section 8.3 shall be conditioned upon the grant by the Recipient to the other Party of the right to select and license an additional number of patents from the portfolio of the Recipient party, equal to the remaining number of unused Licensed Patent selections of the other Party prior to the consummation of the sale or transfer to the

8.4. If, after the Effective Date of this Agreement, a Party ("Acquiring Party") either acquires an entity or acquires substantially all of the assets of an entity or acquires a product line, the license and other rights granted herein to the Acquiring Party shall apply to products manufactured by said entity or through the use of said assets or to the products of the acquired product line; provided that, if Quantum should acquire ADIC, or its successor in interest, or if such acquired entity and the other Party are in patent infringement or validity litigation with each other, the provisions of this Section 8.4 do not apply. Any patents or patent applications acquired by the Acquiring Party as a result of acquiring such entity, such assets, or such product line ("Acquired Patents") may be selected as Licensed Patents under Section 1.1; provided that, in the event the products of such acquired entity are not licensed in accordance with this Section 8.4, then the Acquired Patents may not be selected as Licensed Patents hereunder.

8.5. Quantum expressly acknowledges that StorageTek is a wholly owned subsidiary of Sun Microsystems Inc. as of the effective Date of this Agreement. Quantum hereby consents to the assignment of this Agreement and any and all licenses granted herein to Sun Microsystems Inc. without restriction in the event that Sun Microsystems directs StorageTek to do so and the restrictions on transfer of the license in sections 8.1; 8.2; 8.3 and 8.4 shall not apply to such transfer. In the event of such assignment, Sun

Microsystems shall be substituted in place of all references to StorageTek in this Agreement.

9. MISCELLANEOUS

9.1. This Agreement contains the entire agreement of the Parties relating to the subject matter hereof, is a final, complete and exclusive statement of the terms thereof, supersedes and terminates any prior agreement, understanding, or representation between the Parties with respect thereto, whether written or oral, and supersedes all proposals, negotiations, representations, warranties, conditions and agreements, collateral or otherwise, oral or written, made prior to the execution hereof. In the event of a conflict between any provisions appearing in any other prior writing and this Agreement, the provisions of this Agreement shall control. Any representation, promise, warranty, or condition relating to the subject matter hereof not contained herein shall not be binding on any Party. Any amendments or modifications to this Agreement must be in writing, having direct reference to this Agreement and must be signed by an authorized representative of each Party. This Agreement will not be binding upon the Parties until it has been signed herein below by or on behalf of each Party, in which event it shall be effective as of the date first above written.

9.2. No provision of this Agreement shall be deemed waived, amended or modified by any Party, unless such waiver, amendment or modification be in writing and signed by the Party or its authorized agent, against whom such waiver, amendment or modification will be enforced.

9.3. The Agreement as set forth in this writing shall not be modified or altered by any subsequent course of performance by and between the Parties.

9.4. If any term of this Agreement is held invalid or unenforceable, the remaining terms shall retain full force and effect, so long as the Agreement still expresses the intent of the Parties.

9.5. The headings of the several Sections are inserted for convenience of reference only, are not intended to be a part of or to affect the meaning or interpretation of this Agreement, and are without contractual significance or effect. The headings of the several sections are inserted for convenience and reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement. The use of singular or plural forms of defined terms are for contextual purposes only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

9.6. Except for the press release referred to in section 6, each Party agrees that it will not use the other Party's name in any way for advertising or promotional purposes without first obtaining the prior written consent of the other Party. Neither Party may use or register any trademarks, service marks, or trade names of the other Party. Nothing in this Agreement shall be construed as conveying to a Party, either expressly or by implication, any right under any patents or patent applications of the other Party other than the

Licensed Patents.

9.7. This Agreement shall be governed by the laws of the State of Colorado without reference to conflicts of law principles. The Parties agree to adjudicate all disputes with respect to this Agreement in the federal courts of the State of Colorado and the Parties hereby submit to the personal and legal jurisdiction thereof.

9.8. Nothing in this Agreement shall be construed as giving rise to an obligation by StorageTek or Quantum to refrain from engaging at any

time in the same or any business similar or dissimilar to the business relationship hereunder contemplated or the business in which either Party is now engaged. This Agreement shall not prevent either Party from entering into similar agreements with other companies in the same industry or in other industries or with universities, governmental or non-profit organizations.

9.9. All notices, requests and other communications to StorageTek and Quantum pursuant to this Agreement shall be forwarded to the below-named individuals at their respective addresses:

In the case of StorageTek:
Office of Corporate Counsel
Storage Technology Corporation
4150 Network Circle
Santa Clara, CA 95054
Attn: IP Counsel

In the case of Quantum:
General Counsel
Legal Department
1650 Technology Drive, Suite 700,
San Jose, California 95110

Such designations and/or addresses for service hereunder may be changed from time to time during the Agreement provided prior written notice has been given to the other Parties. Any notice, request or other communication forwarded hereunder shall be deemed to have been received if delivered by hand, at the time of delivery, transmitted by fax or telex, on the first business day (days other than Saturdays, Sundays and statutory holidays) after it has been transmitted and if mailed, on the seventh business day (days other than Saturdays, Sundays and statutory holidays) after it has been mailed by certified or registered mail to a Party.

9.10. The Parties agree that they are and shall remain independent entities with respect to one another. Neither execution nor performance of this Agreement shall be construed or deemed to have established any joint venture or partnership or have created the relationship of agent and principal or of employer and employee between StorageTek and Quantum. At no time shall any Party make any commitments or incur any charges or expenses for, or in the name of, the other Parties. Each Party shall be responsible for all

expenses incurred by it in carrying out the activities contemplated by this Agreement.

9.11. Neither Party shall be considered to be in default in the performance of any of its obligations under this Agreement resulting from any delay or failure to perform arising out of causes beyond the Party's reasonable control. Such causes may include, but are not limited to, acts of God, acts of the elements, fire, wind, flood, explosion, strikes or acts of civil authorities.

9.12. The Parties agree that they have equally participated in drafting this Agreement and that neither Party shall be prejudiced in the construction and interpretation of the terms of this Agreement due to the language used in drafting such terms.

9.13. This Agreement may be executed on facsimile copies in two counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same Agreement. Notwithstanding the foregoing, the Parties shall deliver original execution copies of this Agreement to one another as soon as practicable following execution thereof.

IN WITNESS WHEREOF, StorageTek and Quantum have each caused this Agreement to be executed by their respective duly authorized representatives as of the date first above written and delivered to the other Party.

QUANTUM CORPORATION

By _/s/ Rick Belluzzo_____

Title___Chairman and CEO_____

Date___Feb. 27, 2006_____

STORAGE TECHNOLOGY CORPORATION

By__/s/ Jon Benson__ _____ ___

Title__ VP, Eng, DMG, Sun_____

Date__ Feb. 27, 2006_____ ___

QUANTUM CORPORATION

1993 LONG-TERM INCENTIVE PLAN

(As amended and restated effective as of February 27, 2006)

1. Purpose of the Plan. The purpose of the Quantum Corporation 1993 Long-Term Incentive Plan is to enable Quantum Corporation to provide an incentive to eligible employees, consultants and officers whose present and potential contributions are important to the continued success of the Company, to afford these individuals the opportunity to acquire a proprietary interest in the Company, and to enable the Company to enlist and retain in its employment the best available talent for the successful conduct of its business. It is intended that this purpose will be effected through the granting of (a) stock options, (b) stock purchase rights, (c) stock appreciation rights, (d) long-term performance awards, and (e) restricted stock units.

2. Definitions. As used herein, the following definitions shall apply:

(a) "Administrator" means the Board or such of its Committees as shall be administering the Plan, in accordance with Section 5 of the Plan.

(b) "Applicable Laws" means the requirements relating to the administration of stock option plans under U. S. state corporate laws, U.S. federal and state securities laws, the Code, any stock exchange or quotation system on which the Shares are listed or quoted and the applicable laws of any foreign country or jurisdiction where awards are, or will be, granted under the Plan.

(c) "Board" means the Board of Directors of the Company.

(d) "Code" means the Internal Revenue Code of 1986, as amended.

(e) "Committee" means a Committee appointed by the Board in accordance with Section 5 of the Plan.

(f) "Company" means Quantum Corporation, a Delaware corporation.

(g) "Consultant" means any person, including an advisor, engaged by the Company or a Parent or Subsidiary to render services and who is compensated for such services, provided that the term "Consultant" shall not include Directors who are paid only a Director's fee by the Company or who are not compensated by the Company for their services as Directors.

(h) "Continuous Status as an Employee or Consultant" means that the employment or consulting relationship is not interrupted or terminated by the Company, any Parent or Subsidiary, or where applicable, any entity affiliated with the Company. Continuous Status as an Employee or Consultant shall not be considered interrupted in the case of: (i) transfers between locations of the Company or between the Company, its Parent, its Subsidiaries, or where applicable, affiliated or successor entities; (ii) any leave of absence approved by the Board, including sick leave, military leave, or any other personal leave; provided, however, that for purposes of Incentive Stock Options,

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any such leave may not exceed ninety (90) days, unless reemployment upon the expiration of such leave is guaranteed by contract (including certain Company policies) or statute or (iii) notification by the Company of a reduction-in-force; such termination shall be considered to have occurred at the end of the Employee's continuation period.

(i) "Director" means a member of the Board.

(j) "Disability" means total and permanent disability as defined in Section 22(e)(3) of the Code.

(k) "Employee" means any person, including Officers and Directors, employed by the Company or any Parent, Subsidiary or where applicable, entities affiliated with the Company. Neither service as a Director nor payment of a director's fee by the Company shall be sufficient to constitute "employment" by the Company.

(l) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(m) "Fair Market Value" means, as of any date, the value of a Share determined as follows:

(i) If the Shares are listed on any established stock exchange or a national market system, including without limitation the Nasdaq National Market or The Nasdaq SmallCap Market of The Nasdaq Stock Market, its Fair Market Value shall be the closing sales price for such stock (or the closing bid, if no sales were reported) as quoted on such exchange or system on the day of determination, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable;

(ii) If the Shares are regularly quoted by a recognized securities dealer but selling prices are not reported, the Fair Market Value of a Share shall be the mean between the high bid and low asked prices for the Shares on the day of determination, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable; or

(iii) In the absence of an established market for the Shares, the Fair Market Value shall be determined in good faith by the Administrator.

(n) "Incentive Stock Option" means an Option intended to qualify as an incentive stock option within the meaning of Section 422 of the Code and the regulations promulgated thereunder.

(o) "Long-Term Performance Award" means an award under Section 10 below. A Long-Term Performance Award shall permit the recipient to receive a cash or stock bonus (as determined by the Administrator) upon satisfaction of such performance factors as are set out in the recipient's individual grant. Long-Term Performance Awards will be based upon the achievement of Company, Subsidiary and/or individual performance factors or upon such other criteria as the Administrator may deem appropriate.

(p) "Long-Term Performance Award Agreement" means a written agreement between the Company and an Optionee evidencing the terms and conditions of an individual Long-Term Performance Award grant. The Long-Term Performance Award Agreement is subject to the terms and conditions of the Plan.

(q) "Nonstatutory Stock Option" means any Option that is not an Incentive Stock Option.

(r) "Notice of Grant" means a written notice evidencing certain terms and conditions of an individual Option, Stock Purchase Right, SAR, Long-Term Performance Award, or Restricted Stock Unit grant. The Notice of Grant is part of the Option Agreement, the SAR Agreement, the Long-Term Performance Award Agreement, and the Restricted Stock Unit Agreement, as applicable.

(s) "Officer" means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act and the rules and regulations promulgated thereunder.

(t) "Option" means a stock option granted pursuant to the Plan.

(u) "Option Agreement" means a written agreement between the Company and an Optionee evidencing the terms and conditions of an individual Option grant. The Option Agreement is subject to the terms and conditions of the Plan.

(v) "Optioned Stock" means the Shares subject to an Option or Right.

(w) "Optionee" means an Employee or Consultant who holds an outstanding Option or Right.

(x) "Parent" means a "parent corporation," whether now or hereafter existing, as defined in Section 424(e) of the Code.

(y) "Plan" means this Quantum Corporation 1993 Long-Term Incentive Plan.

(z) "Restricted Stock" means the Shares subject to a Restricted Stock Purchase Agreement acquired pursuant to a grant of Stock Purchase Rights under Section 8 below.

(aa) "Restricted Stock Purchase Agreement" means a written agreement between the Company and the Optionee evidencing the terms and restrictions applying to Restricted Stock purchased under a Stock Purchase Right. The Restricted Stock Purchase Agreement is subject to the terms and conditions of the Plan and the Notice of Grant.

(bb) "Restricted Stock Unit" means a bookkeeping entry initially representing an amount equivalent to the Fair Market Value of one Share, granted pursuant to Section 9. Restricted Stock Units represent an unfunded and unsecured obligation of the Company.

(cc) "Restricted Stock Unit Agreement" means a written agreement between the Company and the Optionee evidencing the terms and restrictions applying to Restricted Stock Units.

The Restricted Stock Unit Agreement is subject to terms and conditions of the Plan and the Notice of Grant.

(dd) "Right" means and includes SARs, Long-Term Performance Awards, Stock Purchase Rights, and Restricted Stock Units granted pursuant to the Plan.

(ee) "Rule 16b-3" means Rule 16b-3 of the Exchange Act or any successor rule thereto, as in effect when discretion is being exercised by the Administrator with respect to the Plan.

(ff) "SAR" means a stock appreciation right granted pursuant to Section 7 of the Plan.

(gg) "SAR Agreement" means a written agreement between the Company and an Optionee evidencing the terms and conditions of an individual SAR grant. The SAR Agreement is subject to the terms and conditions of the Plan.

(hh) "Share" means a share of common stock of the Company, as adjusted in accordance with Section 12 of the Plan.

(ii) "Stock Purchase Right" means the right to purchase Shares pursuant to Section 8 of the Plan, as evidenced by a Notice of Grant.

(jj) "Subsidiary" means a "subsidiary corporation," whether now or hereafter existing, as defined in Section 424(f) of the Code.

3. Eligibility. Nonstatutory Stock Options and Rights may be granted to Employees and Consultants. Incentive Stock Options may be granted only to Employees. If otherwise eligible, an Employee or Consultant who has been granted an Option or Right may be granted additional Options or Rights.

4. Stock Subject to the Plan.

(a) Shares Reserved Under the Plan. Subject to the provisions of Section 12 of the Plan, the total number of Shares reserved and available for issuance under the Plan is 46,343,212 Shares, plus an annual increase to be added on April 1 of each year beginning in 2002 and ending on April 1, 2006, equal to 4% of the number of Shares outstanding on the preceding March 31. The maximum number of Shares reserved and available for issuance pursuant to Incentive Stock Options is 28,000,000 Shares increased, annually, by 3,000,000 of the Shares added to the Plan under the preceding sentence; provided, however, that any or all such annual increases in the number of Shares available for issuance pursuant to Incentive Stock Options shall be subject to stockholder approval to the extent the Administrator determines that such approval is required by the applicable provisions of the Code.

(b) Subject to Section 12 of the Plan, if any Shares that have been optioned under an Option cease to be subject to such Option (other than through exercise of the Option), or if any Option or Right granted hereunder is forfeited, or any such award otherwise terminates prior to the issuance of Common Stock to the participant, the Shares that were subject to such Option or Right shall again be available for distribution in connection with future Option or right grants under the

Plan. In addition, Shares that have been subject to SARs exercised for cash, whether granted in connection with or independently of options, shall again be available for distribution under the Plan. Shares that have actually been issued under the Plan, whether upon exercise or settlement of an Option or Right, shall not in any event be returned to the Plan and shall not become available for future distribution under the Plan, except that if Shares of Restricted Stock are repurchased by the Company at their original purchase price, such Shares shall become available for future grant under the Plan.

5. Administration.

(a) Procedure.

(i) Multiple Administrative Bodies. The Plan may be administered by different Committees with respect to different groups of Service Providers.

(ii) Section 162(m). To the extent that the Administrator determines it to be desirable to qualify Options granted hereunder as "performance-based compensation" within the meaning of Section 162(m) of the Code, the Plan shall be administered by a Committee of two or more "outside directors" within the meaning of Section 162(m) of the Code.

(iii) Rule 16b-3. To the extent desirable to qualify transactions hereunder as exempt under Rule 16b-3, the transactions contemplated hereunder shall be structured to satisfy the requirements for exemption under Rule 16b-3.

(iv) Other Administration. Other than as provided above, the Plan shall be administered by (A) the Board or (B) a Committee, which committee shall be constituted to satisfy Applicable Laws.

(b) Powers of the Administrator. Subject to the provisions of the Plan, and in the case of a Committee, subject to the specific duties delegated by the Board to such Committee, the Administrator shall have the authority, in its discretion:

(i) to determine the Fair Market Value of the Shares, in accordance with Section 2(m) of the Plan;

(ii) to select the Consultants and Employees to whom Options and Rights may be granted hereunder;

(iii) to determine whether and to what extent Options and Rights or any combination thereof, are granted hereunder;

(iv) to determine the number and type of Shares to be covered by each Option and Right granted hereunder;

(v) to approve forms of agreement for use under the Plan;

(vi) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any award granted hereunder. Such terms and conditions include, but are not limited to, the exercise price, the time or times when Options or Rights may be exercised (which may be based on performance criteria), any vesting acceleration or waiver of forfeiture restrictions, and any restriction or limitation regarding any Option or Right or the Shares relating thereto, based in each case on such factors as the Administrator, in its sole discretion, shall determine;

(vii) to construe and interpret the terms of the Plan;

(viii) to prescribe, amend and rescind rules and regulations relating to the Plan;

(ix) to determine whether and under what circumstances an Option or Right may be settled in cash instead of Shares or Shares instead of cash;

(x) to modify or amend each Option or Right (subject to Section 14 of the Plan);

(xi) to allow Optionees to satisfy withholding tax obligations by electing to have the Company withhold from the Shares to be issued upon exercise of an Option or Right that number of Shares having a Fair Market Value equal to the amount required to be withheld. The Fair Market Value of the Shares to be withheld shall be determined on the date that the amount of tax to be withheld is to be determined. All elections by an Optionee to have Shares withheld for this purpose shall be made in such form and under such conditions as the Administrator may deem necessary or advisable;

(xii) to authorize any person to execute on behalf of the Company any instrument required to effect the grant of an Option or Right previously granted by the Administrator;

(xiii) to determine the terms and restrictions applicable to Options and Rights and any Restricted Stock; and

(xiv) to make all other determinations deemed necessary or advisable for administering the Plan.

(c) Effect of Administrator's Decision. The Administrator's decisions, determinations and interpretations shall be final and binding on all Optionees and any other holders of Options or Rights.

6. Duration of the Plan. The Plan shall remain in effect until terminated by the Board under the terms of the Plan, provided that in no event may Incentive Stock Options be granted under the Plan later than 10 years from the date the Plan was adopted by the Board.

7. Options and SARs.

(a) Options. The Administrator, in its discretion, may grant Options to eligible participants and shall determine whether such Options shall be Incentive Stock Options or Nonstatutory Stock Options. Each Option shall be evidenced by a Notice of Grant which shall expressly identify the Options as Incentive Stock Options or as Nonstatutory Stock Options and be in such form and contain such provisions as the Administrator shall from time to time deem appropriate. Without limiting the foregoing, the Administrator may at any time authorize the Company, with the consent of the respective recipients, to issue new Options or Rights in exchange for the surrender and cancellation of outstanding Options or Rights. Option agreements shall contain the following terms and conditions:

(i) Exercise Price; Number of Shares. The per share exercise price for the Shares issuable pursuant to an Option shall be such price as is determined by the Administrator; provided, however, that in no event shall the price of an Option or Stock Appreciation Right be less than 100% of the Fair Market Value of the Shares on the date the Option or Stock Appreciation Right is granted, subject to any additional conditions set out in Section 7(a)(iv) below. The Notice of Grant shall specify the number and type of Shares to which it pertains.

(ii) Waiting Period and Exercise Dates. At the time an Option is granted, the Administrator will determine the terms and conditions to be satisfied before Shares may be purchased, including the dates on which Shares subject to the Option may first be purchased. The Administrator may specify that an Option may not be exercised until the completion of the service period specified at the time of grant. (Any such period is referred to herein as the "waiting period.") At the time an Option is granted, the Administrator shall fix the period within which the Option may be exercised, which shall not be earlier than the end of the waiting period, if any, nor, in the case of an Incentive Stock Option, later than ten (10) years, from the date of grant.

(iii) Form of Payment. The consideration to be paid for the Shares to be issued upon exercise of an Option, including the method of payment, shall be determined by the Administrator (and, in the case of an Incentive Stock Option, shall be determined at the time of grant) and may consist entirely of:

(1) cash;

(2) check;

(3) promissory note;

(4) other Shares which (1) in the case of Shares acquired upon exercise of an option, have been owned by the Optionee for more than six months on the date of surrender, (2) have a Fair Market Value on the date of surrender not greater than the aggregate exercise price of the Shares as to which said Option shall be exercised and (3) are of the same class of stock as the Shares to be purchased;

(5) delivery of a properly executed exercise notice together with such other documentation as the Administrator and the broker, if applicable, shall require to effect an

exercise of the Option and delivery to the Company of the sale or loan proceeds required to pay the exercise price;

(6) any combination of the foregoing methods of payment; or

(7) such other consideration and method of payment for the issuance of Shares to the extent permitted by Applicable Laws.

(iv) Special Incentive Stock Option Provisions. In addition to the foregoing, Options granted under the Plan which are intended to be Incentive Stock Options under Section 422 of the Code shall be subject to the following terms and conditions:

(1) Dollar Limitation. To the extent that the aggregate Fair Market Value of (a) the Shares with respect to which Options designated as Incentive Stock Options plus (b) the shares of stock of the Company, Parent and any Subsidiary with respect to which other Incentive Stock Options are exercisable for the first time by an Optionee during any calendar year under all plans of the Company and any Parent and Subsidiary exceeds $100,000, such Options shall be treated as Nonstatutory Stock Options. For purposes of the preceding sentence, (a) Options shall be taken into account in the order in which they were granted, and (b) the Fair Market Value of the Shares shall be determined as of the time the Option or other Incentive Stock Option is granted.

(v) Option Grant Limitations. The following limitations will apply to each Option grant:

(1) No Employee or Consultant shall be granted, in any fiscal year of the Company, an Option to purchase more than 500,000 Shares.

(2) In connection with his or her initial service or upon Promotion, an Employee or Consultant may be granted Options to purchase up to an additional 1,000,000 Shares which shall not count against the limit set forth in subsection (1) above. "Promotion" shall mean a change in title of the Employee or Consultant which involves a substantial change in his or her duties and responsibilities; provided, however, that an Employee or Consultant will not be deemed to receive more than one Promotion during any fiscal year for the purposes of this Section 7(a)(v).

(3) The foregoing limitations shall be adjusted proportionately in connection with any change in the Company's capitalization as described in Section 12.

(4) If an Option is canceled in the same fiscal year of the Company in which it was granted (other than in connection with a transaction described in Section 12), the canceled Option will be counted against the limits set forth in subsections (1) and (2) above. For this purpose, if the exercise price of an Option is reduced, the transaction will be treated as a cancellation of the Option and the grant of a new Option.

(vi) Other Provisions. Each Option granted under the Plan may contain such other terms, provisions, and conditions not inconsistent with the Plan as may be determined by the Administrator.

(vii) Buyout Provisions. The Administrator may at any time offer to buyout for a payment in cash, promissory note or Shares, an Option previously granted, based on such terms and conditions as the Administrator shall establish and communicate to the Optionee at the time that such offer is made.

(b) SARs.

(i) In Connection with Options. At the sole discretion of the Administrator, SARs may be granted in connection with all or any part of an Option, either concurrently with the grant of the Option or at any time thereafter during the term of the Option. The following provisions apply to SARs that are granted in connection with Options:

(1) The SAR shall entitle the Optionee to exercise the SAR by surrendering to the Company unexercised the corresponding portion of the related Option. The Optionee shall receive in exchange from the Company an amount equal to the excess of (1) the Fair Market Value on the date of exercise of the SAR of the Shares covered by the surrendered portion of the related Option over (2) the exercise price of the Shares covered by the surrendered portion of the related Option. Notwithstanding the foregoing, the Administrator may place limits on the amount that may be paid upon exercise of an SAR; provided, however, that such limit shall not restrict the exercisability of the related Option.

(2) When an SAR is exercised, the related Option, to the extent surrendered, shall cease to be exercisable.

(3) An SAR shall be exercisable only when and to the extent that the related Option is exercisable and shall expire no later than the date on which the related Option expires.

(4) An SAR may only be exercised at a time when the Fair Market Value of the Shares covered by the related Option exceeds the exercise price of the Shares covered by the related Option.

(ii) Independent of Options. At the sole discretion of the Administrator, SARs may be granted without related Options. The following provisions apply to SARs that are not granted in connection with Options:

(1) The SAR shall entitle the Optionee, by exercising the SAR, to receive from the Company an amount equal to the excess of (1) the Fair Market Value of the Shares covered by the exercised portion of the SAR, as of the date of such exercise, over (2) the Fair Market Value of the Shares covered by the exercised portion of the SAR, as of the last market trading date prior to the date on which the SAR was granted; provided, however, that the Administrator may place limits on the aggregate amount that may be paid upon exercise of an SAR.

(2) SARs shall be exercisable, in whole or in part, at such times as the Administrator shall specify in the Optionee's SAR agreement.

(iii) Form of Payment. The Company's obligation arising upon the exercise of an SAR may be paid in Shares or in cash, or in any combination of Shares and cash, as the Administrator, in its sole discretion, may determine. Shares issued upon the exercise of an SAR shall be valued at their Fair Market Value as of the date of exercise.

(c) Method of Exercise.

(i) Procedure for Exercise; Rights as a Stockholder. Any Option or SAR granted hereunder shall be exercisable at such times and under such conditions as determined by the Administrator and as shall be permissible under the terms of the Plan.

An Option may not be exercised for a fraction of a Share.

An Option or SAR shall be deemed to be exercised when written notice of such exercise has been given to the Company in accordance with the terms of the Option or SAR by the person entitled to exercise the Option or SAR and full payment for the Shares with respect to which the Option is exercised has been received by the Company. Full payment may, as authorized by the Administrator (and, in the case of an Incentive Stock Option, determined at the time of grant) and permitted by the Option Agreement, consist of any consideration and method of payment allowable under subsection 7(a)(iii) of the Plan. Until the issuance (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company) of the stock certificate evidencing such Shares, no right to vote or receive dividends or any other rights as a stockholder shall exist with respect to the Optioned Stock, notwithstanding the exercise of the Option. No adjustment will be made for a dividend or other right for which the record date is prior to the date the stock certificate is issued, except as provided in Section 12 of the Plan.

Exercise of an Option in any manner shall result in a decrease in the number of Shares, which thereafter shall be available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised. Exercise of an SAR in any manner shall, to the extent the SAR is exercised, result in a decrease in the number of Shares, which thereafter shall be available for purposes of the Plan, and the SAR shall cease to be exercisable to the extent it has been exercised.

(ii) Termination of Employment or Consulting Relationship. In the event an Optionee's Continuous Status as an Employee or Consultant terminates (other than upon the Optionee's death or Disability), the Optionee may exercise his or her Option or SAR within such period of time as is determined by the Administrator and only to the extent that the Optionee was entitled to exercise it at the date of such termination (but in no event later than the expiration of the term of such Option or SAR as set forth in the Option or SAR Agreement). In the absence of a specified time in the Option or SAR Agreement, the Option or SAR shall remain exercisable for three (3) months following the Optionee’s termination. To the extent that Optionee was not entitled to exercise an Option or SAR at the date of such termination, and to the extent that the Optionee does not exercise such Option or SAR (to the extent otherwise so entitled) within the time specified herein, the Option or SAR shall terminate.

(iii) Disability of Optionee. In the event an Optionee's Continuous Status as an Employee or Consultant terminates as a result of the Optionee's Disability, the Optionee may exercise his or her Option or SAR, but only within twelve (12) months from the date of such termination, and only to the extent that the Optionee was entitled to exercise it at the date of such termination (but in no event later than the expiration of the term of such Option or SAR as set forth in the Option or SAR Agreement). To the extent that Optionee was not entitled to exercise an Option or SAR at the date of such termination, and to the extent that the Optionee does not exercise such Option or SAR (to the extent otherwise so entitled) within the time specified herein, the Option or SAR shall terminate.

(iv) Death of Optionee. In the event of an Optionee's death, the Optionee's estate or a person who acquired the right to exercise the deceased Optionee's Option or SAR by bequest or inheritance may exercise the Option or SAR, but only within twelve (12) months following the date of death, and only to the extent that the Optionee was entitled to exercise it at the date of death (but in no event later than the expiration of the term of such Option or SAR as set forth in the Option or SAR Agreement). To the extent that Optionee was not entitled to exercise an Option or SAR at the date of death, and to the extent that the Optionee's estate or a person who acquired the right to exercise such Option does not exercise such Option or SAR (to the extent otherwise so entitled) within the time specified herein, the Option or SAR shall terminate.

8. Stock Purchase Rights.

(a) Rights to Purchase. Stock Purchase Rights may be issued either alone, in addition to, or in tandem with other awards granted under the Plan and/or cash awards made outside of the Plan. After the Administrator determines that it will offer Stock Purchase

Rights under the Plan, it shall advise the offeree in writing of the terms, conditions and restrictions related to the offer, including the number and type of Shares that the offeree shall be entitled to purchase, the price to be paid, and the time within which the offeree must accept such offer, which shall in no event exceed thirty (30) days from the date upon which the Administrator made the determination to grant the Stock Purchase Right. In no event shall the purchase price be less than the minimum price required to assure compliance with applicable state law. The offer shall be accepted by execution of a Restricted Stock Purchase Agreement in the form determined by the Administrator.

(b) Repurchase Option. Unless the Administrator determines otherwise, the Restricted Stock Purchase Agreement shall grant the Company a repurchase option exercisable upon the voluntary or involuntary termination of the purchaser's employment with the Company for any reason (including death or Disability). The purchase price for Shares repurchased pursuant to the Restricted Stock purchase agreement shall be the original price paid by the purchaser and may be paid by cancellation of any indebtedness of the purchaser to the Company. The repurchase option shall lapse at such rate as the Administrator may determine.

(c) Other Provisions. The Restricted Stock Purchase Agreement shall contain such other terms, provisions and conditions not inconsistent with the Plan as may be determined by the Administrator in its sole discretion. In addition, the provisions of Restricted Stock Purchase Agreements need not be the same with respect to each purchaser.

(d) Rights as a Stockholder. Once the Stock Purchase Right is exercised, the purchaser shall have the rights equivalent to those of a stockholder, and shall be a stockholder when his or her purchase is entered upon the records of the duly authorized transfer agent of the Company. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Stock Purchase Right is exercised, except as provided in Section 12 of the Plan.

9. Restricted Stock Units.

(a) Grant. Restricted Stock Units may be granted at any time and from time to time, as determined by the Administrator. After the Administrator determines that it will grant Restricted Stock Units under the Plan, it shall advise the Optionee in writing of the terms, conditions, and restrictions related to the grant, including the number of Restricted Stock Units and the form of payout, which, subject to Section 9(d), may be left to the discretion of the Administrator.

(b) Vesting Criteria and Other Terms. The Administrator shall set vesting criteria in its discretion, which, depending on the extent to which the criteria are met, will determine the number of Restricted Stock Units that will be paid out to the Optionee. The Administrator may set vesting criteria based upon the achievement of Company-wide, business unit, or individual goals (including, but not limited to, continued employment), or any other basis determined by the Administrator in its discretion.

(c) Earning Restricted Stock Units. Upon meeting the applicable vesting criteria, the Optionee shall be entitled to receive a payout as specified in the Restricted Stock Unit Agreement. Notwithstanding the foregoing, at any time after the grant of Restricted Stock Units, the Administrator, in its sole discretion, may reduce or waive any vesting criteria that must be met to receive a payout.

(d) Form and Timing of Payment. Payment of earned Restricted Stock Units shall be made as soon as practicable after the date(s) set forth in the Restricted Stock Unit Agreement. The Administrator, in its sole discretion, may pay earned Restricted Stock Units in cash, Shares, or a combination thereof. Shares represented by Restricted Stock Units that are fully paid in cash again shall be available for grant under the Plan.

(e) Cancellation. On the date set forth in the Restricted Stock Unit Agreement, all unearned Restricted Stock Units shall be forfeited to the Company, and an equal number of Shares again shall be available for grant under the Plan.

(f) Deferral. Notwithstanding Section 9(d), the Administrator may permit an Optionee to defer the timing of payment of earned Restricted Stock Units. Any deferral election must be in accordance with rules established by the Administrator, in its sole discretion. Unless otherwise determined by the Administrator, any deferrals and deferral elections shall comply with Code Section 409A.

10. Long-Term Performance Awards.

(a) Administration. Long-Term Performance Awards are cash or stock bonus awards that may be granted either alone or in addition to other awards granted under the Plan. Subject to

any minimum imposed by applicable state law, such awards may be granted for no cash consideration. The Administrator shall determine the nature, length and starting date of any performance period (the “Performance Period”) for each Long-Term Performance Award, and shall determine the performance or employment factors, if any, to be used in the determination of Long-Term Performance Awards and the extent to which such Long-Term Performance Awards are valued or have been earned. Long-Term Performance Awards may vary from participant to participant and between groups of participants and shall be based upon the achievement of Company, Subsidiary, Parent and/or individual performance factors or upon such other criteria as the Administrator may deem appropriate. Performance Periods may overlap and participants may participate simultaneously with respect to Long-Term Performance Awards that are subject to different Performance Periods and different performance factors and criteria. Long-Term Performance Awards shall be confirmed by, and be subject to the terms of, a Long-Term Performance Award agreement. The terms of such awards need not be the same with respect to each participant.

At the beginning of each Performance Period, the Administrator may determine for each Long-Term Performance Award subject to such Performance Period the range of dollar values or number and type of Shares to be awarded to the participant at the end of the Performance Period if and to the extent that the relevant measures of performance for such Long-Term Performance Award are met. Such dollar values or number and type of Shares may be fixed or may vary in accordance with such performance or other criteria as may be determined by the Administrator.

(b) Adjustment of Awards. The Administrator may adjust the performance factors applicable to the Long-Term Performance Awards to take into account changes in legal, accounting and tax rules and to make such adjustments as the Administrator deems necessary or appropriate to reflect the inclusion or exclusion of the impact of extraordinary or unusual items, events or circumstances in order to avoid windfalls or hardships.

11. Non-Transferability of Options. Unless determined otherwise by the Administrator, Options and Rights may not be sold, pledged, assigned, hypothecated, transferred or disposed of in any manner other than by will or by the laws of descent or distribution and may be exercised, during the lifetime of the Optionee, only by the Optionee. If the Administrator makes an Option or Right transferable, such Option or Right shall contain such additional terms and conditions as the Administrator deems appropriate.

12. Adjustments Upon Changes in Capitalization, Dissolution, Merger, or Asset Sale.

(a) Changes in Capitalization. Subject to any required action by the stockholders of the Company, the number of Shares covered by each outstanding Option and Right, and the number of Shares which have been authorized for issuance under the Plan but as to which no Options or Rights have yet been granted or which have been returned to the Plan upon cancellation or expiration of an Option or Right, as well as the price per Share covered by each such outstanding Option or Right, shall be appropriately adjusted by the Board, in its discretion, for any increase or decrease in the number or type of issued Shares resulting from a stock split, reverse stock split, stock dividend, combination, conversion or reclassification, or any other increase or decrease in the

number of issued Shares. Such adjustment by the Board shall be final, binding and conclusive. Except as expressly provided herein, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of Shares subject to an Option or Right.

(b) Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, to the extent that an Option or Right has not been previously exercised, earned, or settled, it will terminate immediately prior to the consummation of such proposed action. The Administrator may, in the exercise of its sole discretion in such instances, (i) declare that any Option or Right shall terminate as of a date fixed by the Administrator, (ii) give each Optionee the right to exercise his or her Option or Right as to all or any part of the Optioned Stock, including Shares as to which the Option or Right would not otherwise be exercisable, and (iii) provide that all vesting criteria applicable to unvested Options and Rights has been met.

(c) Merger or Asset Sale. In the event of a merger of the Company with or into another corporation, or the sale of substantially all of the assets of the Company, each outstanding Option or Right shall be assumed or an equivalent Option or Right substituted by the successor corporation or a Parent or Subsidiary of the successor corporation. In the event that the successor corporation does not agree to assume the Option or Right or to substitute an equivalent option or right, the Administrator shall, in lieu of such assumption or substitution, (i) provide for the Optionee to have the right to exercise the Option or Right as to all or a portion of the Optioned Stock, including Shares as to which it would not otherwise be exercisable, and (ii) provide that all vesting criteria applicable to unvested Options and Rights has been met. If the Administrator makes an Option or Right exercisable in lieu of assumption or substitution in the event of a merger or sale of assets, the Administrator shall notify the Optionee that the Option or Right shall be exercisable for a period of fifteen (15) days from the date of such notice, and the Option or Right will terminate upon the expiration of such period. For the purposes of this paragraph, the Option or Right shall be considered assumed if, immediately following the merger or sale of assets, the Option or Right confers the right to purchase or receive, for each Share of Optioned Stock subject to the Option or Right immediately prior to the merger or sale of assets, the consideration (whether stock, cash, or other securities or property) received in the merger or sale of assets by holders of Shares for each Share held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares); provided, however, that if such consideration received in the merger or sale of assets was not solely common stock of the successor corporation or its Parent, the Administrator may, with the consent of the successor corporation and the Optionee, provide for the consideration to be received upon the exercise or settlement of the Option or Right, for each Share of Optioned Stock subject to the Option or Right, to be solely common stock of the successor corporation or its Parent equal in Fair Market Value to the per share consideration received by holders of Shares in the merger or sale of assets.

13. Date of Grant. The date of grant of an Option or Right shall be, for all purposes, the date on which the Administrator makes the determination granting such Option or Right, or such other later date as is determined by the Administrator. Notice of the determination shall be provided to each Optionee within a reasonable time after the date of such grant.

14. Amendment and Termination of the Plan.

(a) Amendment and Termination. The Board may at any time amend, alter, suspend or terminate the Plan.

(b) Stockholder Approval. The Company shall obtain stockholder approval of any Plan amendment to the extent necessary and desirable to comply with Applicable Laws. Such stockholder approval, if required, shall be obtained in such a manner and to such a degree as is required by the Applicable Laws.

(c) Effect of Amendment or Termination. No amendment, alteration, suspension or termination of the Plan shall impair the rights of any Optionee, unless mutually agreed otherwise between the Optionee and the Administrator, which agreement must be in writing and signed by the Optionee and the Company.

15. Conditions Upon Issuance of Shares.

(a) Legal Compliance. Shares shall not be issued pursuant to the exercise of an Option or Right unless the exercise of such Option or Right and the issuance and delivery of such Shares shall comply with Applicable Laws.

(b) Investment Representations. As a condition to the exercise of an Option or Right, the Company may require the person exercising such Option or Right to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required.

16. Liability of Company.

(a) Inability to Obtain Authority. The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

(b) Grants Exceeding Allotted Shares. If the Optioned Stock covered by an Option or Right exceeds, as of the date of grant, the number of Shares which may be issued under the Plan without additional stockholder approval, such Option or Right shall be void with respect to such excess Optioned Stock, unless stockholder approval of an amendment sufficiently increasing the number of Shares subject to the Plan is timely obtained in accordance with Section 14(b) of the Plan.

17. Reservation of Shares. The Company, during the term of this Plan, will at all times reserve and keep available such number of Shares as shall be sufficient to satisfy the requirements of the Plan.

18. Effective Date. The Plan, as amended and restated herein, is effective as of February 27, 2006.

Exhibit 10.3

QUANTUM CORPORATION

RESTRICTED STOCK UNIT AGREEMENT

Quantum Corporation (the "Company") hereby grants you, [NAME OF EMPLOYEE] (the "Employee"), the number of Restricted Stock Units under the Company's 1993 Long-Term Incentive Plan (the "Plan") indicated below. Subject to the provisions of Appendix A and of the Plan, the principal features of this award are as follows:

Number of Restricted Stock Units:
[NUMBER]

Scheduled Vesting Dates:	Number of Units:
[DATE]	[NUMBER]
[DATE]	[NUMBER]
[DATE]	[NUMBER]

Termination Date: [DATE]

IMPORTANT:

Your signature below indicates your agreement and understanding that this award is subject to all of the terms and conditions contained in Appendix A and the Plan. For example, important additional information on vesting and forfeiture of the Restricted Stock Units covered by this grant is contained in Paragraphs 3 through 5 of Appendix A. Especially, you consent that the Company may use and transfer your personal information as described in Section 14 of the Agreement. **PLEASE BE SURE TO READ ALL OF APPENDIX A, WHICH CONTAINS THE SPECIFIC TERMS AND CONDITIONS OF THIS GRANT.**

QUANTUM CORPORATION

_____

[Name]

[Title]
Date: _____, 2006_____

EMPLOYEE

_____

[Name]

Date: _____, 2006_____

APPENDIX A - TERMS AND CONDITIONS OF RESTRICTED STOCK UNIT GRANT

1. Grant. The Company hereby grants to the Employee under the Plan the number of Restricted Stock Units indicated on the first page of this Agreement, subject to the terms and conditions set forth in this Agreement and the Plan.

2. Company's Obligation to Pay. On any date, a Restricted Stock Unit has a value equal to the Fair Market Value of one Share. Unless and until the Restricted Stock Units have vested in accordance with the Vesting Schedule set forth on the first page of this Agreement, the Employee will have no right to payment of the Restricted Stock Units. Prior to actual payment of any vested Restricted Stock Units, Restricted Stock Units represent an unsecured obligation of the Company, payable (if at all) only from the general assets of the Company.

3. Vesting Schedule. Except as provided in paragraph 4, and subject to paragraph 5, the Restricted Stock Units subject to this grant will vest as to the number of Restricted Stock Units, and on the dates shown, on the first page of this Agreement, but in each case, only if the Employee's Continuous Status as an Employee has not been interrupted.

4. Administrator Discretion. The Administrator, in its discretion, may accelerate the vesting of all or a portion of the Restricted Stock Units at any time, subject to the terms of the Plan. If so accelerated, such Restricted Stock Units will be considered as having been earned (vested) as of the date specified by the Administrator. If the Administrator, in its discretion, accelerates the vesting of the balance, or some lesser portion of the balance, of the Restricted Stock Units, the payment of such accelerated Restricted Stock Units nevertheless shall be made at the same time or times as if such Restricted Stock Units had vested in accordance with the vesting schedule set forth on the first page of this Agreement (whether or not the Employee remains employed by the Company or by one of its Subsidiaries as of such date(s)).

5. Forfeiture. Notwithstanding any contrary provision of this Agreement, the balance of the Restricted Stock Units that have not vested pursuant to paragraphs 3 or 4 will be forfeited and cancelled automatically on the first to occur of (a) the date the Employee's Continuous Status as an Employee is interrupted or (b) the Termination Date set forth on first page of this Agreement.

6. Payment after Vesting. Restricted Stock Units that vest will be paid to the Employee (or in the event of the Employee's death, to his or her estate) in Shares as soon as practicable following the date of vesting. Notwithstanding the foregoing, and if permitted by the Administrator, the Employee may elect to defer the payout of vested Restricted Stock Units by properly completing and submitting a Restricted Stock Unit Deferral Election to the Company in accordance with the directions on the Election form. Notwithstanding the foregoing, to the extent necessary to comply with Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), any Restricted Stock Units that vest in accordance with paragraph 4 will be paid to the Employee no earlier than six (6) months and one (1) day

following the date the Employee's Continuous Status as an Employee is interrupted.

7. Death of the Employee. Any distribution or delivery to be made to the Employee under this Agreement will, if the Employee is then deceased, be made to the administrator or executor of the Employee's estate. Any such transferee must furnish the Company with (a) written notice of his or her status as transferee, and (b) evidence satisfactory to the Company to establish the validity of the transfer and compliance with any laws or regulations pertaining to said transfer.

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8. Withholding of Taxes. The Company may withhold a portion of the payment due with respect to vested Restricted Stock Units that has an aggregate market value sufficient to pay the federal, state and local income, employment and any other applicable taxes required to be withheld by the Company. Notwithstanding any contrary provision of this Agreement, no payment will be made to the Employee (or his or her estate) for Restricted Stock Units unless and until satisfactory arrangements (as determined by the Administrator) have been made by the Employee with respect to the payment of any income and other taxes that the Company determines must be withheld or collected with respect to the Employee's vested Restricted Stock Units. In addition, the Employee agrees that the Company may withhold from amounts otherwise due to the Employee, including Employee's salary, to the extent necessary to satisfy any withholding obligation that may arise with respect to the Restricted Stock Units prior to payment of vested Restricted Stock Units.

9. Rights as Stockholder. Neither the Employee nor any person claiming under or through the Employee will have any of the rights or privileges of a stockholder of the Company in respect of any Shares deliverable hereunder unless and until certificates representing such Shares have been issued, recorded on the records of the Company or its transfer agents or registrars, and delivered to the Employee. Except as provided in paragraph 11, after such issuance, recordation, and delivery, the Employee will have all the rights of a stockholder of the Company with respect to voting such Shares and receipt of dividends and distributions on such Shares.

10. No Effect on Employment. The Employee's employment with the Company and its Subsidiaries is on an at-will basis only. Accordingly, the terms of the Employee's employment with the Company and its Subsidiaries will be determined from time to time by the Company or the Subsidiary employing the Employee (as the case may be), and the Company or the Subsidiary will have the right, which is hereby expressly reserved, to terminate or change the terms of the employment of the Employee at any time for any reason whatsoever, with or without good cause.

11. Changes in Shares. In the event that as a result of a stock dividend, stock split, reclassification, recapitalization, combination of Shares or the adjustment in capital stock of the Company or otherwise, or as a result of a merger, consolidation, spin-off or other reorganization, the Restricted Stock Units will be increased, reduced or otherwise changed, and by virtue of any such change the Employee will in his capacity as owner of unvested Restricted Stock Units which have been awarded to him (the "Prior Units") be entitled to new or additional or different restricted stock units, cash, or securities (other than rights or warrants to purchase securities), such new or additional or different restricted stock units, cash, or securities will thereupon be considered to be unvested Restricted Stock Units and will be subject to all of the conditions and restrictions which were applicable to the Prior Units pursuant to this Agreement and the Plan. If the Employee receives rights or warrants with respect to any Prior Units, such rights or warrants may be held or exercised by the Employee, provided that until such exercise any such rights or warrants and after such exercise any shares or other securities acquired by the exercise of such rights or warrants will be considered to be unvested Restricted Stock Units and will be subject to all of the conditions and restrictions which were applicable to the Prior Units pursuant to the Plan and this Agreement. The Administrator in its absolute discretion at any time may accelerate the vesting of all or any portion of such new or additional units, cash or securities, rights or warrants to purchase securities or shares or other securities acquired by the exercise of such rights or warrants.

12. Address for Notices. Any notice to be given to the Company under the terms of this Agreement will be addressed to the Company, in care of the Company's Stock Administration

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Department, at Quantum Corporation, 1650 Technology Drive, Suite 700, San Jose, CA 95110, or at such other address as the Company may hereafter designate in writing.

13. Grant is Not Transferable. Except to the limited extent provided in paragraph 7 above, this grant and the rights and privileges conferred hereby will not be transferred, assigned, pledged or hypothecated in any way (whether by operation of law or otherwise) and will not be subject to sale under execution, attachment or similar process. Upon any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of this grant, or any right or privilege conferred hereby, or upon any attempted sale under any execution, attachment or similar process, this grant and the rights and privileges conferred hereby immediately will become null and void.

14. Data Privacy Notice. All of Employee's information that is described or referenced in this Agreement and the Plan may be used by the Company and its Subsidiaries and affiliates to administer and manage Employee's participation in the Plan. Employee understands that he or she may contact the Company's international privacy officer if Employee needs to update or correct any of the information. The Company will transfer this information to, and store this information in one or several of its U.S. offices. In addition, if necessary to administer and manage Employee's participation in the Plan, the Company may transfer to, or share this information with its Subsidiaries and affiliates and any third party agents acting on the Company's behalf to provide services to Employee, or any other third parties or governmental agencies, as required or permitted by law or the Safe Harbor framework established by the U.S. Department of Commerce. In particular, without limitation, the Company has engaged eTrade and any entity controlled by, controlling, or under common control with eTrade ("eTrade's affiliates"; and together with eTrade collectively "eTrade") to provide brokerage services and to help administer the Company's stock plans. eTrade is acting primarily as a data processing agent under the Company's instructions and directions, but eTrade reserved the right to share

Employee's information with eTrade's affiliates. Except as provided in this Section or as required or permitted by law or the Safe Harbor framework established by the U.S. Department of Commerce, the Company will not disclose Employee's information outside the Company without Employee's consent.

Unless Employee notifies Company within 30 days of the grant of the Restricted Stock Units the Company may use and transfer Employee's personal information as described in this Section 14, particularly as it concerns transfers to eTrade. Employee understands that participation in the Plan is entirely voluntary and that his or her denial of consent does not have any adverse effects other than exclusion from the Plan.

15. Binding Agreement. Subject to the limitation on the transferability of this grant contained herein, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors, and assigns of the parties hereto.

16. Additional Conditions to Issuance of Certificates for Shares. If at any time the Company will determine, in its discretion, that the listing, registration or qualification of Shares upon any securities exchange or under any state or federal law, or the consent or approval of any governmental regulatory authority is necessary or desirable as a condition to the settlement of Restricted Stock Units pursuant to paragraph 6, such settlement will not occur unless and until such listing, registration, qualification, consent or approval will have been effected or obtained free of any conditions not acceptable to the Company. The Company will make all reasonable efforts to meet the requirements of any such state or federal law or securities exchange and to obtain any such consent or approval of any such governmental authority.

17. Plan Governs. This Agreement is subject to all terms and provisions of the Plan. In the event of a conflict between one or more provisions of this Agreement and one or more provisions of the Plan, the provisions of the Plan will govern. Capitalized terms used and not defined in this Agreement will have the meaning set forth in the Plan.

18. Administrator Authority. The Administrator will have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation, and application of the Plan as are consistent therewith and to interpret or revoke any such rules (including, but not limited to, the determination of whether or not any Restricted Stock Units have vested). All actions taken and all interpretations and determinations made by the Administrator in good faith will be final and binding upon the Employee, the Company, and all other interested persons. No person acting as the Administrator will be personally liable for any action, determination, or interpretation made in good faith with respect to the Plan or this Agreement.

19. Captions. Captions provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

20. Agreement Severable. In the event that any provision in this Agreement will be held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of this Agreement.

21. Modifications to the Agreement. This Agreement constitutes the entire understanding of the parties on the subjects covered. The Employee expressly warrants that he or she is not accepting this Agreement in reliance on any promises, representations, or inducements other than those contained herein. Modifications to this Agreement or the Plan can be made only in an express written agreement executed by a duly authorized officer of the Company. Notwithstanding anything to the contrary in the Plan or this Agreement, the Company reserves the right to revise this Agreement as it deems necessary or advisable, in its sole discretion and without the consent of the Employee, to comply with Section 409A of the Code or to otherwise avoid imposition of any additional tax or income recognition under Section 409A of the Code in connection with these Restricted Stock Units (including settlement or payment thereof).

22. Amendment, Suspension or Termination of the Plan. By accepting this award, the Employee expressly warrants that he or she has received a right to an equity based award under the Plan, and has received, read, and understood a description of the Plan. The Employee understands that the Plan is discretionary in nature and may be modified, suspended, or terminated by the Company at any time.

Exhibit 99.1

QUANTUM AND STORAGETEK ENTER INTO PATENT CROSS LICENSE AGREEMENT AND SETTLE ALL LEGAL CLAIMS REGARDING PATENT INFRINGEMENT LITIGATION

SAN JOSE, Calif., Feb. 28, 2006 – Quantum Corp. (NYSE:DSS), a global leader in storage, today announced that the company and StorageTek, a wholly-owned subsidiary of Sun Microsystems, Inc. (NASDAQ:SUNW), have entered into a patent cross license agreement and settled all legal claims related to a legacy patent infringement lawsuit StorageTek filed against Quantum before Sun acquired StorageTek in August 2005. The April 2003 lawsuit related to the use of an optical servo system in Quantum's SDLT™ tape drives. Under the cross license agreement, Quantum and StorageTek will have license to a limited number of the other's patents on a nonexclusive, worldwide basis. In addition, as a result of the cross license agreement, Sun has dismissed the StorageTek lawsuit against Quantum, and Quantum has agreed to pay Sun a total of $25 million – $20 million in the current quarter and the remaining $5 million over the next five quarters.

"The patent cross license agreement demonstrates the commitment of Quantum and Sun/StorageTek to building a stronger business partnership centered on meeting customers' storage and data protection needs," said Rick Belluzzo, chairman and CEO of Quantum. "The agreement and the related legal settlement serve the best interests of Quantum and our shareholders by putting the legal dispute behind us and enabling the two companies to focus all our interactions on enhancing this partnership. Quantum agreed to settle after considering the benefits of the cross license agreement, the additional legal costs we would have incurred in proceeding with the trial, the uncertainty inherent in any jury case and the potential impact on our business if we lost in court."

Impact on Quantum's Fiscal Fourth Quarter Earnings

As a result of this settlement with Sun, Quantum announced that its GAAP earnings for the current, fiscal fourth quarter of 2006 could be negatively impacted by up to $25 million. Quantum also said that it is undertaking a valuation process to determine the potential future financial benefit related to the cross license agreement and that it expects this valuation process to be concluded by the end of March.

Additional Information Regarding StorageTek's Lawsuit Against Quantum

On April 15, 2003, StorageTek sued Quantum, alleging that Quantum had engaged in the unlawful manufacture and sale of SDLT tape drives and media products that infringed on two StorageTek patents. The StorageTek lawsuit sought a permanent injunction against the sale of these Quantum products and monetary damages of $142 million, including treble damages for alleged willful violations of StorageTek's patents. The lawsuit was scheduled to be tried in the U.S. Federal District Court in Denver beginning on February 27, 2006, but was withdrawn as a result of the settlement between Quantum and Sun.

About Quantum

Quantum Corp. (NYSE:DSS), a global leader in storage, delivers highly reliable backup, recovery and archive solutions that meet demanding requirements for data integrity and availability with superior price/performance and comprehensive service and support. Quantum offers customers of all sizes an unparalleled range of solutions, from leading tape drive and media technologies, autoloaders and libraries to disk-based backup systems. Quantum is the world's largest volume supplier of both tape drives and tape automation and has pioneered the development of disk-based systems optimized for backup and recovery. Quantum Corp., 1650 Technology Drive, Suite 800, San Jose, CA 95110, (408) 944-4000, www.quantum.com.

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"Safe Harbor" Statement under the U.S. Private Securities Litigation Reform Act of 1995: This press release contains "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. Specifically, without limitation, statements relating to the impact of the settlement on our fourth quarter fiscal 2006 results are forward-looking statements within the meaning of the Safe Harbor. These statements are based on management's current expectations and are subject to certain risks and uncertainties. As a result, actual results may differ materially from the forward-looking statements contained herein. Factors that could cause actual results to differ materially from those described herein include, but are not limited to, the outcome of the valuation process and adjustments made as the quarterly results are finalized. More detailed information about our risk factors are set forth in Quantum's periodic filings with the Securities and Exchange Commission, including, but not limited to, those risks and uncertainties listed in the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations - Risk Factors," on pages 44 to 54 in Quantum's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on February 2, 2006 and pages 32 to 42 in Quantum's Annual Report on Form 10-K filed with the Securities and Exchange Commission on June 8, 2005. Quantum expressly disclaims any obligation to update or alter its forward-looking statements, whether as a result of new information, future events or otherwise.