RED HAT INC Form 4 May 21, 2008

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

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

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Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

1(b).

(Print or Type Responses)

See Instruction

1. Name and A Pinchev Ale	*	orting Person *	2. Issuer Name and Ticker or Trading Symbol RED HAT INC [RHT]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)
(Last)	(First)	(Middle)	3. Date of Earliest Transaction	(Check an applicable)
GIO DED II	AT DIG 1	001	(Month/Day/Year)	Director 10% Owner
C/O RED H. VARSITY I		801	05/19/2008	_X_ Officer (give title Other (specify below) EVP, Worldwide Sales
	(Street)		4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check
RALEIGH,	NC 27606		Filed(Month/Day/Year)	Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person
(City)	(State)	(Zip)	Table I. Non Dominatine Committee	anning Dispersed of an Boneficially Owner

(City)	(State)	(Zip) Tabl	e I - Non-D	Derivative :	Securi	ities Acqu	ired, Disposed of	, or Beneficiall	ly Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securit on(A) or Dis (Instr. 3, 4)	sposed	of (D)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock	05/19/2008		M	87,500	A	\$ 13.53	194,983	D	
Common Stock	05/19/2008		M	25,000	A	\$ 13.16	219,983	D	
Common Stock	05/19/2008		S(1)	87,500	D	\$ 23.53	132,483	D	
Common Stock	05/19/2008		S <u>(1)</u>	25,000	D	\$ 23.16	107,483	D	

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

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transactic Code (Instr. 8)	5. Number of orDerivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option NQSO (Right to Buy	\$ 13.53	05/19/2008		M	87,500	<u>(2)</u>	11/07/2013	Common Stock	87,500
Employee Stock Option NQSO (Right to Buy	\$ 13.16	05/19/2008		M	25,000	(2)	12/28/2009	Common Stock	25,000

Reporting Owners

Reporting Owner Name / Address

Director 10% Owner Officer Other

Pinchev Alex

C/O RED HAT, INC. 1801 VARSITY DRIVE RALEIGH, NC 27606

EVP, Worldwide Sales

Signatures

/s/ Kimberly Yule, Atty in fact UPOA 05/21/2008

**Signature of Reporting Person Date

Reporting Owners 2

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Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) This stock sale was effected pursuant to a Rule 10(b)5-1 trading plan effective January 8, 2008.
- (2) This option is exercisable 25% on the first anniversary date of the date of grant and 6.25% on the first day of each subsequent three month period following one year from the date of grant.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.