## Edgar Filing: RED HAT INC - Form 4

RED HAT INC Form 4										
August 16, 2006	5									
FORM 4	1								PPROVAL	
<b>CONVIA</b> UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549						NOMB Number:	3235-0287			
Check this be if no longer subject to Section 16. Form 4 or Form 5 obligations may continue <i>See</i> Instruction 1(b).	<b>STATEN</b> Filed pur Section 17(	Washington, D.C. 20549 EMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES ursuant to Section 16(a) of the Securities Exchange Act of 1934, 7(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940							Expires:January 31Expires:2005Estimated averageburden hours perresponse0.5	
(Print or Type Resp	onses)									
1. Name and Address of Reporting Person <u>*</u> ALBRECHT W STEVE			2. Issuer Name <b>and</b> Ticker or Trading Symbol RED HAT INC [RHAT]			5. Relationship of Reporting Person(s) to Issuer (Check all applicable)				
(Last)	(First) (I	Middle)	3. Date of Earliest Transaction			(Check an applicable)				
C/O RED HAT, INC., 1801 VARSITY DRIVE			(Month/Day/Year) 08/14/2006			X_ Director 10% Owner Officer (give title Other (specify below) below)				
	(Street)		Filed(Month/Day/Year) A			Applicable Line) _X_ Form filed by	<ul> <li>6. Individual or Joint/Group Filing(Check</li> <li>Applicable Line)</li> <li>_X_ Form filed by One Reporting Person</li> <li> Form filed by More than One Reporting</li> </ul>			
RALEIGH, NC	27606						Person	More than One R	eporting	
(City)	(State)	(Zip)	Tab	le I - Non-	Derivative	Securities A	Acquired, Disposed	of, or Beneficia	lly Owned	
	ransaction Date onth/Day/Year)	2A. Deem Execution any (Month/Da	Date, if	Code (Instr. 8)	4. Securit onAcquired Disposed (Instr. 3, 4 Amount	(A) or of (D)	Securities Beneficially	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
Reminder: Report of	on a separate line	e for each cl	ass of sec	urities bene	ficially ow	ned directly	or indirectly.			
					inforn requii	nation cont red to resp ays a curre	spond to the colle tained in this form ond unless the fo ntly valid OMB co	n are not rm	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	2.	3. Transaction Date	3A. Deemed	4.	5. Number	6. Date Exercisable and	7. Title and Am
Derivative Security	Conversion	(Month/Day/Year)	Execution Date, if	Transactio	onof Derivative	Expiration Date	Underlying Sec
(Instr. 3)	or Exercise		any	Code	Securities	(Month/Day/Year)	(Instr. 3 and 4)

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	Price of Derivative Security		(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)			
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title A o N o S
Deferred Stock Units	\$ 0	08/14/2006		А	1,750	<u>(1)</u>	<u>(1)</u>	Common Stock (2)
Non-Employee Director Non Qualified Stock Option	\$ 22.92	08/14/2006		А	5,000	08/14/2006 <u>(3)</u>	08/14/2011	Common Stock

## **Reporting Owners**

Reporting Owner Name / Address	Relationships						
1	Director	10% Owner	Officer	Other			
ALBRECHT W STEVE C/O RED HAT, INC. 1801 VARSITY DRIVE RALEIGH, NC 27606	Х						
Signatures							
Emily DelToro, Atty in Fact UPOA		08/16/2006					
<u>**</u> Signature of Reporting Person		Date					

## **Explanation of Responses:**

If the form is filed by more than one reporting person, see Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

This DSU was granted pursuant to Red Hat's 2004 Independent Director Plan, in lieu of a partial stock option grant, and is fully vested as (1) of the date of grant. The DSU will be paid out in cash or common stock at the election of Red Hat, Inc. on the earlier of August 14, 2007 (the deferral date designated by the Reporting Person) or upon termination of the Reporting Person's Board of Director service.

- (2) This DSU is payable in either cash or common stock at the election of Red Hat, Inc.
- (3) This option constitutes an annual service grant and is fully vested on 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.