

FORTINET INC
Form 4
August 03, 2011

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
PAISLEY CHRISTOPHER B

(Last) (First) (Middle)

C/O FORTINET, INC., 1090 KIFER ROAD

(Street)

SUNNYVALE, CA 94086

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
FORTINET INC [FTNT]

3. Date of Earliest Transaction (Month/Day/Year)
08/01/2011

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Stock | 08/01/2011 | | M | | 10,000 | A | \$ 0.475 |
| Common Stock | 08/01/2011 | | S ⁽¹⁾ | | 10,000 | D | \$ 20.1832 |
| | | | | | | | ⁽²⁾ |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474
(9-02)

Edgar Filing: FORTINET INC - Form 4

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

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title Amount or Number of Shares |
| Stock Option (right to buy) | \$ 0.475 ⁽³⁾ ₍₄₎ | 08/01/2011 | | M | | ⁽⁵⁾ 02/26/2014 | Common Stock 68,000 ⁽³⁾ ₍₄₎ |
| Stock Option (right to buy) | \$ 20.13 | 08/02/2011 | | A | 15,000 | ⁽⁶⁾ 08/02/2018 | Common Stock 15,000 |
| Stock Option (right to buy) | \$ 3.735 ⁽³⁾ ₍₇₎ | | | | | ⁽⁸⁾ 04/23/2015 | Common Stock 96,000 ⁽³⁾ ₍₇₎ |
| Stock Option (right to buy) | \$ 3.84 ⁽³⁾ ₍₉₎ | | | | | ⁽¹⁰⁾ 04/30/2016 | Common Stock 24,000 ⁽³⁾ ₍₉₎ |
| Stock Option (right to buy) | \$ 8.99 ⁽³⁾ ₍₁₁₎ | | | | | ⁽¹²⁾ 08/05/2017 | Common Stock 24,000 ⁽³⁾ ₍₁₁₎ |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| PAISLEY CHRISTOPHER B C/O FORTINET, INC. 1090 KIFER ROAD SUNNYVALE, CA 94086 | X | | | |

Signatures

/s/ John Whittle, by power of attorney

08/03/2011

__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).
- (1) The sale reported on this Form 4 was effected pursuant to a Rule 10b5-1 trading plan adopted by the Reporting Person on February 28, 2011.

The sale price reported in column 4 of Table I represents the weighted average sale price of the shares sold ranging from \$19.94 to \$20.66 per share. Upon request by the Commission staff, the Issuer, or a security holder of the Issuer, the Reporting Person will provide full information regarding the number of shares sold at each separate price.
- (2) On June 1, 2011, the common stock of the Issuer split 2-for-1, in the form of a 100% stock dividend, to all stockholders of record as of the close of business on May 9, 2011 (the "Stock Split").
- (3) The option was previously reported as covering 39,000 shares at an exercise price of \$0.95 per share, but was adjusted to reflect the Stock Split.
- (4) Shares subject to the option are fully vested and immediately exercisable.
- (5) The option vests in forty-eight equal monthly installments beginning on September 2, 2011.
- (6) The option was previously reported as covering 48,000 shares at an exercise price of \$7.47 per share, but was adjusted to reflect the Stock Split.
- (7) One forty-eighth of the shares subject to the option vested on May 1, 2008 and one forty-eighth of the shares vest monthly thereafter.
- (8) The option was previously reported as covering 12,000 shares at an exercise price of \$7.68 per share, but was adjusted to reflect the Stock Split.
- (9) One forty-eighth of the shares subject to the option vested on June 1, 2009 and one forty-eighth of the shares vest monthly thereafter.
- (10) The option was previously reported as covering 12,000 shares at an exercise price of \$17.98 per share, but was adjusted to reflect the Stock Split.
- (11) The option vests in forty-eight equal monthly installments beginning on September 5, 2010.

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.