

Xie Michael
Form 4
June 08, 2011

FORM 4

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

OMB APPROVAL

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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 *
Xie Michael

(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)
06/06/2011

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)
VP, Engineering & CTO

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 | | |
| | | | | | Price | | |
| Common Stock | 06/06/2011 | | S ⁽¹⁾ | | 20,000 | D | |
| | | | | | \$ 23.8746 ⁽²⁾ | | |
| | | | | | 7,480,000 ⁽³⁾ | D | |
| Common Stock | 06/07/2011 | | S ⁽¹⁾ | | 20,000 | D | |
| | | | | | \$ 23.872 ⁽⁵⁾ | | |
| | | | | | 7,460,000 | D | |
| Common Stock | | | | | 3,000,000 ⁽⁶⁾ | I | See footnote ⁽⁷⁾ |
| Common Stock | | | | | 3,000,000 ⁽⁸⁾ | I | See footnote ⁽⁹⁾ |

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

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(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. 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) | 8. F. Derivative Security (Instr. 3 and 4) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Employee Stock Option (right to buy) | \$ 3.735 <u>(3) (10)</u> | | | | | <u>(11)</u> 02/07/2015 | Common Stock | 50,000 <u>(3) (10)</u> | |
| Employee Stock Option (right to buy) | \$ 3.735 <u>(3) (12)</u> | | | | | <u>(13)</u> 07/31/2015 | Common Stock | 250,000 <u>(3) (12)</u> | |
| Employee Stock Option (right to buy) | \$ 3.735 <u>(3) (14)</u> | | | | | <u>(15)</u> 01/28/2016 | Common Stock | 200,000 <u>(3) (14)</u> | |
| Employee Stock Option (right to buy) | \$ 8.43 <u>(3)</u> <u>(16)</u> | | | | | <u>(17)</u> 02/10/2017 | Common Stock | 50,000 <u>(3) (16)</u> | |
| Employee Stock Option (right to buy) | \$ 20.235 <u>(3) (18)</u> | | | | | <u>(19)</u> 02/08/2018 | Common Stock | 100,000 <u>(3) (18)</u> | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-----------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Xie Michael C/O FORTINET, INC. 1090 KIFER ROAD SUNNYVALE, CA 94086 | X | | VP, Engineering & CTO | |

Signatures

/s/ John Whittle, by power of
attorney

06/08/2011

__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 November 8, 2010.

The sale price reported in column 4 of Table I represents the weighted average sale price of the shares sold ranging from \$23.68 to \$24.16 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 within the ranges set forth in footnotes (2) and (5) to this Form 4.
 - (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) As a result of the Stock Split, the Reporting Person's ownership includes 3,750,000 additional shares of common stock.
 - (4) The sale price reported in column 4 of Table I represents the weighted average sale price of the shares sold ranging from \$23.40 to \$24.25 per share.
 - (5) As a result of the Stock Split, ownership by the Michael Xie Grantor Retained Annuity Trust dated February 9, 2011 for which the Reporting Person serves as a trustee (the "Xie 2011 GRAT") includes 1,500,000 additional shares of common stock.
 - (6) Shares held directly by the Xie 2011 GRAT.
 - (7) As a result of the Stock Split, ownership by the Danke Wu Grantor Retained Annuity Trust dated February 9, 2011 for which the Reporting Person serves as a trustee (the "Wu 2011 GRAT") includes 1,500,000 additional shares of common stock.
 - (8) Shares held directly by the Wu GRAT.
 - (9) This option was previously reported as covering 25,000 shares at an exercise price of \$7.47 per share, but was adjusted to reflect the Stock Split.
 - (10) One-fourth of the shares subject to the option vested on February 7, 2008 and one forty-eighth of the shares shall vest monthly thereafter beginning on February 29, 2008.
 - (11) This option was previously reported as covering 125,000 shares at an exercise price of \$7.47 per share, but was adjusted to reflect the Stock Split.
 - (12) One-fourth of the shares subject to the option vested on July 31, 2009 and one forty-eighth of the shares shall vest monthly thereafter.
 - (13) This option was previously reported as covering 100,000 shares at an exercise price of \$7.47 per share, but was adjusted to reflect the Stock Split.
 - (14) One-fourth of the shares subject to the option vested on January 28, 2010 and one forty-eighth of the shares shall vest monthly thereafter.
 - (15) This option was previously reported as covering 25,000 shares at an exercise price of \$16.86 per share, but was adjusted to reflect the Stock Split.
 - (16)

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- (17) One-fourth of the shares subject to the option vested on February 10, 2011 and one forty-eighth of the shares shall vest monthly thereafter.
- (18) This option was previously reported as covering 50,000 shares at an exercise price of \$40.47 per share, but was adjusted to reflect the Stock Split.
- (19) One-fourth of the shares subject to the option vest on February 8, 2012 and one forty-eighth of the shares shall vest monthly thereafter.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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