

RUE21, INC.
Reported by
MEGRUE JOHN F

FORM 4
(Statement of Changes in Beneficial Ownership)

Filed 03/01/10 for the Period Ending 02/25/10

Address	800 COMMONWEALTH DRIVE, SUITE 100 WARRENDALE, PA 15086
Telephone	724-776-9780
CIK	0001471458
Symbol	RUE

FORM 4

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

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

OMB APPROVAL
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**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(f) of the
Investment Company Act of 1940

1. Name and Address of Reporting Person *			2. Issuer Name and Ticker or Trading Symbol			5. Relationship of Reporting Person(s) to Issuer (Check all applicable)			
MEGRUE JOHN F			rne21, inc. [RUE]			<input checked="" type="checkbox"/> Director <input type="checkbox"/> Officer (give title below) <input checked="" type="checkbox"/> 10% Owner <input type="checkbox"/> Other (specify below)			
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (MM/DD/YYYY)						
601 LEXINGTON AVE., 53RD FLOOR				2/25/2010					
(Street)				4. If Amendment, Date Original Filed (MM/DD/YYYY)			6. Individual or Joint/Group Filing (Check Applicable Line)		
NEW YORK, NY 10022							<input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person		
(City)	(State)	(Zip)							

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

1. Title of Security (Instr. 3)	2. Trans. Date	2A. Deemed Execution Date, if any	3. Trans. 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	2/25/2010	2/25/2010	S		6000000 (1)	D	\$28.50	8000000	I	By SKM Funds (2)

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

1. Title of Derivate Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Trans. Date	3A. Deemed Execution Date, if any	4. Trans. 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		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction (s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V		(A)	(D)	Date Exercisable	Expiration Date				

Explanation of Responses:

- Of the 6,000,000 shares sold by the SKM Funds on February 25, 2010 in a secondary public offering by the Issuer, SKM Equity Fund II, L.P. sold 5,882,353 shares and SKM Investment Fund II sold 117,647 shares.
- Owned by SKM Equity Fund II, L.P. and SKM Investment Fund II (together, the "SKM Funds"). SKM Equity Fund II, L.P. directly beneficially owns 7,843,137 shares of Common Stock and SKM Investment Fund II directly beneficially owns 156,863 shares of Common Stock. The Reporting Person is a Managing Member of Saunders Karp & Megrue Partners, LLC, the general partner of each of SKM Investment Fund II and SKM Partners, L.P., which is the general partner of SKM Equity Fund II, L.P. As such, the Reporting Person may be deemed to have a shared voting and/or dispositive power over these shares. However, the Reporting Person disclaims beneficial ownership of these shares, except to the extent of his pecuniary interest therein.

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MEGRUE JOHN F 601 LEXINGTON AVE.	X	X		

**53RD FLOOR
NEW YORK, NY 10022**

Signatures

/s/ Stacy Siegal, Attorney-in-Fact

3/1/2010

** Signature of Reporting Person

Date

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

* 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).

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

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.