RED HAT INC

Reported by

CUNNINGHAM MICHAEL

FORM 4

(Statement of Changes in Beneficial Ownership)

Filed 09/29/09 for the Period Ending 09/28/09

Address	1801 VARSITY DRIVE RALEIGH, NC 27606
Telephone	9197543700
CIK	0001087423
Symbol	RHT
SIC Code	7370 - Computer Programming, Data Processing, And
Industry	Software & Programming
Sector	Technology
Fiscal Year	12/31

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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

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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)
Cunningham Michael	**RED HAT INC [RHT]**	
(Last) (First) (Middle)	3. Date of Earliest Transaction (MM/DD/YYYY)	_____ Director _____ 10% Owner
C/O RED HAT, INC., 1801 VARSITY DRIVE	**9/28/2009**	__ **X** __ Officer (give title below) _____ Other (specify below) **EVP, General Counsel**
(Street)	4. If Amendment, Date Original Filed (MM/DD/YYYY)	6. Individual or Joint/Group Filing (Check Applicable Line)
RALEIGH, NC 27606		_ **X** _ Form filed by One Reporting Person
(City) (State) (Zip)		___ 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. 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	**9/28/2009**		**M**		**56200**	**A**	**$15.34**	**140342**	**D**	
Common Stock	**9/28/2009**		**S**		**56200**	**D**	**$27.63** (1)	**84142**	**D**	
Common Stock	**9/28/2009**		**S**		**41367**	**D**	**$27.85** (2)	**42775**	**D**	

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	Title	Amount or Number of Shares				
Employee Stock Option NQSO (Right to Buy	**$15.34**	**9/28/2009**		**M**			**56200**	(3)	**7/25/2010**	**Common Stock**	**56200**	**$0.00**	**0**	**D**	

Explanation of Responses:

(1) Represents the weighted average sale price per share. The shares were sold at prices ranging from $27.45-$27.83 per share. Full information regarding the number of shares sold at each price shall be provided upon request to the Staff of the U.S. Securities and Exchange Commission, the Issuer, or a security holder of the Issuer.

(2) Represents the weighted average sale price per share. The shares were sold at prices ranging from $27.85-$27.89 per share. Full information regarding the number of shares sold at each price shall be provided upon request to the Staff of the U.S. Securities and Exchange Commission, the Issuer, or a security holder of the Issuer.

(3) 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.

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Cunningham Michael **C/O RED HAT, INC.** **1801 VARSITY DRIVE** **RALEIGH, NC 27606**			**EVP, General Counsel**	

Signatures

/s/ Kimberly Yule, Atty in fact UPOA **9/29/2009**

** 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.

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