

Xie Ken
Form 4
November 24, 2010

FORM 4

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

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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
Xie Ken

(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)
11/23/2010

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)

President & CEO

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	05/25/2010		G	V	6,000	D	\$ 0	5,862,499	D	
Common Stock	06/22/2010		G	V	6,000	D	\$ 0	5,856,499	D	
Common Stock	07/20/2010		G	V	6,000	D	\$ 0	5,850,499	D	
Common Stock	08/24/2010		G	V	12,000	D	\$ 0	5,838,499	D	
Common Stock	09/27/2010		G	V	18,000	D	\$ 0	6,417,355 ⁽¹⁾ ₍₂₎	D	

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Common Stock	10/19/2010	G	V	18,000	D	\$ 0	6,399,355	D	
Common Stock	11/23/2010	M		30,000	A	\$ 2.15	6,429,355	D	
Common Stock	11/23/2010	M		150,000	A	\$ 2.365	6,579,355	D	
Common Stock	11/23/2010	S ⁽³⁾		90,000	D	\$ 31.5242 ⁽⁴⁾	6,489,355	D	
Common Stock	11/23/2010	G	V	18,000	D	\$ 0	6,471,355	D	
Common Stock	09/14/2010	G	V	367,287	D	\$ 0	0 ⁽⁵⁾	I	See footnote ⁽⁶⁾
Common Stock	09/14/2010	G	V	367,287	D	\$ 0	0 ⁽⁷⁾	I	See footnote ⁽⁸⁾
Common Stock							1,201,572 ⁽⁹⁾	I	See footnote ⁽¹⁰⁾
Common Stock							1,201,572 ⁽¹¹⁾	I	See footnote ⁽¹²⁾

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)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Employee Stock Option (right to	\$ 2.15	11/23/2010		M			30,000	<u>(13)</u>	03/01/2011	Common Stock	30,000

buy)

Employee

Stock

Option \$ 2.365 11/23/2010

M

150,000

(13)

07/20/2011

Common
Stock

150,00

(right to

buy)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Xie Ken C/O FORTINET, INC. 1090 KIFER ROAD SUNNYVALE, CA 94086	X	X	President & CEO	

Signatures

/s/ John Whittle, by power of
attorney

11/24/2010

__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) Includes 298,428 shares previously reported as held directly by The Ken Xie 2009 Grantor Retained Annuity Trust dated September 10, 2009 for which the Reporting Person serves as trustee (the "Xie 2009 GRAT") and 298,428 shares previously reported as held directly by The Winnie Hiu-Yin Lee 2009 Grantor Retained Annuity Trust dated September 10, 2009 for which the Reporting Person's spouse serves as trustee (the "Lee 2009 GRAT") which were re-registered on September 10, 2010 and are now held directly by the Reporting Person.

(2) Includes 223,297 shares previously reported as held directly by The Ken Xie 2007 Annuity Trust dated September 25, 2007 for which the Reporting Person serves as trustee (the "Xie 2007 Annuity Trust") and 223,297 shares previously reported as held directly by The Winnie Hiu-Yin Lee 2007 Annuity Trust dated September 25, 2007 for which the Reporting Person's spouse serves as trustee (the "Lee 2007 Annuity Trust") which were re-registered on September 14, 2010 and are now held directly by the Reporting Person.

(3) The sale reported on this Form 4 was effected pursuant to a Rule 10b5-1 trading plan adopted by the Reporting Person on November 30, 2009, as amended.

(4) The sale price reported in column 4 of Table I represents the weighted average sale price of the shares sold ranging from \$31.11 to \$31.77 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.

(5) Excludes 223,297 shares previously reported as held directly by the Xie 2007 Annuity Trust which were re-registered on September 14, 2010 and are now held directly by the Reporting Person.

(6) Shares held directly by the Xie 2007 Annuity Trust.

(7) Excludes 223,297 shares previously reported as held directly by the Lee 2007 Annuity Trust which were re-registered on September 14, 2010 and are now held directly by the Reporting Person.

(8) Shares held directly by the Lee 2007 Annuity Trust.

(9) Excludes 298,428 shares previously reported as held directly by the Xie 2009 GRAT which were re-registered on September 10, 2010 and are now held directly by the Reporting Person.

(10) Shares held directly by the Xie 2009 GRAT.

(11)

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Excludes 298,428 shares previously reported as held directly by the Lee 2009 GRAT which were re-registered on September 10, 2010 and are now held directly by the Reporting Person.

(12) Shares held directly by the Lee 2009 GRAT.

(13) Shares subject to the option are fully vested and immediately exercisable.

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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