RED HAT INC Form 4 January 10, 2003

U.S. SECURITIES AND EXCHANGE COMMISSION Washington, DC 20549

FORM 4

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

	Section 30(f	of the Investme	nt Comp	any Act of 1940)
[_]	Check box if no longer may continue. See Inst.		ion 16.	Form 4 or Form	1 5 obligations
1.	Name and Address of Rep				
Webb	ink	Mark		н.	
(Last)	(First)		(Middle)	
c/o	Red Hat, Inc., 1801 Var	sity Drive			
		(Street)			
Raleigh		North Caroli	na	27606	
(City)	(State)		(Zip)	
2.	Issuer Name and Ticker	or Trading Symbo	1		
	Red Hat, Inc. (RHAT)			
3.	IRS Identification Number	per of Reporting	Person,	if an Entity	(Voluntary)
4.	Statement for Month/Yea	 ar			
	January 10, 2003				
5.	If Amendment, Date of	Original (Month/Y	ear)		
6.	Relationship of Report (Check all applicable)	ing Person to Iss	uer		
	<pre>[_] Director [X] Officer (give tit.</pre>	le helow)		10% Owner Other (specify	, helow)
	Chief Technology Of		r—1	oner (precit)	201011
	Chiter rechilorogy Of	TICCT			

^{7.} Individual or Joint/Group Filing (Check applicable line)

[X] 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

-

	Date	Execution	3. Transaction Code	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			
1. Title of Security (Instr. 3)				- Amount	(A) or (D)	or Price	
Common Stock, \$.0001 par value per share	01/10/03	01/10/03	М	4,000	Α	\$3.73	
Common Stock, \$.0001 par value per share	01/10/03			4,000	D	\$6.35	
	·						

^{*} If the Form is filed by more than one Reporting Person, see Instruction $4\,\mbox{(b)}\,\mbox{(v)}\,\mbox{.}$

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

(Print or Type Responses)

(Over)

(Form 4-07/99)

FORM 4 (continued)

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

	2. Conversion or Exercise	Conversion or Exercise 3. Price Transcof action Deriv-Date ative (Month/Secur-Day/	Deemed Execution Date, if any (Month/ Day/	Code (Instr. 8)	or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year) Date Expira- Exer- tion		7. Title and Amou of Underlying Securities (Instr. 3 and	
1. Title of Derivative Security	of Deriv- ative Secur-									Amou or Numb of
(Instr. 3)	ity 	Year) 	Year) 	Code V	(A) 	(D) 	cisable 	Date	Title	Shar
Employee Stock Option (NQSO - right to buy)		1/10/03	1/10/03	M		4,000	(1)	8/22/11	Common	4,00
Explanation of F				:======	:=====					

Explanation of Responses:

(1) This options 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.

/s/ Mark H. Webbink January 10, 2003

**Signature of Reporting Person Date
Under Power of Attorney

** 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 provided is insufficient, see Instruction 6 for procedure.

Page 2