FORTINET INC
Form 4
March 02, 2016

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

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	
OMB Number:	3235-0287
Expires:	January 31, 2005
Estimated average burden hours per response...	0.5

(Print or Type Responses)

1. Name and Address of Reporting Person *
DEL MATTO ANDREW H

(Last) (First) (Middle)

C/O FORTINET, INC., 899 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)
03/01/2016

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Chief Financial Officer

6. 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

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	03/01/2016		S (1)		2,250 (2)	D	$ 28.9448 (3)	19,117	D	

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

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SEC 1474 (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. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Owne Follo Repo Trans (Instr
								Date Exercisable	Expiration Date	Title	Amount or Number of Shares		
				Code	V	(A)	(D)						

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
DEL MATTO ANDREW H C/O FORTINET, INC. 899 KIFER ROAD SUNNYVALE, CA 94086			Chief Financial Officer	

Signatures

/s/ Robert Turner, by power of attorney	03/02/2016
**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 sales reported on this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the Reporting Person on March 10, 2015.

(2) Represents the aggregate of sales effected on the same day at different prices.

(3) Represents the weighted average sales price per share. The shares sold at prices ranging from $28.64 to $29.31 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.

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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PART II – OTHER INFORMATION

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AMERICAN RESOURCES AND DEVELOPMENT COMPANY AND SUBSIDIARIES
Condensed Consolidated Balance Sheets

	December 31, 2008 (Unaudited)	March 31, 2008
ASSETS		
CURRENT ASSETS		
Cash	$ 7,619	$ 21,429
Investments in marketable securities	1,840,122	3,364,330
Total Current Assets	1,847,741	3,385,759
OTHER ASSETS		
Notes receivable - related party	22,500	-
Total Other Assets	22,500	-
TOTAL ASSETS	$ 1,870,241	$ 3,385,759
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
CURRENT LIABILITIES		
Accounts payable	$ 2,000	$ -
Total Current Liabilities	2,000	-
TOTAL LIABILITIES	2,000	-
STOCKHOLDERS' EQUITY (DEFICIT)		
Common stock; $0.01 par value; 500,000,000 shares authorized; 467,039,666 shares issued and outstanding	467,040	467,040
Additional paid-in capital	11,553,822	11,553,822
Accumulated deficit	(10,152,621)	(8,635,103)
Total Stockholders' Equity (Deficit)	1,868,241	3,385,759
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	$ 1,870,241	$ 3,385,759

The accompanying notes are an integral part of these financial statements.

AMERICAN RESOURCES AND DEVELOPMENT COMPANY AND SUBSIDIARIES
Condensed Consolidated Statements of Operations
(Unaudited)

	For the Three Months Ended December 31, 2008	For the Three Months Ended December 31, 2007	For the Nine Months Ended December 31, 2008	For the Nine Months Ended December 31, 2007
REVENUES	$ (1,853,611)	$ 1,506,753	$ (1,064,499)	1,650,426
COST OF SALES	-	-		-
GROSS PROFIT	(1,853,611)	1,506,753	(1,064,499)	1,650,426
EXPENSES				
General and administrative	26,628	145,562	207,142	220,290
Impairment of Investment	315,482	-	315,482	-
Total Expenses	342,110	145,562	522,624	220,290
OPERATING INCOME (LOSS)	(2,195,721)	1,361,191	(1,587,123)	1,430,136
OTHER INCOME (EXPENSES)				
Interest expense	-	(91,590)	-	(118,304)
Interest income	-	101,231	69,605	101,587
Total Other Income (Expense)	-	9,641	69,605	(16,717)
NET INCOME (LOSS)	$ (2,195,721)	$ 1,370,832	$ (1,517,518)	$ 1,413,419
BASIC INCOME (LOSS) PER SHARE	$ (0.00)	$ 0.00	$ (0.00)	$ 0.00
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	466,770,406	466,770,406	466,770,406	466,770,406

The accompanying notes are an integral part of these financial statements.

AMERICAN RESOURCES AND DEVELOPMENT COMPANY AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(Unaudited)

	For the Nine Months Ended December 31, 2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	$ (1,517,518)	$ 1,413,419
Adjustments to reconcile net loss to net cash provided (used) by operating activities:		
Earnings on investments	1,524,208	(1,806,924)
Interest earned on investments		
Unrealized loss on investments	-	
Changes in operating assets and liabilities		
Increase in accounts payable and accrued expenses	2,000	99,349
Net Cash Used by Operating Activities	8,690	(294,156)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash paid for investments	-	(1,725,000)
Cash withdrawals from investments	-	-
Net Cash Provided (Used) by Investing Activities	-	(1,725,000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Change in notes receivable	(22,500)	1,025,591
Change in notes receivable - related parties	-	(783,122)
Net Cash Used by Financing Activities	(22,500)	242,469
NET INCREASE (DECREASE) IN CASH	(13,810)	(1,776,687)
CASH AT BEGINNING OF PERIOD	21,429	1,865,852
CASH AT END OF PERIOD	$ 7,619	$ 89,165
CASH PAID FOR:		
Interest	$ -	$ -
Income Taxes	$ -	$ -
SUPPLIMENTAL SCHEDULE OF NON-CASH AND INVESTING ACTIVITIES	$ -	$ -

The accompanying notes are an integral part of these financial statements.

AMERICAN RESOURCES AND DEVELOPMENT COMPANY AND SUBSIDIARIES
Notes to the Condensed Consolidated Financial Statements

NOTE 1 - BASIS OF FINANCIAL STATEMENT PRESENTATION

The accompanying unaudited condensed financial statements have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted in accordance with such rules and regulations. The information furnished in the interim condensed financial statements includes normal recurring adjustments and reflects all adjustments, which, in the opinion of management, are necessary for a fair presentation of such financial statements. Although management believes the disclosures and information presented are adequate to make the information not misleading, it is suggested that these interim condensed financial statements be read in conjunction with the Company's most recent audited financial statements and notes thereto included in its March 31, 2008 Annual Report on Form 10-K of the Company. Operating results for the nine months ended December 31, 2008 are not necessarily indicative of the results that may be expected for the year ending March 31, 2009.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

a. Organization

The accompanying consolidated financial statements include those of American Resources and Development Company (the Company) and its wholly-owned subsidiary, Springfield Finance and Mortgage Company, LLC (SFMC). In addition, the consolidated financial statements include those of Springfield Investment, Inc. (SFIC) and Springfield Construction, LLC (SFCC). Both SFIC and SFCC, although not majority owned by the Company, have been determined to be “Variable Interest Entities” pursuant to FIN 46 and have therefore been consolidated in these financial statements. All inter-company items and transactions have been eliminated in consolidation.

The Company was formed on March 21, 1983 and until 2007 was in the business of providing debt financing to other entities involved in the development of residential real estate through its SFMC subsidiary. The Company obtained the capital for the financing of real estate development from outside sources as well as certain majority shareholders. Since March 2007 the Company has changed its primary strategic focus to that of making temporary investments in stock options through a “short strangle” strategy.

b. Accounting Method

The Company’s consolidated financial statements are prepared using the accrual method of accounting. The Company has elected an March 31 year-end.

AMERICAN RESOURCES AND DEVELOPMENT COMPANY AND SUBSIDIARIES
Notes to the Condensed Consolidated Financial Statements

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Recognition of Revenues

Investment income is the Company's primary earnings focus. Revenues from investments are derived from trading securities, and unrealized gains and losses are recorded as earnings whether or not the underlying securities are sold. During periods in which the Company's investments decrease in value, the losses are recorded as negative revenues.

d. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

e. Concentration of Credit Risk

The Company maintains its cash in bank deposit accounts at high credit quality financial institutions. The balances, at times, may exceed federally insured limits. In addition, the Company occasionally maintains cash investments with institutions that are not federally insured.

f. Cash and Cash Equivalents

The Company considers all highly-liquid investments with a maturity of three months or less when purchased to be cash equivalents.

g. Advertising

The Company follows the policy of charging the costs of advertising to expense as incurred. There were no advertising charges during the periods presented in these financial statements.

h. Property and Equipment

Property, equipment, and capital leases are recorded at cost and are depreciated over the estimated useful life of the related assets, generally three to seven years. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in income for the period.

AMERICAN RESOURCES AND DEVELOPMENT COMPANY AND SUBSIDIARIES
Notes to the Condensed Consolidated Financial Statements

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Basic Income (Loss) per Share

Basic income (loss) per share is computed based on the weighted average number of common shares outstanding during the period. As of December 31, 2008, there were no common stock equivalents outstanding. Therefore, the basic and fully diluted income (loss) per share is the same for the periods presented herein.

NOTE 3 - COMMON STOCK

During fiscal 2005 the Company issued 12,500,000 shares of its restricted common stock in exchange for the purchase of 100% of the members' units and net assets of SFMC. The value of the exchange ($8,923) was deemed by management to be equal to the net book value of the assets and liabilities of SFMC since the only assets acquired were cash and notes receivable with values substantially equal to their face values, and the only liabilities were notes payable and accrued interest bearing terms deemed equal to traditional terms used in arms-length transactions. As of December 31, 2008, the Company had 467,039,666 shares of common stock issued and outstanding.

NOTE4 – SIGNIFICANT EVENTS

BC Oil Investment - During the period ended December 31, 2008, the Company invested a sum of $250,000 in BC Oil, LLC. ("BC"), an Idaho company, in order to help BC meet its short-term cash requirements. In exchange for this investment, BC agreed to pay the Company 8.00% percent per month of the outstanding investment. The Company later made the determination that the BC was unlikely be able to make the monthly interest payments in the near future, and that the investment was significantly impaired. Due to this determination, the Company fully impaired its investment in BC Oil, such that at December 31, 2008, the book value of the investment was $-0-.

Variations in Investment Revenues – During the three months ended December 31, 2008 the Company's investment yielded negative revenues of $1,853,611, as compared with positive revenues of $1,506,753 during the corresponding period of 2007. The negative revenues in the current period were a significant factor in the reduction of the Company's total investments from $3,364,330 at March 31, 2008 to $1,840,122 at December 31, 2008.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

CAUTIONARY FORWARD - LOOKING STATEMENT

Statements included in this Management's Discussion and Analysis of Financial Condition and Results of Operations, and in future filings by the Company with the Securities and Exchange Commission, in the Company's press releases and in oral statements made with the approval of an authorized executive officer which are not historical or current facts are "forward-looking statements" made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and are subject to certain risks and uncertainties that could cause actual results to differ materially from historical earnings and those presently anticipated or projected. The Company wishes to caution readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made.

A. Management’s Plan of Operation

American Resources & Development Company ("ARDCO" or "the Company"), formerly known as Leasing Technology, Incorporated, was incorporated in Utah on March 21, 1983. On February 20, 1997 it name was changed to American Resources and Development Company. When used throughout this document, unless the context suggests otherwise, the "Company" refers to ARDCO and/or its subsidiaries.

By March 31, 2007, the real estate market in which had previously constituted the Company’s primary business focus, had slowed considerably. Hence, the Company elected to terminate its business of providing financing for real estate development; and became focused on investing in the ‘Futures Options market’.

The Company utilizes a ‘short strangle’ trading strategy; and, relies on the experienced investment advisors at MSI Trading to make all trading decisions and the brokers at Brewer Investment Group to execute orders and monitor margins on the account. These personal have a combined total of over 60 years of trading experience. Brewer is paid the industry standard commissions and fees; and MSI Trading is paid five (5%) percent of the net monthly income.

On April 18th, 2007 the Company opened account number 396-44607 with Infinity; and on May 31st, 2007, in order to receive better executions and commissions on trades, the Company transferred its account from Infinity to Brewer Futures Group, account number D13 89 N8535. All of the Company’s trading in the futures market is presently being conducted thru its account at Brewer with funds being held at Peregrine Financial Group, the holding Futures Commission Merchant (FCM), where the company is able to rely on the experience and expertise of several trading specialists as well as on the experience and expertise of the Investment Advisors at MSI Trading. The Brokers at Brewer and PFG (FCM) are all registered with the NFA and CFTC regulatory bodies of the Futures industry.

By utilizing the strategy of trading ‘Short Strangle Options’ the company is able to take advantage of trading the RANGE, rather than the DIRECTON of the market. Profits are earned (or lost) by receiving the time decay from the premium (credit) received from selling Option Contracts that have 30 to 60 day expiration. Option positions are generally closed out and new ones reset after the third Friday of each month. Thus, there are approximately 12 trading periods each year; and, the monthly liquidity allows traders to properly analyze and evaluate the recent trading range of the market before positioning new trades for the succeeding month. From a cash management perspective this also provides excellent liquidity.

The Company’s goal is to take advantage of the markets trading RANGE rather than its DIRECTION. We sell Out-of-the-Money Call and Put Option contracts on the S&P 500 Futures (the underlying) market and receive a credit on each trade. We then take advantage of the time decay of these Out-Of-The-Money options as the market stays between our two selected Strike Price levels. This strategy is called a Short Strangle. Profits (and or losses) are earned from the credit (premium) received and the time decay of the option contracts. Positions are generally closed out and new positions entered after the third Friday of each month, thus there are approximately 12 trading periods each year. The 30 day liquidity period allows us to properly analyze and evaluate the recent trading range of the market; and, to keep pace with the ever changing value of the S&P 500 Futures price. The re-positioning of trades for each succeeding month is a critical component in controlling risk. From a cash management perspective this concept provides excellent liquidity. Call Option Strike Prices are usually sold 100 points ABOVE the value of the underlying while Put Option Strike Prices are usually sold 125 – 200 points BELOW the underlying.

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There are no limitations on the percentage of Company assets which the Company may invest in any one investment, or type of investment. Any Company policy regarding such investments may be changed without a vote of the Company's shareholders. It is the Company's policy to make investments primarily for income, though assets also may be acquired for possible capital gain.

RESULTS OF OPERATIONS

For the three months ended December 31, 2008 compared to the three months ended December 31, 2007.

During the three months ended December 31, 2008, the Company had negative revenues totaling $1,853,611 compared to revenues of $1,506,753 during the same period in 2007. This decrease is attributed to the Company's experiencing significant losses on its investments during the current quarter, as opposed to experiencing significant gains in the comparable quarter of the 2007 fiscal year.

Operating expenses for the three months ended December 31, 2008 totaled $342,110 a 135% increase from the comparable period of 2007. This increase resulted primarily from an investment impairment expense in the amount of $315,482 being recognized in the current quarter. This expense was partially offset by a $118,934 decrease in general and administrative expenses during the current period, particularly relating to auditing and accounting fees, as a result of streamlining its accounting and reporting processes.

The Company recognized a net loss of $2,195,721 during the three month period ended December 31, 2008, compared to a net income of $1,370,832 in the comparable period of 2007. This increased net loss resulted primarily from the Company's investment losses, partially offset by its decreased operating expenses during the period. Basic net loss per share was $(0.00) for the three month period ended December 31, 2008, representing only a minimal change from the comparable period of 2007.

For the nine months ended December 31, 2008 compared to the nine months ended December 31, 2007.

During the nine months ended December 31, 2008, the Company had negative revenues of $1,064,499 compared to positive revenues of $1,650,426 during the same period in 2007. This decrease is attributed to the Company's experiencing significant losses on its investments during the current nine-month period, as opposed to experiencing significant gains in the comparable period of the 2007 fiscal year.

Operating expenses for the nine months ended December 31, 2008 totaled $522,624, a 137% increase from the comparable period of 2007. This increase resulted primarily from an impairment of investment charged during the company's 3rd quarter.

The Company recorded a net loss of $1,517,518 during the nine month period ended December 31, 2008, compared to a net income of $1,413,419 in the comparable period of 2007. This decrease in net income resulted primarily from the Company's investment losses, partially offset by its decreased operating expenses during the period. Basic net loss per share was $0.00 for the nine month period ended December 31, 2008, representing only a minimal change from the comparable period of 2007.

Liquidity and Capital Resources

As of December 31, 2008, the Company had working capital of $1,845,741 compared to working capital of $3,385,759 at March 31, 2008. The change in working capital resulted primarily from the Company's investment losses.

During the nine months ended December 31, 2008 the Company experienced cash flow from operating activities of $8,690, and zero cash flows from investing activities. The Company had negative cash flows of $22,500 from financing activities during the nine months ended December 31, 2008. The Company's cash requirements are currently so small that the Company can keep nearly all of its liquid assets invested in the market at all times. When the Company's cash needs become significant, the Company will simply liquidate a portion of its working investments. Management does not anticipate the necessity of any external financing within the next 12 months.

ITEM 3. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed by the Company in the reports that it files or submits to the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified by the Securities and Exchange Commission's rules and forms, and that information is accumulated and communicated to the Company management, including the principal executive and principal financial officer (whom the Company refers to in this periodic report as the Certifying Officer), as appropriate to allow timely decisions regarding required disclosure. Company management evaluated, with the participation of the Certifying Officer, the effectiveness of the Company disclosure controls and procedures as of December 31, 2008, pursuant to Rule 13a-15(b) under the Securities Exchange Act. Based upon that evaluation, the Certifying Officer concluded that, as of December 31, 2008, the Company disclosure controls and procedures were effective.

Changes in Internal Controls

There were no changes in our internal control over financial reporting that occurred during the quarter ended December 31, 2008 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION.

ITEM 1. LEGAL PROCEEDINGS.

None

ITEM 2. CHANGES IN SECURITIES AND USE OF PROCEEDS.

None

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

None

ITEM 5. OTHER INFORMATION.

None

ITEM 6. EXHIBITS

The following exhibits are filed as a part of this report:

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Exhibit Number*	Title of Document	Location
Item 31	Rule 13a-14(a)/15d-14(a) Certifications	
31.01	Certification of Principal Executive Officer and Principal Financial Officer Pursuant to Rule 13a-14	Attached
Item 32	Section 1350 Certifications	
32.01	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Chief Executive Officer and Chief Financial Officer)	Attached

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* All exhibits are numbered with the number preceding the decimal indicating the applicable SEC reference number in Item 601 and the number following the decimal indicating the sequence of the particular document.

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the Undersigned, thereunto duly authorized.

American Resources and Development Company,
a Utah corporation

Dated: February 15, 2009

/s/ Keith M Elison
By: Keith M Elison
Its: Chief Financial Officer

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