RED HAT INC
Form DEFA14A
October 30, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(Rule 14a-101)

Information Required in Proxy Statement

Schedule 14A Information

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under §240.14a-12

RED HAT, INC.

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

The following was distributed to certain employees of Red Hat, Inc.:

Project Red Hat Global Support Services Talking Points and Q&A

These key messages are for use by Global Support Services.

They are **not for external distribution.**

For Reactive Use Only:

Thanks for contacting Red Hat. We appreciate your interest in Red Hat and our recently announced combination with IBM.

Our customers are our top priority and, like Red Hat, IBM is committed to innovation and putting customers first.

We are excited about this opportunity that is expected to provide substantial benefits to all of our stakeholders, including our customers.

We believe the transaction will provide scale and resources to drive next-level innovation and expand our industry leadership.

With IBM, we can create an expanded suite of comprehensive solutions to help our customers as they prioritize their digital and cloud transformation initiatives.

As we work to complete the transaction, you should experience no disruptions it is business as usual at Red Hat.

You can rest assured that Red Hat will continue to deliver the industry-leading solutions and excellent service you have come to expect.

Until the transaction is complete, which we expect to occur in the second half of 2019, Red Hat and IBM will remain separate companies.

Thank you for your business and continued support of Red Hat.

Q&A

What was announced?

Red Hat announced an agreement to combine with IBM.

This is an exciting announcement that can enable Red Hat to drive next-level innovation and expand Red Hat s industry leadership.

Through this transaction, Red Hat can leverage IBM s scale and resources, to accelerate and scale the development and continued improvement of its hybrid cloud infrastructure, cloud-native app development, and management and automation solutions.

With IBM, we can extend our efforts to help customers be able to create any application and deploy them anywhere in support of their digital and cloud transformation efforts.

As a customer/developer, what does this mean for me?

We think this combination with IBM will make us even better at what we do and in turn, allow us to deliver better solutions and support to each of you.

We are confident this transaction will create many exciting opportunities for our customers.

Our commitment to customers remains our number one priority.

This exciting combination will allow Red Hat to drive next-level innovation and expand Red Hat s industry leadership.

With IBM, we will create an expanded suite of hybrid cloud and cloud-native application development solutions to help our customers as they prioritize their digital and cloud transformation initiatives.

Until the transaction closes, which we expect will occur in 2H 2019, business will continue in the normal course at Red Hat and customers will continue to receive the industry-leading solutions and excellent service that they have come to expect.

Will this change what solutions and services Red Hat offers? Will this change the pricing of Red Hat solutions?

There have been no changes to our products, service offering or pricing as a result of this announcement.

Until the transaction is completed, Red Hat and IBM will continue to operate as separate companies.

While we are very excited about the transaction and what it will mean for our business in the long-term, in the near-term, our top priority will be continuing to operate as usual.

Who do I contact if I have more questions about my support?

Please feel free to reach out to Red Hat Global Support Services or your assigned Customer Success Manager at any time. We are here to serve you.

Additional information and resources are also available at www.redhat.com

At Red Hat, our customers are our first priority and we are always eager to hear about how we can better meet your needs.

Important Additional Information and Where to Find It

In connection with the proposed merger, Red Hat, Inc. (the Company) intends to file relevant materials with the Securities and Exchange Commission (the SEC), including a preliminary proxy statement on Schedule 14A. Following the filing of the definitive proxy statement with the SEC, the Company will mail the definitive proxy statement and a proxy card to each stockholder entitled to vote at the special meeting relating to the proposed merger. STOCKHOLDERS ARE URGED TO CAREFULLY READ THESE MATERIALS IN THEIR ENTIRETY (INCLUDING ANY AMENDMENTS OR SUPPLEMENTS THERETO) AND ANY OTHER RELEVANT DOCUMENTS THAT THE COMPANY WILL FILE WITH THE SEC WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. The proxy statement and other relevant materials (when available), and any and all documents filed by the Company with the SEC, may be obtained for free at the SEC s website at www.sec.gov. In addition, stockholders may obtain free copies of the documents filed with the SEC by the Company via the Company s Investor Relations section of its website at www.redhat.com or by contacting Investor Relations by directing a request to the Company, Attention: Investor Relations, 100 East Davie Street, Raleigh, North Carolina 27601, or by calling (919) 754-3700.

Participants in the Merger Solicitation

This document does not constitute a solicitation of proxy, an offer to purchase or a solicitation of an offer to sell any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended. The Company, its directors, executive officers and certain employees may be deemed to be participants in the solicitation of proxies from the stockholders of the Company in connection with the proposed merger. Information about the persons who may, under the rules of the SEC, be considered to be participants in the solicitation of the Company s stockholders in connection with the proposed merger, and any interest they have in the proposed merger, will be set forth in the definitive proxy statement when it is filed with the SEC. Additional information regarding these individuals is set forth in the Company s proxy statement for its 2018 Annual Meeting of Stockholders, which was filed with the SEC on June 25, 2018, and its Annual Report on Form 10-K for the fiscal year ended February 28, 2018, which was filed with the SEC on April 26, 2018. These documents may be obtained for free at the SEC s website at www.sec.gov, and via the Company s Investor Relations section of its website at www.redhat.com.

Cautionary Statement Regarding Forward-Looking Statements

This document may include forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, statements relating to the completion of the merger. In this context, forward-looking statements often address expected future business and financial performance and financial condition, and often contain words such as expect, anticipate, intend, plan, believe, seek, see, will, would, tar expressions, and variations or negatives of these words. Forward-looking statements by their nature address matters that are, to different degrees, uncertain, such as statements about the consummation of the proposed merger and the anticipated benefits thereof. These and other forward-looking statements are not guarantees of future results and are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed in any forward-looking statements, including the failure to consummate the proposed merger or to make any filing or take other action required to consummate such merger in a timely matter or at all. The inclusion of such statements should not be regarded as a representation that any plans, estimates or expectations will be achieved. You should not place undue reliance on such statements. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, that: (1) the Company may be unable to obtain stockholder approval as required for the merger; (2) conditions to the closing of the merger, including obtaining required regulatory approvals, may not be satisfied or waived on a timely basis or otherwise; (3) a governmental entity or a regulatory body may prohibit, delay or refuse to grant approval for the consummation of the merger and may require conditions, limitations or restrictions in connection with such approvals that can adversely affect the anticipated benefits of the proposed merger or cause the parties to

abandon the proposed merger; (4) the merger may involve unexpected costs, liabilities or delays; (5) the business of the Company may suffer as a result of uncertainty surrounding the merger or the potential adverse changes to business relationships resulting from the proposed merger; (6) legal proceedings may be initiated related to the merger and the outcome of any legal proceedings related to the merger may be adverse to the Company; (7) the Company may be adversely affected by other general industry, economic, business, and/or competitive factors; (8) there may be unforeseen events, changes or other circumstances that could give rise to the termination of the merger agreement or affect the ability to recognize benefits of the merger; (9) risks that the proposed merger may disrupt current plans and operations and present potential difficulties in employee retention as a result of the merger; (10) risks related to diverting management s attention from the Company s ongoing business operations; (11) there may be other risks to consummation of the merger, including the risk that the merger will not be consummated within the expected time period or at all which may affect the Company s business and the price of the common stock of the Company; and (12) the risks described from time to time in the Company s reports filed with the SEC under the heading Risk Factors, including the Annual Report on Form 10-K for the fiscal year ended February 28, 2018, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K and in other of the Company s filings with the SEC. Such risks include, without limitation: the effects of competition in the businesses in which the Company operates; the Company s ability to adapt to a rapidly changing industry and maintain strategic relationships with industry leading companies; and the impacts of security breaches and data loss and our vulnerability to technology infrastructure failures. Consequences of material differences in results as compared with those anticipated in the forward-looking statements could include, among other things, business disruption, operational problems, financial loss, legal liability to third parties and similar risks, any of which could have a material adverse effect on the Company s financial condition, results of operations, credit rating or liquidity. These risks, as well as other risks associated with the proposed merger, will be more fully discussed in the proxy statement that will be filed with the SEC in connection with the proposed merger. There can be no assurance that the merger will be completed, or if it is completed, that it will close within the anticipated time period or that the expected benefits of the merger will be realized. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which such statements were made. Except as required by applicable law, the Company undertakes no obligation to update forward-looking statements to reflect events or circumstances arising after such date.