

# FORM 4

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

OMB APPROVAL

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## 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(h) of the Investment Company Act of 1940

Check this box if no longer  
subject to Section 16. Form 4 or  
Form 5 obligations may continue.  
See Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person* <b>Hovsepian, Ronald W.</b>		2. Issuer Name and Ticker or Trading Symbol <b>Novell, Inc. NOVL</b>		5. Relationship of Reporting Person(s) to Issuer (Check all applicable)	
(Last)	(First)	(Middle)	3. Date of Earliest Transaction Required to be Reported (Month/Day/Year)	4. If Amendment, Date Original Filed (Month/Day/Year)	<input checked="" type="checkbox"/> Director _____ 10% Owner <input checked="" type="checkbox"/> Officer (give title below) _____ Other (specify below) _____
404 Wyman Street, Suite 500			12/23/2008		<b>President and CEO</b>
Waltham, MA 02451					
(City)	(State)	(Zip)			
USA		6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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 (1)	12/23/2008		M		38,924	A	\$0.00	831,081	D	
Common Stock	12/23/2008		F		16,368	D	\$3.47	814,713	D	
Common Stock (2)	12/23/2008		M		141,518	A	\$0.00	956,231	D	
Common Stock	12/23/2008		F		59,509	D	\$3.47	896,722	D	
Common Stock	12/23/2008		F		30,629	D	\$3.47	866,093	D	
Common Stock	12/23/2008		F		6,050	D	\$3.47	860,043	D	
Common Stock	12/23/2008		A		81,501	A	\$0.00	941,544	D	
Common Stock	12/23/2008		F		34,272	D	\$3.47	907,272	D	

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).

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

(Over)

SEC 1474 (06-03)

FORM 4 (continued)

**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. 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				
Restricted Stock Units	(3)	12/23/2008		M		38,924		(1)	(1)	Common Stock	38,924	\$0.00	0	D	
Restricted Stock Units	(3)	12/23/2008		M		141,518		(2)	(2)	Common Stock	141,518	\$0.00	0	D	
Stock Option (right to buy) (4)	\$6.71	12/23/2008		A		113,196		12/23/2008	12/18/2015	Common Stock	113,196	\$0.00	113,196	D	

Explanation of Responses:

**See attached statement**

\*\* 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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\*\* Signature of Reporting Person  
/s/ Elspeth Grant Pruett/Attorney-in-fact  
Ronald W. Hovsepian

12/24/2008

Date

Hovsepian, Ronald W.  
404 Wyman Street, Suite 500  
Waltham, MA 02451  
USA

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**Explanation of responses:**

- (1) The 77,847 restricted stock units granted on December 20, 2006 vested 50% on December 21, 2007 and the remainder vested on December 23, 2008 based on Novell's satisfaction of certain performance criteria. As restricted stock units vest, the vested units are automatically converted to vested common stock on a one-for-one basis on the vesting date.
- (2) The 235,863 restricted stock units granted on February 2, 2007 vested 40% on December 21, 2007 and the remainder vested on December 23, 2008 based on Novell's satisfaction of certain performance criteria. As restricted stock units vest, the vested units are automatically converted to vested common stock on a one-for-one basis on the vesting date.
- (3) Each restricted stock unit represented the contingent right to receive one share of Novell common stock.
- (4) On December 18, 2007, the reporting person was granted an option to purchase 452,786 shares of common stock. The option vests in four equal annual installments based on Novell's satisfaction of certain performance criteria for each of the fiscal years ending October 31, 2008, 2009, 2010 and 2011. The performance criteria for 2008 were met, resulting in the vesting of the option as to 113,196 shares.