

CREE INC  
Form 4  
April 23, 2010

**FORM 4**

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

OMB APPROVAL

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**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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
KURTZWEIL JOHN T

(Last) (First) (Middle)  
C/O CREE, INC., 4600 SILICON DRIVE  
(Street)

DURHAM, NC 27703

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
CREE INC [CREE]

3. Date of Earliest Transaction (Month/Day/Year)  
04/22/2010

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)  
EXECUTIVE VP, CFO, TREASURER

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 or Price   |  |   |
| COMMON STOCK                    | 04/22/2010                           |  | M                              |   | 30,000 A \$ 20.5  | 66,243   | D   |
| COMMON STOCK                    | 04/22/2010                           |  | S <sup>(1)</sup>               |   | 16,000 D \$ 74.77   | 50,243   | D   |
| COMMON STOCK                    | 04/22/2010                           |  | S <sup>(1)</sup>               |   | 4,000 D \$ 75.42  | 46,243   | D   |
| COMMON STOCK                    | 04/22/2010                           |  | S <sup>(1)</sup>               |   | 10,000 D \$ 79.65   | 36,243   | D   |

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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 Underlying Security (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| NONQUALIFIED STOCK OPTION (RIGHT TO BUY)   | \$ 20.5  | 04/22/2010                           |  | M                              | 30,000  | 10/02/2007 <sup>(5)</sup> 10/02/2013                     | COMMON STOCK                                      |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |                              |       |
|--|---------------|-----------|------------------------------|-------|
|  | Director      | 10% Owner | Officer                      | Other |
| KURTZWEIL JOHN T<br>C/O CREE, INC.<br>4600 SILICON DRIVE<br>DURHAM, NC 27703 |               |           | EXECUTIVE VP, CFO, TREASURER |       |

## Signatures

Tamara Cappelson,  
Attorney-In-Fact  
Date: 04/23/2010

\*\*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) The sales reported on this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by Mr. Kurtzweil on March 1, 2010.  
The price reported in Column 4 is a weighted average sale price. These shares were sold in multiple transactions at prices ranging from \$74.2818 to \$75.2623, inclusive. Mr. Kurtzweil undertakes to provide to Cree, Inc., any security holder of Cree, Inc., or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the range set forth in this footnote.
  - (2) The price reported in Column 4 is a weighted average sale price. These shares were sold in multiple transactions at prices ranging from \$75.2928 to \$76.56, inclusive. Mr. Kurtzweil undertakes to provide to Cree, Inc., any security holder of Cree, Inc., or the staff of the

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Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the range set forth in this footnote.

The price reported in Column 4 is a weighted average sale price. These shares were sold in multiple transactions at prices ranging from \$79.6111 to \$79.6902, inclusive. Mr. Kurtzweil undertakes to provide to Cree, Inc., any security holder of Cree, Inc., or the staff of the

(4) Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the range set forth in this footnote.

(5) Option vests as to 23,334 shares on October 2, 2007 and as to 23,333 shares on each of Octobr 2, 2008 and October 2, 2009,

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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