DOT HILL SYSTEMS CORP

Form 4

February 28, 2007

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL OMB

3235-0287 Number:

January 31, Expires: 2005

10% Owner

0.5

Estimated average burden hours per

response...

Check this box if no longer subject to Section 16. Form 4 or

Form 5 obligations may continue.

See Instruction

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(b).

1. Name and Address of Reporting Person * Jamal Hanif I

2. Issuer Name and Ticker or Trading Symbol

(Middle)

5. Relationship of Reporting Person(s) to Issuer

DOT HILL SYSTEMS CORP

(Check all applicable)

[HILL]

(Last) (First) 3. Date of Earliest Transaction (Month/Day/Year)

X_ Officer (give title Other (specify below) below)

Director

2200 FARADAY, SUITE 100

02/27/2007

Chief Financial Officer 6. Individual or Joint/Group Filing(Check

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

Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting

Person

CARLSBAD, CA 92008

(City) (State) (Zip)

(Street)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)

2. Transaction Date 2A. Deemed (Month/Day/Year)

Execution Date, if (Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 3, 4 and 5) (Instr. 8)

5. Amount of Securities Beneficially Owned Following Reported

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial Ownership (I) (Instr. 4) (Instr. 4)

(A) Transaction(s) (Instr. 3 and 4)

Code V Amount (D) Price

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

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

1. Title of Derivative Conversion Security or Exercise

3. Transaction Date 3A. Deemed (Month/Day/Year)

Execution Date, if any

4. 5. Number of TransactionDerivative Code Securities

6. Date Exercisable and **Expiration Date** (Month/Day/Year)

7. Title and Amount of 8 **Underlying Securities** (Instr. 3 and 4)

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(Instr. 3)	Price of Derivative Security		(Month/Day/Year)	(Instr. 8)	Acquired (A or Disposed (D) (Instr. 3, 4, and 5)				
				Code V	(A)	(D) Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (Right to Buy)	\$ 3.57	02/27/2007		A	75,000	(1)	02/26/2017	Common Stock	75,000
Stock Option (Right to Buy)	\$ 3.57	02/27/2007		A	41,250	(2)	02/26/2017	Common Stock	41,250

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

Jamal Hanif I 2200 FARADAY SUITE 100 CARLSBAD, CA 92008

Chief Financial Officer

Signatures

/s/ DEBORAH WEAVER, attorney-in-fact

02/28/2007

**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) 25% of the shares subject to the option shall vest and become exercisable on February 27, 2008. The remaining shares vest in equal monthly installments over the following three years.
- (2) The shares subject to the option shall vest in accordance with certain performance milestones set forth in the Issuer's 2007 Executive Compensation Plan.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. 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 number.

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