

NETGEAR, INC
Form 4
October 31, 2006

FORM 4

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

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

**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 *
WERDANN MICHAEL A

(Last) (First) (Middle)

**NETGEAR, INC., 4500 GREAT
AMERICA PARKWAY**

(Street)

SANTA CLARA, CA 95054

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
NETGEAR, INC [NTGR]

3. Date of Earliest Transaction
(Month/Day/Year)
10/31/2006

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)

VP, North America Sales

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	10/31/2006		M		6,635	A	\$ 15.4588
Common Stock	10/31/2006		S		6,635	D	\$ 26.8563

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

**Persons who 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.**

SEC 1474
(9-02)

Edgar Filing: NETGEAR, INC - Form 4

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. Title and Amount of Underlying Securities (Instr. 3 and 4)
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Employee Stock Option (Right to Buy)	\$ 15.35	10/31/2006		M	1,875	<u>(1)</u>	03/11/2015	Common Stock	1,875	
Employee Stock Option (Right to Buy)	\$ 17.5	10/31/2006		M	1,250	<u>(2)</u>	10/24/2013	Common Stock	1,250	
Employee Stock Option (Right to Buy)	\$ 14.79	10/31/2006		M	3,510	<u>(3)</u>	02/26/2014	Common Stock	3,510	
Employee Stock Option (Right to Buy)	\$ 22.68					<u>(4)</u>	05/23/2016	Common Stock	5,000	
Restricted Stock Unit	<u>(5)</u>					<u>(6)</u>	<u>(7)</u>	Common Stock	4,000	

Reporting Owners

Reporting Owner Name / Address	Relationships
WERDANN MICHAEL A NETGEAR, INC. 4500 GREAT AMERICA PARKWAY SANTA CLARA, CA 95054	Director 10% Owner Officer VP, North America Sales

Signatures

/s/ Michael A.
Werdann

10/31/2006

__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).
 - 100% of this option grant is exercisable on 3/11/05, the grant date. Shares underlying the option are restricted from transfer, with the
- (1) restriction lapsing with respect to 25% of the shares on each subsequent anniversary of the grant date, so that all underlying shares will be free from transfer restrictions on 3/11/09.
- (2) 25% of the option grant is exercisable on 10/24/2004, and 1/48 of the option grant is exercisable each month thereafter.
- (3) 25% of the option grant is exercisable on 2/26/2005, and 1/48 of the option grant is exercisable each month thereafter.
- (4) 25% of the option grant is exercisable on 05/23/2007, and 1/48 of the option grant is exercisable each month thereafter.
- (5) Converts to common stock on a one-for-one basis.
- (6) Stock units will be paid in an equal number of shares of the Issuer's common stock upon vesting of the units. 25% of the units will cliff vest on each anniversary of 5/23/06, the vest start date, so that all of the units will have vested on 5/23/10.
- (7) Not applicable.

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.