

CVS CAREMARK CORP
Form 8-K
November 07, 2007

**SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): November 6, 2007

CVS CAREMARK CORPORATION
(Exact Name of Registrant
as Specified in Charter)

Delaware
(State or Other Jurisdiction of
Incorporation)

001-01011
(Commission File Number)

05-0494040
(IRS Employer Identification No.)

One CVS Drive
Woonsocket, Rhode Island
(Address of Principal Executive
Offices)

02895
(Zip Code)

Registrant's telephone number, including area code: **(401) 765-1500**

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

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- r Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - r Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - r Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Section 1 – Registrant’s Business and Operations

Item 1.01. Entry into a Material Definitive Agreement

As previously disclosed, on May 9, 2007, the Board of Directors of CVS Caremark Corporation (the “Corporation”) approved a share repurchase program for up to \$5.0 billion of its outstanding common stock. The authorization permits the Corporation to effect the repurchases from time to time through a combination of open market repurchases, privately negotiated transactions and/or accelerated share repurchase transactions.

As previously disclosed, on May 13, 2007, the Corporation entered into an accelerated share repurchase transaction with an affiliate of Lehman Brothers, Inc., pursuant to which the Corporation purchased an aggregate of 67.5 million shares of common stock for \$2.5 billion. The final settlement of that transaction occurred on October 5, 2007.

On November 6, 2007, the Corporation entered into an accelerated share repurchase transaction with an affiliate of Lehman Brothers, Inc. (the “seller”). Pursuant to the terms of the transaction, the Corporation purchases outstanding shares of common stock from the seller for approximately \$2.3 billion. The seller makes an initial delivery of shares to the Corporation shortly after execution of the transaction, and may deliver additional shares to the Corporation at or prior to maturity of the transaction. The total number of shares to be repurchased will be subject to a minimum and maximum number of shares, which will be determined based on the average price of the Corporation’s common stock over an initial period beginning shortly after execution of the transaction. The final aggregate number of shares repurchased will be determined based on the average price of the Corporation’s common stock over a period of approximately one to four months immediately following such initial period. The agreement for the accelerated share repurchase transaction is attached as Exhibit 10.1 to this Current Report on Form 8-K.

Section 9 - Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

| Exhibit No. | Document |
|--------------------|--|
| 10.1 | Confirmation between Lehman Brothers OTC Derivatives Inc. and CVS Caremark Corporation dated November 6, 2007. |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CVS CAREMARK CORPORATION

Date: November 7, 2007

By: /s/ Carol A. DeNale
Name: Carol A. DeNale
Title: Vice President and
Treasurer

EXHIBIT INDEX

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