

LO PATRICK CS
Form 4
October 27, 2006

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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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 *
LO PATRICK CS

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
NETGEAR, INC., 4500 GREAT AMERICA PARKWAY
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
10/27/2006

Director 10% Owner
 Officer (give title below) Other (specify below)
Chairman and CEO

SANTA CLARA, CA 95054

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

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 Ownership (Instr. 4)
Common Stock				(A) or (D)	35,933	I	See footnote (1)
Common Stock				(A) or (D)	185,954	I	See footnote (2)
Common Stock				(A) or (D)	14,408	I	See footnote (3)
Common Stock				(A) or (D)	3,377	D	

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Common Stock ⁽¹⁰⁾	10/27/2006	M	80,000	A	\$ 4.51	80,000	D
Common Stock ⁽¹⁰⁾	10/27/2006	S	80,000	D	\$ 27.07	0	D

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

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SEC 1474
(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 Amount of Underlying Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (Right to Buy) ⁽¹⁰⁾	\$ 4.51	10/27/2006		M	80,000	⁽⁴⁾	04/03/2010	Common Stock	80,000
Employee Stock Option (Right to Buy)	\$ 15.35					⁽⁵⁾	03/11/2015	Common Stock	100,000
Employee Stock Option (Right to Buy)	\$ 22.68					⁽⁶⁾	05/23/2016	Common Stock	100,000
Restricted Stock Units	⁽⁷⁾					⁽⁸⁾	⁽⁹⁾	Common Stock	12,000

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

LO PATRICK CS
NETGEAR, INC.
4500 GREAT AMERICA PARKWAY
SANTA CLARA, CA 95054

X

Chairman and CEO

Signatures

/s/ Patrick C.S.

10/27/2006

Lo

__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 shares are held by the Patrick C.S. Lo Grantor Retained Annuity Trust.

(2) The shares are held by the Patrick and Emily Lo Revocable Trust dated 4-7-99.

(3) The shares are held by the education trust of Mr. Lo's children, of which Mr. Lo is a co-trustee.

(4) 25% of the option grant is exercisable on 4/3/2001, and 1/48 of the option grant is exercisable each month thereafter.

(5) 100% of this option grant is exercisable on 3/11/05, the grant date. Shares underlying the option are restricted from transfer, with the 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.

(6) 25% of the option grant is exercisable on 5/23/2007, and 1/48 of the option grant is exercisable each month thereafter.

(7) Converts to common stock on an one for one basis.

(8) 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.

(9) Not applicable.

(10) This transaction is made pursuant to a Rule 10b5-1 Plan that was adopted in August 2006.

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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