

NETGEAR, INC  
Form 4  
November 15, 2006

**FORM 4**

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**MERRILL MARK G**

(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)  
**11/15/2006**

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_ Director \_\_\_ 10% Owner  
 Officer (give title below) \_\_\_ Other (specify below)  
**Chief Technology Officer**

6. Individual or Joint/Group Filing(Check Applicable Line)  
 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 Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	11/15/2006		M		5,000	A	\$ 4.51
Common Stock	11/15/2006		S		5,000	D	\$ 27.25
					0		

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)	8. Amount or Number of Shares
Employee Stock Option (right to buy)	\$ 4.51	11/15/2006		M	5,000	(1) 04/05/2010	Common Stock	5,000
Employee Stock Option (right to buy)	\$ 6					(2) 10/30/2012	Common Stock	22,001
Restricted Stock Units	(3)					(4) (5)	Common Stock	8,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MERRILL MARK G NETGEAR, INC. 4500 GREAT AMERICA PARKWAY SANTA CLARA, CA 95054			Chief Technology Officer	

## Signatures

/s/ Mark Merrill 11/15/2006

\*\*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).

(1) This stock option was granted under the NETGEAR, Inc. 2000 Option Plan on December 9, 2000, and is fully-vested and exercisable at this time.

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- (2) This stock option was granted under the NETGEAR, Inc. 2000 Option Plan on October 30, 2002, and is fully-vested and exercisable at this time.
- (3) Converts to common stock on a one-for-one basis.
- (4) 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.
- (5) 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.

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