

NETGEAR INC
Form 4
May 18, 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 *
SOARES DAVID

(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)
05/17/2006

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) below)

Senior VP, Worldwide Sales

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 Indirect Beneficial Ownership (Instr. 4)
Common Stock				(A) or (D)	Price		
			Code	V	Amount		
Common Stock	05/17/2006		M		10,000	A	\$ 4.51 10,000 D
Common Stock	05/17/2006		D		10,000	D	\$ 23.34 0 D

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**

SEC 1474
(9-02)

number.

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)	\$ 15.35					<u>(1)</u>	03/11/2015	Common Stock	35,000
Employee Stock Option (Right to Buy)	\$ 4.51	05/17/2006		M	10,000	<u>(2)</u>	04/05/2010	Common Stock	10,000
Employee Stock Option (Right to Buy)	\$ 8.57					<u>(3)</u>	10/24/2010	Common Stock	14,000
Employee Stock Option (Right to Buy)	\$ 11					<u>(4)</u>	07/11/2013	Common Stock	20,000
Employee Stock Option (Right to Buy)	\$ 14.79					<u>(5)</u>	02/26/2014	Common Stock	20,000
Employee Stock Option (Right to Buy)	\$ 9.26					<u>(6)</u>	07/23/2014	Common Stock	30,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SOARES DAVID NETGEAR, INC. 4500 GREAT AMERICA PARKWAY SANTA CLARA, CA 95054			Senior VP, Worldwide Sales	

Signatures

/s/ David Soares 05/17/2006

Signature of Date
Reporting Person

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 04/05/01, and 1/48 of the option grant is exercisable each month thereafter.
 - (3) 25% of the option grant is exercisable on 10/24/2001, and 1/48 of the option grant is exercisable each month thereafter.
 - (4) 25% of the option grant is exercisable on 7/11/2004, and 1/48 of the option grant is exercisable each month thereafter.
 - (5) 25% of the option grant is exercisable on 02/26/2005, and 1/48 of the option grant is exercisable each month thereafter.
 - (6) 25% of the option grant is exercisable on 07/23/2005, and 1/48 of the option grant is exercisable each month thereafter.

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.