

LIU ALBERT  
Form 4  
May 24, 2007

**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 \*  
LIU ALBERT

(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)  
05/23/2007

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)  
VP, Legal and Corp. Dev.

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 (D) Price  |   |  |                                   |
| Common Stock                    |                                      |  |                                |   | 2,499   | D  |                                   |
| Common Stock <sup>(9)</sup>     | 05/23/2007                           |  | M                              | 1,000 D \$ 0  | 1,000   | D  |                                   |
| Common Stock                    | 05/23/2007                           |  | D                              | 358 D \$ 35.4   | 642   | 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)

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) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Employee Stock Option (Right to Buy)       | \$ 19.55   |                                      |  |                                |   | (1) 12/13/2010   | Common Stock  | 3,000                         |
| Employee Stock Option (Right to Buy)       | \$ 13.66   |                                      |  |                                |   | (2) 10/22/2014   | Common Stock  | 50,000                        |
| Employee Stock Option (Right to Buy)       | \$ 22.68   |                                      |  |                                |   | (3) 05/23/2016   | Common Stock  | 15,000                        |
| Restricted Stock Unit                      | (4)  | 05/23/2007                           |  | M                              | 1,000   | (5) (6)  | Common Stock  | 1,000                         |
| Employee Stock Option (right to buy)       | \$ 29.23   |                                      |  |                                |   | (7) 01/12/2017   | Common Stock  | 15,000                        |
| Restricted Stock Unit                      | (4)  |                                      |  |                                |   | (8) (6)  | Common Stock  | 3,000                         |

## Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other  
VP, Legal and Corp. Dev.

LIU ALBERT  
NETGEAR, INC.  
4500 GREAT AMERICA PARKWAY  
SANTA CLARA, CA 95054

## Signatures

/s/ Albert Y. Liu                      05/24/2007

\_\_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 is exercisable as of 12/13/05, the vesting start 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 vesting start date, so that all underlying shares will be free from transfer restrictions on 12/13/09.  
(2) The option becomes exercisable as to 1/4 of the shares on the first anniversary of the vesting start date of 10/18/04, and 1/48th of the shares become exercisable each month thereafter.  
(3) The option becomes exercisable as to 1/4 of the shares on the first anniversary of the vesting start date of 5/23/06, and 1/48th of the shares become exercisable each month thereafter.  
(4) Converts to common stock on a one-for-one basis.  
(5) 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.  
(6) Not applicable.  
(7) 25% of the option grant is exercisable on 1/12/2008, and 1/48 of the option grant is exercisable each month thereafter.  
(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 1/12/07, the vest start date, so that all of the units will have vested on 1/12/11.  
(9) Acquired pursuant to the vesting of restricted stock units which converts to common stock on a one-for-one basis.

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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