

MERRILL MARK G
Form 4
February 18, 2010

FORM 4

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

OMB APPROVAL

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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 *
MERRILL MARK G

(Last) (First) (Middle)
NETGEAR, INC., 350 E. PLUMERIA DR.
(Street)

SAN JOSE, CA 95134

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)
02/16/2010

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___ 10% Owner
__X__ Officer (give title below) ___ Other (specify below)
Chief Technology Officer

6. Individual or Joint/Group Filing(Check Applicable Line)
__X__ 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) |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------|
| | | | Code | V | Amount | (D) | Price |
| Common Stock | 02/16/2010 | | M | | 666 | A | \$ 4.51 |
| Common Stock | 02/16/2010 | | S | | 666 | D | \$ 24 |
| Common Stock | 02/18/2010 | | M | | 58,567 | A | \$ 4.51 |
| Common Stock | 02/18/2010 | | S | | 20,000 | D | \$ 23.7757 |
| Common Stock | 02/18/2010 | | S | | 38,567 | D | \$ 24.0533 |
| Common Stock | 02/18/2010 | | S | | 9,479 | D | |

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

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(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 |
| Restricted Stock Units | (3) | | | | | (6) (5) | Common Stock 1,750 |
| Restricted Stock Units | (3) | | | | | (7) (5) | Common Stock 1,500 |
| Employee Stock Option (Right to Buy) | \$ 4.51 | 02/16/2010 | | M | 666 | (1) 04/05/2010 | Common Stock 666 |
| Employee Stock Option (Right to Buy) | \$ 6 | | | | | (2) 10/30/2012 | Common Stock 2,001 |
| Restricted Stock Units | (3) | | | | | (4) (5) | Common Stock 2,000 |
| Restricted Stock Units | (3) | | | | | (8) (5) | Common Stock 2,250 |
| Employee Stock Option (Right to Buy) | \$ 21.1 | | | | | (9) 02/02/2020 | Common Stock 6,000 |

| | | | | | | | | |
|--------------------------------------------------|---------|------------|---|--------|-----|------------|-----------------|--------|
| Employee Stock Option (Right to Buy) | \$ 4.51 | 02/18/2010 | M | 58,567 | (1) | 04/05/2010 | Common Stock | 58,567 |
|--------------------------------------------------|---------|------------|---|--------|-----|------------|-----------------|--------|

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|------------------------------------------------------------------------------|---------------|-----------|--------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| MERRILL MARK G NETGEAR, INC. 350 E. PLUMERIA DR. SAN JOSE, CA 95134 | | | Chief Technology Officer | |

Signatures

| | |
|----------------------------------------|------------|
| /s/ Andrew W. Kim, Attorney in Fact | 02/18/2010 |
|----------------------------------------|------------|

__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.
 - (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 5/23/2010.
 - (5) Not applicable.
 - (6) 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 1/12/2007, the vest start date, so that all of the units will have vested on 1/12/2011.
 - (7) 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 1/11/2008, the vest start date, so that all of the units will have vested on 1/11/2012.
 - (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 1/16/2009, the vesting start date, so that all of the units will have vested on 1/16/2013.
 - (9) 25% of the option grant is exercisable on 2/2/2011, 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.