

NETGEAR, INC  
Form 4  
August 02, 2016

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2015  
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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 \*  
Collins Patrick J III

(Last) (First) (Middle)  
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)  
08/02/2016

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)  
SVP, Arlo Smart Home Devices

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) |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------|
|                                 |                                      |                                                    | Code                           | V                                                                 | Amount                                                                                        | (A) or (D)                                               | Price                                                 |
| Common Stock                    | 08/02/2016                           |                                                    | M <sup>(1)</sup>               |                                                                   | 375                                                                                           | A                                                        | \$ 31.28                                              |
| Common Stock                    | 08/02/2016                           |                                                    | S <sup>(1)</sup>               |                                                                   | 375                                                                                           | D                                                        | \$ 52.84                                              |

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

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SEC 1474  
(9-02)

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**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)       | \$ 27.55                                               |                                      |                                                    |                                |                                                                                         | 04/18/2013 04/18/2023                                    | Common Stock                                                  | 394                           |
| Employee Stock Option (Right to Buy)       | \$ 31.28                                               | 08/02/2016                           |                                                    | <u>M</u> <sup>(1)</sup>        | 375                                                                                     | 06/02/2015 06/02/2025                                    | Common Stock                                                  | 375                           |
| Employee Stock Option (Right to Buy)       | \$ 33.83                                               |                                      |                                                    |                                |                                                                                         | 04/19/2012 04/19/2022                                    | Common Stock                                                  | 0                             |
| Employee Stock Option (Right to Buy)       | \$ 33.78                                               |                                      |                                                    |                                |                                                                                         | 06/06/2014 06/06/2024                                    | Common Stock                                                  | 8,625                         |
| Employee Stock Option (Right to Buy)       | \$ 39.53                                               |                                      |                                                    |                                |                                                                                         | <u>(2)</u> 03/24/2026                                    | Common Stock                                                  | 20,000                        |

## Reporting Owners

| Reporting Owner Name / Address               | Relationships |           |                              |       |
|----------------------------------------------|---------------|-----------|------------------------------|-------|
|                                              | Director      | 10% Owner | Officer                      | Other |
| Collins Patrick J III<br>350 E. PLUMERIA DR. |               |           | SVP, Arlo Smart Home Devices |       |

SAN JOSE, CA 95134

## Signatures

/s/ Andrew W. Kim, Attorney  
in Fact

08/02/2016

\_\_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 exercise and sale reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on May 27, 2016.

This Option shall be exercisable, in whole or in part, in accordance with the following schedule: 25% of the Shares subject to the Option shall vest twelve months after the Vesting Start Date, and 1/48 of the Shares subject to the Option shall vest each month thereafter, subject to the Optionee continuing to be a Service Provider on such dates.

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. m, the Interest Rate is the Minimum Interest Rate of 2.00% per annum and the interest payment per \$1,000 principal amount note is calculated as follows:

$$\$1,000 \times 2.00\% \times (90/360) = \$5.00$$

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## HISTORICAL INFORMATION

You should not take the historical levels of CMS30 as an indication of future levels of CMS30. We cannot give you any assurance that future levels of CMS30 will result in your receiving a return on your Notes that is greater than the return you would have received if you would have invested in a debt security of comparable maturity that bears interest at a prevailing market rate. None of us, our affiliates, the Selling Agent and its affiliates makes any representation to you as to CMS30.

The actual levels of CMS30 over the term of the Notes may bear little or no relation to the historical levels of CMS30 shown below. The level of CMS30 has fluctuated in the past and may experience significant fluctuations in the future. Any historical upward or downward trend in the level of CMS30 during any period shown below is not an indication that the level of CMS30 is more or less likely to increase or decrease at any time over the term of the Notes. Furthermore, the historical performance of CMS30 does not reflect the return the Notes would have yielded, because it does not take into account the fact that the interest rate on the notes is based on the product of the level of CMS30 and the Multiplier, which is 77.00%.

The following table sets forth the published high and low levels of CMS30, as well as end-of-quarter CMS30 levels, for each quarter from January 1, 2009 through November 16, 2014. The graph following the table sets forth the daily levels of CMS30 from January 1, 2004 through November 16, 2014. We obtained the levels of CMS30 listed in the table below from Bloomberg, without independent verification.

## Quarterly High, Low and Period End Levels of CMS30

|                | High  | Low   | Period End |
|----------------|-------|-------|------------|
| 2009           |       |       |            |
| First Quarter  | 3.517 | 2.643 | 3.254      |
| Second Quarter | 4.616 | 3.242 | 4.171      |
| Third Quarter  | 4.615 | 3.900 | 3.914      |
| Fourth Quarter | 4.571 | 3.835 | 4.564      |
| 2010           |       |       |            |
| First Quarter  | 4.599 | 4.362 | 4.535      |
| Second Quarter | 4.659 | 3.717 | 3.717      |
| Third Quarter  | 3.858 | 3.162 | 3.352      |
| Fourth Quarter | 4.368 | 3.311 | 4.154      |
| 2011           |       |       |            |
| First Quarter  | 4.542 | 4.169 | 4.316      |
| Second Quarter | 4.419 | 3.874 | 4.103      |
| Third Quarter  | 4.109 | 2.613 | 2.713      |

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|                   |       |       |       |
|-------------------|-------|-------|-------|
| Third<br>Quarter  |       |       |       |
| Fourth<br>Quarter | 3.120 | 2.566 | 2.607 |
| 2012              |       |       |       |
| First<br>Quarter  | 3.157 | 2.620 | 2.976 |
| Second<br>Quarter | 3.087 | 2.301 | 2.486 |
| Third<br>Quarter  | 2.853 | 2.245 | 2.554 |
| Fourth<br>Quarter | 2.775 | 2.468 | 2.740 |
| 2013              |       |       |       |
| First<br>Quarter  | 3.102 | 2.807 | 2.984 |
| Second<br>Quarter | 3.543 | 2.776 | 3.466 |
| Third<br>Quarter  | 3.903 | 3.422 | 3.666 |
| Fourth<br>Quarter | 3.910 | 3.553 | 3.910 |
| 2014              |       |       |       |
| First<br>Quarter  | 3.911 | 3.514 | 3.552 |
| Second<br>Quarter | 3.634 | 3.242 | 3.319 |
| Third<br>Quarter  | 3.445 | 3.05  | 3.178 |
| Fourth<br>Quarter | 3.158 | 2.836 | 3.041 |

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## TAX CONSEQUENCES

You should review carefully the section in the prospectus supplement entitled “U.S. Federal Income Tax Consequences.” The Notes will be treated as “variable rate debt instruments” for U.S. federal income tax purposes, and we expect them to be treated as issued without original issue discount. You will be required to include stated interest in income at the time it accrues or is received, in accordance with your method of accounting for U.S. federal income tax purposes, and any gain or loss realized upon the sale, exchange or redemption of the Notes generally will be capital gain or loss. Interest income earned with respect to the Notes will be foreign-source income.

For a discussion of U.K. tax considerations relating to the Notes, you should refer to the section in the prospectus supplement entitled “Taxation in the United Kingdom.”

You should consult your tax adviser regarding the U.S. federal tax consequences of an investment in the Notes, as well as tax consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction.

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## USE OF PROCEEDS; HEDGING

The net proceeds from the sale of the Notes will be used as described under “Use of Proceeds” in the prospectus and to hedge market risks of Lloyds Bank associated with its obligation to pay the applicable interest payments and the payment amount at maturity of the Notes.

We, the Selling Agent and/or its affiliates may hedge our obligations under the Notes by, among other things, purchasing securities, futures, options or other derivative instruments with returns linked or related to changes in the level of CMS30, and we, the Selling Agent and/or its affiliates may adjust these hedges by, among other things, purchasing or selling securities, futures, options or other derivative instruments at any time. Our cost of hedging will include the projected profit that our counterparty expects to realize in consideration for assuming the risks inherent in hedging our obligations under the Notes. Because hedging our obligations entails risk and may be influenced by market forces beyond our or our counterparty’s control, such hedging may result in a profit that is more or less than expected, or could result in a loss. It is possible that we, the Selling Agent and/or its affiliates could receive substantial returns from these hedging activities while the value of the Notes declines.

We have no obligation to engage in any manner of hedging activity and we will do so solely at our discretion and for our own account. No holder of the Notes will have any rights or interest in our hedging activity or any positions we or any unaffiliated counterparty may take in connection with our hedging activity.

The hedging activity discussed above may adversely affect the value of the Notes from time to time. See “Risk Factors —The Issuer’s estimated value of the Notes on the Trade Date is less than the Issue Price of the Notes.” and “Risk Factors — There may be potential conflicts of interest between investors in the Notes and us and our affiliates and the Selling Agent and its affiliates.” in this pricing supplement for a discussion of these adverse effects.

## SUPPLEMENTAL PLAN OF DISTRIBUTION

We have agreed to sell to Barclays Capital Inc., as the Selling Agent, and the Selling Agent has agreed to purchase from us the aggregate principal amount of the Notes specified on the front cover of this pricing supplement at \$      per \$1,000 of principal amount of the Notes, resulting in aggregate proceeds to us of \$      . The Selling Agent will receive commissions from us of up to \$      per \$1,000 principal amount of the Notes, or up to \$      of the aggregate principal amount of the Notes, and may retain all or a portion of these commissions or use all or a portion of these commissions to pay selling concessions or fees to other dealers. In no event will the commissions received by the Selling Agent, which include selling concessions or fees to other dealers, exceed \$12.50 per \$1,000 principal amount of the Notes. The Selling Agent has informed us that such concessions may vary from dealer to dealer and that not all dealers will purchase or repurchase the Notes at the same concession. You can find more information in the section entitled “Supplemental Plan of Distribution” on page S-39 of the prospectus supplement.

The Notes will be offered from time to time in one or more negotiated transactions at varying prices to be determined at the time of each sale, which may be at market prices prevailing, at prices related to such prevailing prices or at negotiated prices; provided, however, that such price will not be less than \$987.50 per \$1,000 principal amount of the Notes or more than \$1,000 per \$1,000 principal amount of the Notes.

The Selling Agent has agreed to reimburse us for certain expenses relating to the offering in an amount up to \$20,000.

We have entered or will enter into one or more hedging transactions in connection with this offering of Notes. See “Use of Proceeds; Hedging” above. In addition, from time to time, the Selling Agent and its affiliates have engaged and in the future may engage, in transactions with us and have performed, and in the future may perform, services for us for which they have been, and may be, paid customary fees. In particular, an affiliate of the Selling Agent is our swap



counterparty for a hedge of our obligations under the Notes and will be paid customary fees in connection with such hedging.

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In the future, the Selling Agent or any of its affiliates may repurchase and resell the offered Notes in market-making transactions, with resales being made at prices related to prevailing market prices at the time of resale or at negotiated prices.

The Selling Agent has advised us that, absent changes in market conditions, our creditworthiness or other relevant factors, the price, if any, at which the Selling Agent may initially buy or sell the Notes in the secondary market, if any, and the value that the Selling Agent may initially use for customer account statements, if provided at all, may exceed our estimated value on the Trade Date for a temporary period expected to be approximately 12 months after the Issue Date of the Notes, because the Selling Agent may, in its discretion, elect to effectively reimburse to investors a portion of the estimated cost of hedging the obligations under the Notes and other costs in connection with the Notes. The Selling Agent will make such discretionary election and has determined the temporary reimbursement period on the basis of a number of factors, including the tenor of the Notes and any agreement the Selling Agent may have with the distributors of the Notes. The amount of our estimated costs which the Selling Agent may effectively reimburse to investors in this way may not be allocated ratably throughout the reimbursement period, and the Selling Agent may discontinue such reimbursement at any time or revise the duration of the reimbursement period after the initial issue date of the Notes based on changes in market conditions and other factors that cannot be predicted.

The Notes are a new issue of securities with no established trading market. We have been advised by the Selling Agent that the Selling Agent intends to make a market in the Notes, but it is not obligated to do so and may discontinue market making at any time for any reason without notice. No assurance can be given as to the liquidity or existence of any trading market for the Notes.

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US\$

Lloyds Bank plc  
fully and unconditionally guaranteed by  
Lloyds Banking Group plc

Senior Floating Rate Notes Linked to the 30-Year Constant  
Maturity Swap Rate due November 26, 2024

Medium-Term Notes, Series A

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Pricing Supplement

(to prospectus dated June 7, 2013  
and prospectus supplement dated September 29, 2014)

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