

MERLO LARRY J
Form 4
December 07, 2010

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 *
MERLO LARRY J

(Last) (First) (Middle)
ONE CVS DRIVE
(Street)
WOONSOCKET, RI 02895-

2. Issuer Name and Ticker or Trading Symbol
CVS CAREMARK CORP [CVS]

3. Date of Earliest Transaction
(Month/Day/Year)
12/03/2010

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)
President and COO

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | Code | V Amount (A) or (D) Price | | | |
| Common Stock | 05/19/2010 | | G | V 2,860 D \$ 34.83 | 143,051.6082 | D | |
| Common Stock | 12/03/2010 | | M | 3,300 A \$ 30.2625 | 146,351.6082 | D | |
| Common Stock | 12/03/2010 | | S ⁽¹⁾ | 3,300 D \$ 32.5 | 143,051.6082 | D | |
| Common Stock | 12/06/2010 | | M | 96,700 A \$ 30.2625 | 239,751.6082 | D | |
| Common Stock | 12/06/2010 | | S ⁽¹⁾ | 96,700 D \$ 32.5015 | 143,051.6082 | D | |

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| | | | | | | | | |
|---------------------------|------------|------------------|---------|---|-------------------|--------------|---|-------------------------|
| Common Stock | 12/06/2010 | M | 44,822 | A | \$ 14.9625 | 187,873.6082 | D | |
| Common Stock | 12/06/2010 | S ⁽¹⁾ | 44,822 | D | \$ 32.3461 (3) | 143,051.6082 | D | |
| Common Stock | 12/06/2010 | M | 100,000 | A | \$ 22.445 | 243,051.6082 | D | |
| Common Stock | 12/06/2010 | S ⁽¹⁾ | 100,000 | D | \$ 32.3461 (4) | 143,051.6082 | D | |
| Common Stock | | | | | | 326,344.6002 | I | By Trust As Beneficiary |
| Common Stock (restricted) | | | | | | 283,297 | D | |
| ESOP Common Stock | | | | | | 6,166.5443 | I | By ESOP |
| Stock Unit | | | | | | 98,245.1132 | D | |

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 Security (Instr. 3 and 4) | Amount of Underlying Security | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|-------------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount of Underlying Security |
| Stock Option | \$ 30.2625 | 12/03/2010 | | M | (A) 3,300 | 03/07/2003 | 03/07/2011 | Common Stock | 3,300 |
| Stock Option | \$ 30.2625 | 12/06/2010 | | M | (A) 96,700 | 03/07/2003 | 03/07/2011 | Common Stock | 96,700 |
| Stock Option | \$ 14.9625 | 12/06/2010 | | M | (A) 44,822 | 01/02/2003 | 01/02/2012 | Common Stock | 44,822 |
| | \$ 22.445 | 12/06/2010 | | M | (A) 100,000 | 01/05/2006 | 01/05/2012 | | 100,000 |

| Option Type | Exercise Price | Grant Date | Expiration Date | Common Stock | Shares |
|-----------------------|---------------------|----------------------------|-----------------|--------------|--------|
| Stock Option | | | | Common Stock | |
| Phantom Stock Credits | \$ 1 ⁽⁵⁾ | <u>(6)(7)</u> | <u>(6)(7)</u> | Common Stock | 5,2 |
| Stock Option | \$ 12.5625 | 01/09/2005 | 01/09/2013 | Common Stock | 160 |
| Stock Option | \$ 30.035 | 04/03/2007 ⁽⁸⁾ | 04/03/2013 | Common Stock | 161 |
| Stock Option | \$ 34.42 | 04/02/2008 ⁽⁹⁾ | 04/02/2014 | Common Stock | 136 |
| Stock Option | \$ 41.17 | 04/01/2009 ⁽¹⁰⁾ | 04/01/2015 | Common Stock | 144 |
| Stock Option | \$ 28.1 | 04/01/2010 ⁽¹¹⁾ | 04/01/2016 | Common Stock | 185 |
| Stock Option | \$ 36.23 | 04/01/2011 | 04/01/2017 | Common Stock | 152 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------------|-------|
| | Director | 10% Owner | Officer | Other |
| MERLO LARRY J ONE CVS DRIVE WOONSOCKET, RI 02895- | | | President and COO | |

Signatures

Larry J. Merlo 12/07/2010
 **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).
- (1) The sales reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan.
- (2) Represents weighted average sale price for this trading day. Multiple sales were executed, with sales prices ranging between \$32.50 and \$32.52 per share.
- (3) Represents weighted average sale price for this trading day. Multiple sales were executed, with sales prices ranging between \$32.32 and \$32.38 per share.
- (4) Represents weighted average sale price for this trading day. Multiple sales were executed, with sales prices ranging between \$32.32 and \$32.38 per share.
- (5) Each share credit is equivalent to one share; 1-for-1 conversion.
- (6) Reflects 2002 and 2003 year end company match share credits of 33 and 27, respectively, under a non-qualified deferred compensation plan; share credits are payable in cash only, at such time as has been elected by the reporting person.

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- (7) Reflects year end company match share credits under a non-qualified deferred compensation plan; share credits are payable in cash only, at such time as has been elected by the reporting person.
- (8) Option becomes exercisable in three equal annual installments, commencing 4/3/07
- (9) Option becomes exercisable in three equal annual installments, commencing 4/2/2008.
- (10) Option becomes exercisable in three equal annual installments, commencing 4/1/2009.
- (11) Option becomes exercisable in three equal annual installments, commencing 4/1/2010.

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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