

CAREMARK RX INC
Form 4
March 26, 2007

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 *
Spalding William R

(Last) (First) (Middle)

211 COMMERCE STREET, SUITE
800

(Street)

NASHVILLE, TN 37201

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
CAREMARK RX INC [CMX]

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

03/22/2007

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 ____ Other (specify
below) below)

EVP Strategic Initiatives

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 Ownership Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock, par value \$.001	03/22/2007		D		108.9533 (1)	D	(2) 0

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
number.**

SEC 1474
(9-02)

Edgar Filing: CAREMARK RX INC - Form 4

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 Number of Shares
Stock Option	\$ 44.13	03/22/2007		D	500,000	06/01/2006 06/01/2015	Common Stock, par value \$.001 500,000
Stock Option	\$ 50.84	03/22/2007		D	125,000	03/01/2007 03/01/2016	Common Stock, par value \$.001 125,000

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Spalding William R 211 COMMERCE STREET SUITE 800 NASHVILLE, TN 37201	EVP Strategic Initiatives

Signatures

/s/ Denise Sommer, POA 03/26/2007

__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) Includes 24.2633 shares that were purchased through the Carestock Employee Stock Purchase Plan in 2007.
- (2) Disposed of pursuant to a merger agreement between issuer and CVS Corporation at the rate of 1.67 shares of CVS/Caremark Corporation common stock for each share of issuer stock. All issuer shares held by Reporting Person were disposed.
Issuer options are being replaced in the merger with CVS/Caremark Corporation options exercisable for CVS/Caremark Corporation common stock. The number of CVS/Caremark Corporation common shares and the exercise price of the CVS/Caremark Corporation replacement option will be computed using a formula that will result in the Reporting Person receiving an intrinsic value in the CVS/Caremark Corporation replacement option that will be approximately equal to the intrinsic value of the issuer options valued immediately prior to the merger.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Edgar Filing: CAREMARK RX INC - Form 4

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.