

CARTERS INC  
Form 4  
February 20, 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 \*  
CASEY MICHAEL DENNIS

(Last) (First) (Middle)

C/O CARTER'S, INC., THE  
PROSCENIUM, 1170 PEACHTREE  
STREET NE, SUITE 900

(Street)

ATLANTA, GA 30309

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
CARTERS INC [CRI]

3. Date of Earliest Transaction  
(Month/Day/Year)  
02/15/2007

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 below) \_\_\_ Other (specify below)  
Executive V.P. and CFO

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 (Instr. 4)
			Code	V	Amount	(D)	Price
Common Stock	02/15/2007		A <sup>(1)</sup>		12,000	A	\$ 0
					200,312	<sup>(2)</sup>	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)**

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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	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
Employee Stock Option (Right to Buy)	\$ 3.08 <sup>(3)</sup>					<sup>(4)</sup> 08/15/2011		Common Stock	389,688 <sup>(5)</sup>
Employee Stock Option (Right to Buy)	\$ 14.81 <sup>(3)</sup>					<sup>(6)</sup> 03/22/2014		Common Stock	200,000 <sup>(5)</sup>
Employee Stock Option (Right to Buy)	\$ 34.32 <sup>(3)</sup>					<sup>(7)</sup> 02/16/2016		Common Stock	12,000 <sup>(5)</sup>
Employee Stock Option (Right to Buy)	\$ 22.19 <sup>(3)</sup>	02/15/2007		A	12,000	<sup>(8)</sup> 02/15/2017		Common Stock	12,000 <sup>(5)</sup>

## Reporting Owners

**Reporting Owner Name / Address**

**Relationships**

Director    10% Owner    Officer    Other

CASEY MICHAEL DENNIS  
 C/O CARTER'S, INC., THE PROSCENIUM  
 1170 PEACHTREE STREET NE, SUITE 900  
 ATLANTA, GA 30309

Executive V.P. and CFO

## Signatures

/s/ Michael D. Casey

02/20/2007

\*\*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) These shares are subject to restrictions that lapse upon the satisfaction of certain time and service conditions.
- (2) The amount of securities beneficially owned following the transactions reported in this Form 4 reflects a two-for-one stock split effected on June 6, 2006 (the "Stock Split").
- (3) The exercise price of the derivative securities reported in this Form 4 reflects the Stock Split.
- (4) These options are all exercisable.
- (5) The amount of derivative securities beneficially owned following the transactions reported in the Form 4 reflects the Stock Split.
- (6) These options are exercisable in five equal annual installments beginning on March 22, 2005.
- (7) These options are exercisable in four equal annual installments beginning on February 16, 2007.
- (8) These options are exercisable in four equal annual installments beginning on February 15, 2008.

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.