

Flaxman David R
 Form 4
 November 12, 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 *
 Flaxman David R

(Last) (First) (Middle)

C/O NETEZZA CORPORATION, 26 FOREST STREET

(Street)

MARLBOROUGH, MA 01752

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 NETEZZA CORP [NZ]

3. Date of Earliest Transaction
 (Month/Day/Year)
 11/10/2010

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)
 SVP, Products & Technology

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 Ownership (Instr. 4)
			Code	V	Amount	(D)	Price
Common Stock	11/10/2010		D		25,000	D	0

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

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SEC 1474 (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 (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 Shares
Employee Stock Option (right to buy)	\$ 6.39	11/10/2010		D	100,000	<u>(2)</u>	12/31/2015	Common Stock	100,000
Employee Stock Option (right to buy)	\$ 9.6	11/10/2010		D	50,000	<u>(3)</u>	08/31/2016	Common Stock	50,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Flaxman David R C/O NETEZZA CORPORATION 26 FOREST STREET MARLBOROUGH, MA 01752			SVP, Products & Technology	

Signatures

/s/ Corey C. DuFresne (as attorney-in-fact for David R. Flaxman) 11/12/2010

__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) Disposition, pursuant to a merger agreement between the Issuer and International Business Machines Corporation ("IBM") of 25,000 unvested Netezza restricted stock units granted under the Issuer's 2007 Stock Incentive Plan ("Netezza RSUs") in exchange for restricted stock units with respect to shares of IBM common stock ("IBM RSUs") using an exchange ratio of 0.189713 IBM RSUs for each Netezza RSU.

(2) This option was granted on December 31, 2008 and was vested as to 40,000 shares on November 10, 2010. Pursuant to the terms of the merger agreement, this option was, (i) with respect to 40,000 vested shares, cancelled in exchange for a cash payment of \$20.61/share, representing the aggregate difference between the exercise price of the option and the merger consideration of \$27.00 per share of common stock; and, (ii) with respect to 60,000 unvested shares was converted into an option to acquire shares of IBM common stock at an exercise price of \$33.69/share with the right to acquire each Issuer share converted into the right to acquire 0.189713 shares of IBM common stock.

(3)

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This option was granted on August 31, 2009 and was vested as to 12,500 shares on November 10, 2010. Pursuant to the terms of the merger agreement, this option was, (i) with respect to 12,500 vested shares, cancelled in exchange for a cash payment of \$17.40/share, representing the aggregate difference between the exercise price of the option and the merger consideration of \$27.00 per share of common stock; and, (ii) with respect to 37,500 unvested shares was converted into an option to acquire shares of IBM common stock at an exercise price of \$50.61/share with the right to acquire each Issuer share converted into the right to acquire 0.189713 shares of IBM common stock.

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.