

KELLY PETER
Form 4
December 05, 2005

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 *
KELLY PETER

(Last) (First) (Middle)

1110 AMERICAN PARKWAY NE

(Street)

ALLENTOWN, PA 18109

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
AGERE SYSTEMS INC [AGR]

3. Date of Earliest Transaction
(Month/Day/Year)
12/01/2005

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)
EVP and CFO

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 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)
				(A) or (D)	Code V Amount (D) Price		

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)

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	Date Exercisable	Expiration Date	Title	Amount
			Code	V (A) (D)				Number of Shares
Stock Options (Right to buy)	\$ 13.315	12/01/2005	A	175,000	12/01/2006 ⁽¹⁾	11/30/2012	Common Stock	175,000
Restricted Stock Unit	\$ 1 ⁽²⁾	12/01/2005	A	50,000	12/01/2007	12/01/2007	Common Stock	50,000
Restricted Stock Unit	\$ 1 ⁽²⁾	12/01/2005	A	50,000	12/01/2009 ⁽³⁾	12/01/2009	Common Stock	50,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KELLY PETER 1110 AMERICAN PARKWAY NE ALLENTOWN, PA 18109			EVP and CFO	

Signatures

Peter Kelly 12/05/2005

**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) 1/4 of this option vests on December 1, 2006; 1/48th of this option vests monthly for the remaining three years of the vesting period.
- (2) These restricted stock units have a conversion ratio of 1-for-1.
- (3) These restricted stock units vest on December 1, 2009, but only if total stockholder return for Agere exceeds the market capitalization weighted total stockholder return of a peer group.

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.