

COLGATE PALMOLIVE CO  
Form 4  
February 06, 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 \*  
REINHARD J PEDRO

(Last) (First) (Middle)

C/O COLGATE-PALMOLIVE COMPANY, 300 PARK AVENUE

(Street)

NEW YORK, NY 10022

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

COLGATE PALMOLIVE CO [CL]

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

02/02/2007

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)

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)
				(A) or (D) Code V Amount (D) Price			
Common Stock	02/02/2007		A	2,600 A	5,241	D	

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)	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr
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## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
REINHARD J PEDRO C/O COLGATE-PALMOLIVE COMPANY 300 PARK AVENUE NEW YORK, NY 10022	X			

## Signatures

Andrew D. Hendry by power of attorney 02/06/2007

\*\*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) Annual stock grant under the 2007 Stock Plan for Non-Employee Directors, credited to a stock unit account pursuant to the Deferred Compensation Plan for Non-Employee Directors.

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. ich could materially affect the amounts reported in the statements of net assets available for plan benefits. Investment Valuation and Income Recognition -- The Plan's investments, including the Plan's interest in the Master Trust, are stated at fair value as determined by State Street Bank and Trust Company ("State Street" or the "Trustee"). The underlying investments in the Master Trust are valued with investments in securities traded on a national securities exchange valued at their quoted market price at the end of the Plan year and securities that have no quoted market price presented at their estimated fair value. Securities are valued at their market values based on information and financial publications of general circulation, statistical and valuation services, records of security exchanges, appraisals by qualified persons, transactions and bona fide offers in assets of the type in question and other information customarily used in the valuation of assets or if market values are not available, at their fair values as provided to the Trustee by the party with authority to trade such securities (investment managers, the Investment Committee, or, in the case of participant directed brokerage accounts, the participant's broker, as applicable). The Trustee relies on the prices provided by pricing sources or the investment managers, Investment Committee or participant's broker as a certification as to value in performing any valuations or calculations required of the Trustee.

All securities and cash or cash equivalents are quoted in the local currency and then converted into US dollars using the appropriate exchange rate obtained by the Trustee. The investment contracts with insurance companies included in the Stable Value Fund are stated at contract value (see Notes D and E). Loans from participants are valued at cost, which approximates fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Broker commissions, transfer taxes and other charges and expenses incurred in connection with the purchase, sale or other disposition of securities or other investments held by the Master Trust are added to the cost of such securities or other investments, or are deducted from the proceeds of the sale or other disposition thereof, as appropriate. Taxes (if any) on the assets of the funds, or on any gain resulting from the sale or other disposition of such assets, or on the earnings of the funds, are apportioned among the participants and former participants (if any) whose interests in the Plan are affected, and the share of such taxes apportioned to each such person is charged against his or her account in the Plan. The Master Trust allocates investment income, realized gains and losses, and unrealized appreciation on the underlying securities to the participating plans daily based upon the market value of each plan's investment. The unrealized appreciation or depreciation in the aggregate current value of investments is the difference between current value and the cost of investments. The realized gain or loss on investments is the difference between the proceeds received and the average cost of investments sold.

7 Expenses -- Administrative expenses of the Plan are paid by either the Plan or the Plan's sponsor as provided in the Plan document. Payment of Benefits -- Benefits are recorded when paid. C.

INVESTMENTS As of December 31, 2003, the Plan's investments include a proportionate interest in certain investments held by the Master Trust. These investments are stated at fair value determined and reported by the Trustee in accordance with the Master Trust Agreement established by the Company (see Notes A and B). Proportionate interests of each participating plan are ascertained on the basis of the Trustee's plan accounting method for master trust arrangements. The Plan's investment in the Master Trust represents 87% and 81% of total net assets as reported by the Trustee of the Master Trust as of December 31, 2003 and 2002, respectively. As of December 31, 2003 and 2002, Master Trust assets of \$695,984,508 and \$635,648,142, respectively, were on loan to third party borrowers under security lending agreements. Such assets could be subject to sale restrictions in the event security lending agreements are terminated and the securities have not been returned to the Plan. The net assets of the Master Trust at fair value are as follows as of December 31, 2003 and 2002:

2003	2002	Assets:
		Temporary investments (See Note D)
\$ 152,963,469	\$ 298,243,357	U.S. and foreign government securities
411,233,413	314,399,692	Corporate debt instruments
174,859,840	186,349,259	Common stock
2,487,376,512	1,704,725,533	Common/collective trust funds
1,507,330,059	440,836,676	Guaranteed and synthetic investment contracts (See Notes D and E)
1,757,340,661	1,690,110,231	Other investments
11,684,933	3,790,201	Receivable for investments sold
28,549,033	55,685,018	Dividends, interest and tax receivable
8,511,236	6,938,752	----- Total Assets
6,539,849,156	4,701,078,719	----- Liabilities: Due to broker for securities purchased
80,811,923	151,289,439	----- Total Liabilities
80,811,923	151,289,439	----- Net assets of the Master Trust
\$6,459,037,233	\$4,549,789,280	===== 8 Investment gain for the Master Trust

is as follows for the year ended December 31, 2003: Net appreciation (depreciation) in fair value of investments: U.S. and foreign government securities \$ (6,430,781) Corporate debt instruments 9,472,406 Common stock 435,855,240 Common/collective trust funds 213,116,026 Other investments 260,091 ----- 652,272,982 Interest 2,807,904 Dividends 60,745,505 Other income 87,034,461 Investment manager fees (10,641,254) ----- Total investment gain \$ 792,219,598 =====

The following presents investments, other than the Plan's investment in the Master Trust, that represent 5% or more of the Plan's net assets available for Plan benefits as of December 31, 2003 and 2002: 2003 2002 Charles Schwab Personal Choice Retirement Account \$ 621,900,164 \$436,886,177

D. INTEREST IN NORTHROP GRUMMAN STABLE VALUE FUND A portion of the Plan's investments that is part of the Master Trust includes amounts in the Northrop Grumman Stable Value Fund, which was established for the investment of the assets of the Plan and two other Northrop Grumman Corporation sponsored savings plans. Each participating savings plan has an undivided interest in the Stable Value Fund. At December 31, 2003 and 2002, the Plan's interests in the net assets of the Stable Value Fund were approximately 86% and 83%, respectively. Investment income and administrative expenses relating to the Stable Value Fund are allocated among the participating plans on a daily basis. Investments held in the Stable Value Fund were as follows as of December 31: 2003 2002 Guaranteed and Synthetic Investment Contracts (at contract value) \$1,757,340,661 \$1,690,110,231 Merrill Lynch Retirement Preservation Trust 353,175,048 -- Cash and cash equivalents 7,241,405 49,488,133

----- Total \$2,117,757,114 \$1,739,598,364 =====

Investment income of the Stable Value Fund totaled \$85,849,902 for the year ended December 31, 2003. 9 The Plan has an arrangement with the investment manager of the Stable Value Fund whereby the investment manager has the ability to borrow amounts from third parties to satisfy liquidity needs of the Stable Value Fund, if necessary. As of December 31, 2003, no borrowings under this arrangement were outstanding. E. INVESTMENT CONTRACTS WITH INSURANCE COMPANIES All investment contracts held by the Stable Value Fund are considered to be fully benefit responsive and therefore are recorded at contract value. Contract value represents contributions made under the contract, plus interest at the contract rate, less withdrawals and administrative expenses. The Stable Value Fund holds wrapper contracts in order to manage the market risk and return of certain securities held by the Stable Value Fund. The wrapper contracts generally modify the investment characteristics of certain underlying securities similar to those of guaranteed investment contracts. Each wrapper contract and its related underlying assets is referred to as a Synthetic Investment Contract ("SIC") and is recorded at contract value. The SICs held by the Stable Value Fund had a contract value totaling \$1,753,314,248 and \$1,646,981,826 at December 31, 2003 and 2002, respectively. The fair value of the underlying assets related to the wrapper contracts totaled \$1,834,125,347 and \$1,746,621,817 as of December 31, 2003 and 2002, respectively. The fair value of the non-synthetic guaranteed investment contracts totaled \$4,027,108 and \$43,495,206 at December 31, 2003 and 2002, respectively. The following information is disclosed for the investment contracts within the Stable Value Fund as of December 31: 2003 2002 Average yield of assets on December 31 4.68% 5.53% Average crediting interest rate of assets at December 31 4.68% 5.53% Average duration 3.16 years 2.58 years F. PARTY-IN-INTEREST TRANSACTIONS Certain Plan investments represent short-term investments managed by State Street. State Street is the Trustee of the Plan, and therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan for the investment management services amounted to \$68,200 for the year ended December 31, 2003. In Plan management's opinion, fees paid during the year for services rendered by parties-in-interest were based upon customary and reasonable rates for such services. G. PLAN TERMINATION Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of the Plan's termination, the interests of all participants in their accounts are 100% vested and nonforfeitable. 10 H. FEDERAL INCOME TAX STATUS The plan obtained its latest determination letter dated July 17, 2002 in which the Internal Revenue Service determined that the Plan terms at the time of the determination letter application were in compliance with applicable sections of the Internal Revenue Code of 1986, as amended ("the Code") and, therefore, the related trust is exempt from taxation. The Plan has been amended since receiving the determination letter. Although the amendments have not yet been filed for a favorable determination letter, management will make any changes necessary to maintain the Plans qualified status. However, management believes that the Plan and related trust are currently designed and operated in compliance with the applicable requirements of the Code. Therefore, no provision for income taxes has been included in the Plan's financial statements. I. PROHIBITED TRANSACTIONS During 2003, certain participant contributions were withheld by the Company but not funded within the time period prescribed by the government (Department of Labor Regulation 2510.3-102). Of the total, \$400,366 was delinquent by 21 days and \$4,201 was delinquent by 70 days. The Plan Sponsor intends to file a Form 5330 with the Internal Revenue Service and pay the required excise tax on the transactions. J. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500 The following is a reconciliation of net assets available for Plan benefits per the financial statements to the Form 5500 as of December 31: 2003 2002 Net assets available for Plan benefits, per the financial statements \$ 6,419,538,441 \$ 4,183,488,014 Less: Amounts allocated to withdrawing participants (2,473,125) (6,606,122) ----- Net assets available for Plan benefits per the Form 5500 \$ 6,417,065,316 \$ 4,176,881,892 ===== The following is a reconciliation of benefits paid to participants per the financial statements to the Form 5500 for the year ended December 31, 2003: Benefits paid to participants per the financial statements \$ 262,028,677 Add: Amounts allocated to withdrawing participants at December 31, 2003 2,473,125 Less: Amounts allocated to withdrawing participants at December 31, 2002 (6,606,122) ----- Benefits paid to participants per the Form 5500 \$ 257,895,680 ===== Amounts allocated to withdrawing participants are recorded on the Form 5500 for benefit claims that have been processed and approved for payment prior to December 31, but not yet paid as of that date. 11 K. PLAN MERGERS Effective March 28, 2003, the TASC Profit Sharing and Savings Plan (the "TASC Savings Plan") and TASC Services Corporation Employees Savings Plan (the "TASC Employee Savings Plan") were merged with the Plan, and the

participants of the TASC Savings Plan and the TASC Employee Savings Plan became eligible for participation in the Plan. The Continental Maritime Employee Stock Ownership Plan and the Newport News Shipbuilding, Inc. 401(k) Investment Plan for Salaried Employees were merged with the Plan on December 18, 2003 and December 19, 2003, respectively. Net assets available for benefits were transferred into the Plan as follows: TASC Savings Plan and the TASC Employees Savings Plan \$ 240,310,607 Continental Maritime Employee Stock Ownership Plan 27,506,084 Newport News Shipbuilding Inc. 401(k) Investment Plan for Salaried Employees 845,225,385 -----  
 \$1,113,042,076 ===== 12 NORTHROP GRUMMAN SAVINGS PLAN (FORMERLY THE NORTHROP GRUMMAN SAVINGS AND INVESTMENT PLAN) FORM 5500 SCHEDULE H, PART IV, LINE 4a SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS FOR THE YEAR ENDED DECEMBER 31, 2003 ----- Total that Constitute Nonexempt Prohibited Transactions ----- Contributions Total Fully Corrected Participant Contributions Contributions Corrected Outside Contributions Pending Under VFPC and PTE Transferred Late to Plan Not Corrected VFPC Correction in VFPC 2002 - 051 ----- 404,568 -0-  
 404,568 -0- -0- 13 NORTHROP GRUMMAN SAVINGS PLAN (FORMERLY THE NORTHROP GRUMMAN SAVINGS AND INVESTMENT PLAN) FORM 5500 SCHEDULE H, PART IV, LINE 4i SCHEDULE OF ASSETS (HELD AT END OF YEAR) DECEMBER 31, 2003 ----- Description of Investment, Identity of Issue, Including Maturity Date, Borrower, Lessor Rate of Interest, Collateral, Current or Similar Party Par or Maturity Value ----- \* Northrop Grumman Defined Participation in Northrop Grumman Defined Contribution Plans Master Trust Contribution Plans Master Trust \$ 5,655,953,474 Charles Schwab Personal Choice Retirement Account 621,900,164 \* State Street Participation in the Cash/STIF Accounts 9,599,656 \* Northrop Grumman Corporation Participant loans (Prime + 1%) 122,277,341 ----- Total \$ 6,409,730,635 ===== \* Party-in-interest 14