

DOWLAN JAMES R
Form 4
November 14, 2005

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 *
DOWLAN JAMES R

(Last) (First) (Middle)
23 PASTEUR ROAD
(Street)
IRVINE, CA 92618

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
WESTCORP /CA/ [WES]

3. Date of Earliest Transaction
(Month/Day/Year)
11/10/2005

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)

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)	Price		
Common Stock	11/11/2005		S	6,462	D \$ 65.36	0	D

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)

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
DOWLAN JAMES R 23 PASTEUR ROAD IRVINE, CA 92618	X			

Signatures

James R.
Dowlan

11/14/2005

**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).

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. x;margin-bottom:0px; margin-left:4%">The Plan entered into benefit-responsive investment contracts, such as synthetic guaranteed investment contracts (wrapper), through the Stable Value Fund with various third parties. The contract value, as reported to the Plan by various third parties, represents contributions made to the investment, plus earnings, less participant withdrawals and administrative expenses. The contracts permit up to 20% of the Fund to be redeemed in a given year for Plan sponsor initiated events. The wrapper issuers are contractually obligated to repay principal and a specified interest rate that is guaranteed by the Plan. There are no events known to us which are probable of occurring which will limit the ability of the Fund to transact at contract value with the issuers and also limit the ability of the Fund to transact at contract value with the participants of the Fund.

The wrapper contracts can be terminated at a value other than contract value only under a limited number of very specific circumstances, including termination of the Plan or failure to qualify, material misrepresentations by the Plan sponsor or investment manager or failure by these same parties to meet material obligations under the contracts, or other similar type of events.

On December 29, 2005, The Financial Accounting Standards Board (FASB) released FASB Staff Position Nos. AAG INV-1 and SOP 94-4-1, *Reporting of Fully Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans* (FSP). The FSP clarifies the definition of fully benefit-responsive investment contracts for contracts held by defined contribution plans. The FSP also establishes enhanced financial statement presentation and disclosure requirements for defined contribution plans subject to the FSP, effective for financial statements issued for periods ending after December 15, 2006.

Table of Contents**Avon Personal Savings Account Plan****Notes to Financial Statements****December 31, 2006 and 2005**

Management has adopted the FSP in the Plan's financial statements for the year ended December 31, 2006, including revised disclosures for the year ended December 31, 2005.

A synthetic guaranteed investment contract provides for a fixed return on principal over a specified period of time, e.g. monthly crediting rate, through fully benefit-responsive wrapper contracts issued by third parties, which are backed by underlying assets owned by the Plan, principally the JPMorgan Intermediate Bond Fund. The wrapper value provided by third parties represents the amount by which the value of the investment contracts are greater than the value of the underlying assets.

The crediting rate is reset each calendar quarter based on data as of the last business day of the month prior to the end of the quarter, but not less than zero.

		As of December 31, 2006		
		Investments	Adjustment	Investments
		at Fair	to	at Contract
		Value	Contract	Value
		Major	Value	Value
		Credit	Value	Value
		Ratings	Value	Value
<i>(in thousands of dollars)</i>				
JPMorgan Intermediate Bond Fund			\$ 110,447	\$ 110,447
JPMorgan Liquidity Fund			1,258	1,258
U.S. Treasury N/B			119	119
Wrapper	IXIS Capital Markets	AAA	741	741
Wrapper	State Street Bank	AA	741	741
Wrapper	Monumental Life Insurance	AA	741	741
Total			\$ 111,824	\$ 114,047

		As of December 31, 2005		
		Investments	Adjustment	Investments
		at Fair	to	at Contract
		Value	Contract	Value
		Major	Value	Value
		Credit	Value	Value
		Ratings	Value	Value
<i>(in thousands of dollars)</i>				
JPMorgan Intermediate Bond Fund			\$ 114,472	\$ 114,472
JPMorgan Liquidity Fund			1,411	1,411
U.S. Treasury N/B			119	119
Wrapper	IXIS Capital Markets	AAA	622	622
Wrapper	State Street Bank	AA	622	622
Wrapper	Monumental Life Insurance	AA	622	622
Total			\$ 116,002	\$ 117,868

The average yield based on actual earnings was 5.27 percent and 5.39 percent at December 31, 2006 and 2005, respectively. The average yield based on interest rate credited to participants was 4.92 percent and 5.04 percent at December 31, 2006 and 2005, respectively.

Table of Contents**Avon Personal Savings Account Plan****Notes to Financial Statements****December 31, 2006 and 2005****Benefit Payments**

Benefit payments are recorded when paid.

Administrative Costs

Administrative expenses, including Trustee recordkeeping expenses and audit fees, are paid by the Plan. Certain other administrative fees are paid by Avon. Each fund bears its own applicable expenses for investment management fees.

3. Investments

The following investments represent five percent or more of the Plan's net assets at December 31, 2006 and 2005:

<i>(in thousands of dollars)</i>	2006	2005
Common stock of Avon Products, Inc.		
Participant-directed	\$ 72,533	\$ 64,240
Non participant-directed	133,262	119,368
JPMorgan Fleming Stable Value Fund	114,150	117,868
Northern Trust S&P 500 Index	65,668	61,937
American Century Growth Fund	47,457	49,706
Columbia Acorn International Fund	39,651	38,092
Fidelity Diversified International Fund	35,814	27,836

During the year ended December 31, 2006, the Plan's investments (including investments bought, sold, and held closing the year) appreciated in value as follows:

<i>(in thousands of dollars)</i>	2006
Mutual funds	\$ 13,464
Common stock of Avon	28,979
Common/collective trusts	9,257
Net appreciation in fair value of investments	\$ 51,700

Table of Contents**Avon Personal Savings Account Plan****Notes to Financial Statements****December 31, 2006 and 2005****4. Nonparticipant-directed Investments**

Information about the net assets available for benefits at December 31, 2006 and 2005 and the significant components of the changes in net assets available for benefits relating to the nonparticipant-directed investments for the year ended December 31, 2006:

<i>(in thousands of dollars)</i>	2006	2005
Net assets		
Avon common stock	\$ 133,262	\$ 119,368
<i>(in thousands of dollars)</i>	2006	
Changes in net assets		
Employer contributions	\$ 12,130	
Dividends and interest	2,854	
Net appreciation in the fair value of investments	18,318	
Benefits paid to participants	(14,895)	
Transfers to participant-directed investments	(4,826)	
Other transfers	526	
Administrative expenses	(213)	
	\$ 13,894	

5. Plan Termination

Avon intends to continue the Plan indefinitely, but reserves the right to amend, suspend, or discontinue the Plan in whole, or in part, at any time by action of the Board of Directors of Avon. Upon termination of the Plan, a participant would receive the full value of his or her share in the funds, including all employer contributions.

The operation of the Plan, including the obligation of the employer to make matching contributions, is expressly conditioned upon continued qualification of the Plan and any amendments under the Code, the continued deductibility under Section 404 of the Code of the employer's contributions and upon continued exemption of the trust under Section 501(a) of the Code.

6. Tax Status

The Plan obtained its latest determination letter on April 19, 2002, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Code. The Plan has been amended since receiving the determination letter. However, the Plan Administrator and the Plan's tax counsel believe that the Plan is currently designed, and to the best of their knowledge, being 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.

Table of Contents**Avon Personal Savings Account Plan****Notes to Financial Statements****December 31, 2006 and 2005****7. Related Party Transactions**

Certain Plan assets are invested in shares of mutual funds that are managed by JPMorgan Chase Bank, the trustee as defined by the Plan and therefore those transactions qualify as party-in-interest transactions.

The Plan invests in Avon common stock which is exempt from the party-in-interest transaction prohibition of ERISA. Participant loans are also considered party-in-interest transactions.

8. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of the net assets at December 31, 2006 and 2005 and the net increase in net assets available for benefits for the year ended December 31, 2006 per the financial statements to Form 5500:

<i>(in thousands of dollars)</i>	2006	2005
Net assets available for benefits at contract value per the financial statement	\$ 611,611	\$ 573,937
Qualified Non-Elective Contributions accrual		220
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	(2,223)	
Net assets per Form 5500	\$ 609,388	\$ 574,157
Net increase in net assets available for benefits per the financial statement	\$ 37,674	
Qualified Non-Elective Contributions		(220)
Adjustment of investment contracts to fair value	(2,223)	
Net income per Form 5500	\$ 35,231	

Table of Contents**Avon Personal Savings Account Plan****Schedule H, Line 4(i) - Schedule of Assets (Held at end of Year)****December 31, 2006 and 2005**

(a)	(b) Identity of issuer, borrower, lessor, or similar party	(c) Description of investment	(d) Cost	(e) Current fair value
*	Avon Products, Inc.	Common stock	\$ 130,046,279	\$ 205,794,666
	American Century Growth Fund	Mutual funds	**	47,456,518
	American Century Ultra Fund	Mutual funds	**	1,926,245
	Columbia Acorn International Fund	Mutual funds	**	39,650,748
	Fidelity Diversified International Fund	Mutual funds	**	35,814,240
	Fidelity Freedom 2010 Fund	Mutual funds	**	2,674,712
	Fidelity Freedom 2020 Fund	Mutual funds	**	3,840,797
	Fidelity Freedom 2030 Fund	Mutual funds	**	1,529,905
	Fidelity Freedom 2040 Fund	Mutual funds	**	1,553,442
	Fidelity Freedom Income Fund	Mutual funds	**	1,782,881
	Neuberger & Berman Socially Responsive Trust	Mutual funds	**	6,472,711
	PIMCO Total Return Fund	Mutual funds	**	24,662,071
	Royce Total Return Fund	Mutual funds	**	5,300,428
	T. Rowe Price Equity Income Fund	Mutual funds	**	15,377,102
	T. Rowe Price Mid-Cap Fund	Mutual funds	**	11,107,365
	Tweedy, Browne Global Value Fund	Mutual funds	**	10,332,926
	Vanguard Explorer Fund	Mutual funds	**	5,572,859
	Total mutual funds			215,054,950
*	JPMorgan Intermediate Bond Fund	Common/collective trust	**	110,446,915
*	JPMoran Liquidity Fund	Common/collective trust	**	1,258,099
*	Synthetic wrapper***	Synthetic wrapper	**	
*	U.S. Treasury N/B	U. S. Treasury N/B	**	119,194
	Total JPMorgan Fleming Stable Value Fund			111,824,208
	Northern Trust S&P 500 Index	Common/collective trust	**	65,667,945
*	JPMorgan Domestic Liquidity Fund	Cash equivalents	**	11,797
*	Participant loans	Interest rates ranging from 5.0% to 10.5% during 2006		11,031,407
	Total			\$ 609,384,974

* Party-in-interest as defined by ERISA.

** Cost information is not required for participant-directed funds.

*** Counterparties include IXIS Capital Markets, State Street Bank and Monumental Life Insurance. 33.3% of the wrapper value is attributable to each company.

Table of Contents

SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, trustees (or other persons who administer for the Avon Personal Savings Account Plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: June 27, 2007

Avon Personal Savings Account Plan
(Name of Plan)

/s/ Richard J. Valone
Richard J. Valone
Vice President & Treasurer