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QUEST DIAGNOSTICS INC
Form SC 13D/A
February 16, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
Under the Securities Exchange Act of 1934
(Amendment No. 6)

QUEST DIAGNOSTICS INCORPORATED
(Name of Issuer)

Common Stock, \$.01 Par Value
(Title of Class of Securities)

74834L 10 0
(CUSIP NUMBER)

Donald F. Parman, GlaxoSmithKline
One Franklin Plaza
Philadelphia, Pennsylvania 19102
Telephone 215-751-7633
(Name, address and telephone number of person authorized to receive
notices and communications)

February 15, 2007
(Date of Event That Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Sections 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. /___/

NOTE: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Section 240.13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

This Amendment No. 6 amends and supplements the Statement of Schedule 13D electronically filed with the Securities and Exchange Commission (the "Commission") on August 25, 1999 (the "Initial Statement"), and subsequent amendments filed electronically with the Commission on May 14, 2001, May 22, 2002, June 29, 2004, December 15, 2004 and June 14, 2006.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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The undersigned hereby further amends and supplements Items 2 and 5 of the Initial Statement to include the following information (capitalized terms used herein without definition shall have the meaning as set forth in the Initial Statement).

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1 Names of Reporting Persons.
I.R.S. Identification Nos. of above persons (entities only).

GlaxoSmithKline plc
98-0101920

2 Check the Appropriate Box if a Member of a Group

a / /
b / /

3 SEC USE ONLY

4 Source of Funds

00

5 Check box if disclosure of legal proceedings is required pursuant to
Item 2(d) or 2(e)

/ /

6 Citizenship or Place of Organization

England and Wales

Number of Shares Beneficially Owned by Each Reporting Person With:

- 7. Sole Voting Power: 0
- 8. Shared Voting Power: 36,504,308
- 9. Sole Dispositive Power: 0
- 10. Shared Dispositive Power: 36,504,308

11 Aggregate Amount Beneficially Owned by Each Reporting Person

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36,504,308

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares

/ /

2

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13 Percent of Class Represented by Amount in Row (11)

18.7%

14 Type of Reporting Person

CO

3

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Item 1. Security and Issuer

Item 2. Identity and Background

(a)

(b)

(c) Set forth in Schedule I to this Amendment ("Schedule I") are the name, business address and present principal occupation or employment of each executive officer and director of the Company.

(d) During the last five years, there have been no criminal proceedings against the Company or, to the best knowledge of the Company, any of the other persons with respect to whom information is given in response to this Item 2.

(e) During the last five years, neither the Company nor, to the best knowledge of the Company, any of the other persons with respect to whom information is given in response to this Item 2 has been a party to any civil proceeding of a judicial or administrative body of competent jurisdiction resulting in a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to federal or state securities laws or finding any violation with respect to such laws.

(f) The citizenship of each executive officer and director of the Company

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is set forth in Schedule I.

Item 3. Source and Amount of Funds or Other Consideration

Item 4. Purpose of Transaction

Item 5. Interest in Securities of the Issuer

| (a) | Registered Name | No. of Shares | Percent |
|-----|--------------------------------|---------------|---------|
| | SmithKline Beecham Corporation | 36,504,308 | 18.7% |

(b)

(c)

(d)

(e)

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer

SKB and Lehman Brothers Finance S.A. ("Lehman") have entered into an ISDA Master Agreement (including the Schedule and Credit Support Annex thereto), dated as of May 21, 2002, as amended as of May 22, 2002 and February 15, 2007 (collectively, the "ISDA Master Agreement"). On February 15, 2007, SKB and Lehman entered into five transactions (each, a "Transaction") governed by the

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ISDA Master Agreement (the confirmations evidencing the Transactions, along with the ISDA Master Agreement, the "Agreement") relating to a total of 10,000,000 shares of Common Stock of the Issuer (the "Shares"). SKB has agreed to sell to Lehman, for settlement ranging from February 27, 2013 to July 13, 2015, a number of Shares to be determined based on a formula, which has been structured to provide SKB a hedge against depreciation in the value of the Shares while participating in a portion of the upside of the Shares. SKB has the right to cash settle the Transactions by paying an amount in cash equal to the value of the Shares it would otherwise be obligated to deliver.

The number of Shares to be delivered will be determined based on a formula as follows. If the price of the Shares determined near the settlement date of a Transaction (the "Final Price") is at or below a specified Depreciation Floor (\$52.5720 as defined in each Transaction), SKB will be obligated to deliver all the Shares underlying that particular Transaction. If the Final Price is above the specified Depreciation Floor and at or below a specified Appreciation Cap (ranging from \$77.8696 to \$84.1783 as defined in each Transaction), SKB will be obligated to deliver a number of Shares equal to the number of Shares underlying that particular Transaction multiplied by the

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Depreciation Floor divided by the Final Price. If the Final Price is above the specified Appreciation Cap, SKB will be obligated to deliver a number of Shares equal to the number of Shares underlying that particular Transaction multiplied by (i) 1.0 minus (ii) (a) the Appreciation Cap minus the Depreciation Floor divided by (b) the Final Price.

Under the Agreement, SKB has pledged to Lehman 10,000,000 Shares. Absent default or SKB's consent, Lehman is not entitled to dispose of nor vote the pledged Shares. In addition, SKB has the right to substitute other collateral.

Item 7. Material to be Filed as Exhibits

Item 7 is amended by adding the following exhibits thereto.

| Exhibit No. ----- | Description ----- |
|----------------------|---|
| 11 | Second Amendment Agreement to the ISDA Master Agreement, dated as of February 15, 2007, between SmithKline Beecham Corporation and Lehman Brothers Finance S.A. |
| 12 | Confirmation between SmithKline Beecham Corporation and Lehman Brother Finance S.A., dated February 15, 2007 with Averaging Dates (as defined in this Confirmation) from February 22, 2013 to March 7, 2013. |
| 13 | Confirmation between SmithKline Beecham Corporation and Lehman Brother Finance S.A., dated February 15, 2007 with Averaging Dates (as defined in this Confirmation) from September 24, 2013 to October 7, 2013. |
| 14 | Confirmation between SmithKline Beecham Corporation and Lehman Brother Finance S.A., dated February 15, 2007 with Averaging Dates (as defined in this Confirmation) from April 24, 2014 to May 7, 2014. |
| 15 | Confirmation between SmithKline Beecham Corporation and Lehman Brother Finance S.A., dated February 15, 2007 with Averaging Dates (as defined in this Confirmation) from November 25, 2014 to December 8, 2014. |
| 16 | Confirmation between SmithKline Beecham Corporation and Lehman Brother Finance S.A., dated February 15, 2007 with Averaging Dates (as defined in this Confirmation) from June 25, 2015 to July 8, 2015. |

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

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Date: February 16, 2007

GLAXOSMITHKLINE PLC

By: /s/ Donald F. Parman

 Donald F. Parman
 Authorized Representative

SCHEDULE I

| Name ----- | Business Address ----- | Principal Occupation or Employment ----- | Citizens ----- |
|-------------------------|---|---|-------------------|
| BOARD OF DIRECTORS | | | |
| Dr. Jean-Pierre Garnier | One Franklin Plaza Philadelphia, PA 19102 | Chief Executive Officer | French/U |
| Julian Heslop | 980 Great West Road Brentford Middlesex, England TW8 9GS | Chief Financial Officer | British |
| Dr. Moncef Slaoui | 709 Swedeland Road King of Prussia, PA 19046 | Executive Director Chairman Research and Development | Belgian |
| Sir Christopher Gent | 980 Great West Road Brentford Middlesex, England TW8 9GS | Company Director | British |
| Dr. Stephanie Burns | 980 Great West Road Brentford Middlesex, England TW8 9GS | Company Director | USA |
| Lawrence Culp | 980 Great West Road Brentford Middlesex, England TW8 9GS | Company Director | USA |
| Sir Crispin Davis | 980 Great West Road Brentford Middlesex, England TW8 9GS | Company Director | British |
| Sir Deryck Maughan | 980 Great West Road Brentford Middlesex, England TW8 9GS | Company Director | British |

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| | | | |
|--------------------------|---|---|----------|
| Dr. Daniel Podolsky | 980 Great West Road Brentford Middlesex, England TW8 9GS | Company Director | USA |
| Sir Ian Prosser | 980 Great West Road Brentford Middlesex, England TW8 9GS | Company Director | British |
| Dr. Ronaldo Schmitz | 980 Great West Road Brentford Middlesex, England TW8 9GS | Company Director | British |
| Tom de Swaan | 980 Great West Road Brentford Middlesex, England TW8 9GS | Company Director | Dutch |
| Sir Robert Wilson | 980 Great West Road Brentford Middlesex, England TW8 9GS | Company Director | British |
| CORPORATE EXECUTIVE TEAM | | | |
| Dr. Jean-Pierre Garnier | One Franklin Plaza Philadelphia, PA 19102 | Chief Executive Officer | French/U |
| Julian Heslop | 980 Great West Road Brentford Middlesex, England TW8 9GS | Chief Financial Officer | British |
| Rupert M. Bondy | 980 Great West Road Brentford Middlesex, England TW8 9GS | Senior Vice President & General Counsel | British |
| John Clarke | One Franklin Plaza Philadelphia, PA 19102 | President Consumer Healthcare | New Zeal |
| Marc Dunoyer | GSK Building 6-15, Sendagaya 4 chome, Shibuya-ku, Tokyo 151-8566 | President Pharmaceuticals Japan | French |
| Russell Greig | 980 Great West Road Brentford Middlesex, England TW8 9GS | Pharmaceuticals International | British |
| Duncan Learmouth | 980 Great West Road Brentford Middlesex, England TW8 9GS | Senior Vice President Corporate Communication Community Partnership | British |

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| | | | |
|------------------------|--|---|----------|
| William C. Louv | One Franklin Plaza Philadelphia, PA 19102 | Chief Information Officer | USA |
| Daniel J. Phelan | One Franklin Plaza Philadelphia, PA 19102 | Senior Vice President Human Resources | USA |
| David Pulman | Five Moore Drive PO Box 13398 Research Triangle Park North Carolina 27709 | President Global Manufacturing & Supply | British |
| Dr. Moncef Slaoui | 709 Swedeland Road King of Prussia, PA 19046 | Executive Director Chairman Research and Development | Belgian |
| David Stout | One Franklin Plaza Philadelphia, PA 19102 | President Pharmaceutical Operations | USA |
| Christopher Viehbacher | Five Moore Drive PO Box 13398 Research Triangle Park North Carolina 27709 | President US Pharmaceutical | German/C |
| Andrew Witty | 980 Great West Road Brentford Middlesex, England TW8 9GS | President Pharmaceuticals Europe | British |
| Simon Bicknell | 980 Great West Road Brentford Middlesex, England TW8 9GS | Company Secretary | British |

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