

BAXTER INTERNATIONAL INC
 Form 4
 July 06, 2015

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL
 OMB Number: 3235-0287
 Expires: January 31, 2015
 Estimated average burden hours per response... 0.5

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 *
 Schaaf Jill M

2. Issuer Name and Ticker or Trading Symbol
 BAXTER INTERNATIONAL INC
 [BAX]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction
 (Month/Day/Year)
 07/01/2015

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 CVP, Renal

C/O BAXTER INTERNATIONAL, ONE BAXTER PARKWAY

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

DEERFIELD, IL 60015

(City) (State) (Zip)

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 | | | |
| | | | | Code | V | Amount | | |
| Common Stock, par value \$1.00 per share | 07/01/2015 | | J | 6,311 <u>(1)</u> | A | \$ 0 | 48,948 | D |
| Common Stock, par value \$1.00 per share | | | | | | | 777 | I |
| | | | | | | | By 401(k) Plan | |

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 (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. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Stock Option (Right to Buy) | \$ 27.58 <u>(2)</u> | | | | | <u>(3)</u> 03/15/2017 | Common Stock, par value \$1.00 per share | 8,450 |
| Stock Option (Right to Buy) | \$ 31.3 <u>(2)</u> | | | | | <u>(3)</u> 03/05/2018 | Common Stock, par value \$1.00 per share | 6,900 |
| Stock Option (Right to Buy) | \$ 28.27 <u>(2)</u> | | | | | <u>(3)</u> 03/04/2019 | Common Stock, par value \$1.00 per share | 7,800 |
| Stock Option (Right to Buy) | \$ 31.77 <u>(2)</u> | | | | | <u>(3)</u> 03/03/2020 | Common Stock, par value \$1.00 per share | 11,119 |
| Stock Option (Right to Buy) | \$ 28.97 <u>(2)</u> | | | | | <u>(3)</u> 03/04/2021 | Common Stock, par value \$1.00 per share | 14,330 |
| Stock Option (Right to Buy) | \$ 30.95 <u>(2)</u> | | | | | <u>(3)</u> 03/06/2022 | Common Stock, par value \$1.00 per | 19,688 |

| | | | | | | | |
|--------------------------------------|------------------------|------------|---|----------------------|------------|------------|--|
| Stock Option (Right to Buy) | \$ 37.82 <u>(2)</u> | | | | <u>(4)</u> | 03/05/2023 | share Common Stock, par value 20,609 \$1.00 per share |
| Stock Option (Right to Buy) | \$ 37.17 <u>(2)</u> | | | | <u>(5)</u> | 03/04/2024 | share Common Stock, par value 21,903 \$1.00 per share |
| Stock Option (Right to Buy) | \$ 37.38 <u>(6)</u> | 07/01/2015 | J | 47,458 <u>(6)</u> | <u>(7)</u> | 03/03/2025 | share Common Stock, par value 47,458 \$1.00 per share |

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

Schaaf Jill M
C/O BAXTER INTERNATIONAL
ONE BAXTER PARKWAY
DEERFIELD, IL 60015

CVP, Renal

Signatures

/s/ Ellen K. McIntosh, as attorney-in-fact for Jill M.
Schaaf

07/06/2015

**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) In connection with the spin-off (the "Spin-off") of Baxalta Incorporated ("Baxalta") from Baxter International Inc. ("Baxter"), the reporting person received a grant of 6,311 restricted stock units as a result of the adjustment of existing Baxter restricted stock units held by the reporting person prior to the Spin-off. These restricted stock units will vest in three equal annual installments beginning on March 3, 2016, the first anniversary of the grant date.

(2) Represents options to purchase Baxter common stock awarded to the reporting person prior to the Spin-off. In connection with the Spin-off, the exercise price of the option was adjusted, and the reporting person received options to purchase shares of Baxalta common stock, to preserve the pre-Spin-off intrinsic value of the existing Baxter option award.

(3) This option is presently exercisable in full.

(4) Two-thirds of this option is presently exercisable. The remaining one third becomes exercisable on March 5, 2016.

(5) One-third of this option is presently exercisable. The remaining two thirds become exercisable on March 4, 2016 and March 4, 2017.

(6) In connection with the Spin-off, the number of shares subject to this option and the exercise price have been adjusted to preserve the pre-Spin-off intrinsic value of the existing Baxter option award.

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- (7) This option will vest in three equal annual installments beginning on March 3, 2016, the first anniversary of the grant date of the existing option award.

Remarks:

Exhibit List: Exhibit 24.1-Power of Attorney

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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