

COMMUNITY HEALTH SYSTEMS INC

Form 4

March 02, 2016

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

OMB APPROVAL

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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 \*  
SMITH WAYNE T2. Issuer Name and Ticker or Trading  
Symbol  
COMMUNITY HEALTH  
SYSTEMS INC [CYH]5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

(Last) (First) (Middle)  
4000 MERIDIAN BOULEVARD  
(Street)3. Date of Earliest Transaction  
(Month/Day/Year)  
03/01/2016☒ Director ☐ 10% Owner  
☒ Officer (give title below) ☐ Other (specify below)  
Chairman & CEO

FRANKLIN, TN 37067

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

(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 Indirect Beneficial Ownership (Instr. 4)
Common Stock	03/01/2016		M	150,000	A \$ 0 1,225,081	D	
Common Stock	03/01/2016		M	200,000	A \$ 0 1,425,081	D	
Common Stock					206,842	I	by 2009 WTS Irrevocable Trust Dated 2/27/09
Common Stock					481,721	I	WAC LLC

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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 Underlying (Instr. 3)		
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title
Performance Based Restricted	\$ 0	03/01/2016		M <sup>(1)</sup>			150,000	03/01/2016	02/28/2025	Common Stock
Performance Based Restricted	\$ 0	03/01/2016		M <sup>(2)</sup>			200,000	<sup>(2)</sup>	<sup>(2)</sup>	Common Stock
Performance Based Restricted	\$ 0	03/01/2016		A		150,000		03/01/2017 <sup>(3)</sup>	02/28/2026	Common Stock
Stock Options (Right to Buy)	\$ 32.28							02/27/2009	02/26/2018	Common Stock
Stock Options (Right to Buy)	\$ 33.9							02/24/2011	02/23/2020	Common Stock
Stock Options (Right to Buy)	\$ 37.96							02/23/2012	02/22/2021	Common Stock
Stock Options (Right to Buy)	\$ 21.07							02/16/2013	02/15/2022	Common Stock

## Reporting Owners

Reporting Owner Name / Address

Relationships

Reporting Owners

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Director    10% Owner    Officer    Other

SMITH WAYNE T

4000 MERIDIAN BOULEVARD    X

FRANKLIN, TN 37067

Chairman & CEO

## Signatures

Christopher G. Cobb, Attorney in Fact for Wayne T. Smith

03/02/2016

\_\_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).

The performance objectives governing these shares of Performance Based Restricted Stock have been met, and, accordingly, these shares  
(1) will now be reported in Table 1 as directly owned shares of Restricted Stock. The time-vesting restrictions lapse in 1/3 increments on the first, second and third anniversary of the date of grant.

Pursuant to the terms governing the award, the Company has achieved the cost savings ("synergies") from the Health Management Associates, Inc. ("HMA") merger transaction that were required to be achieved during the first two years following the HMA merger transaction, and, accordingly, the performance-based restrictions on the remaining portion of the award have lapsed as of the second anniversary of the date of grant. All such shares will now be reported on Table 1 as directly owned shares of Restricted Stock. There is  
(2) also a time-vesting element. The time-vesting restrictions lapse in equal installments on the second and third anniversary of the date of grant.

Each performance based restricted share represents a contingent right to receive one share of CYH common stock. There are two elements to the lapsing of the performance-based restriction; first, the Company must achieve specified targeted amount of adjusted  
(3) EBITDA or net revenue from continuing operations, and if the performance objective is met, the time-vesting restrictions will lapse in 1/3 increments on the first, second and third anniversary of the date of grant. If the performance objectives are not met, the shares will be forfeited.

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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