

BAXTER INTERNATIONAL INC  
 Form 4  
 July 06, 2015

**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 \*  
**CHOWDHRY UMA**

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)

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                              | A   | \$ 0  | 7,138  | D                                 |
|  |                                      |  |                                |   |   | <u>1,414</u> <sup>(1)</sup>                              |                                   |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

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**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. Title and Amount of Underlying Securities (Instr. 3 and 4) |                            |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|---|----------------------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title   | Amount or Number of Shares |
| Stock Option (Right to Buy)                | \$ 35.03<br><u>(2)</u>                                 |                                      |  |                                |   | <u>(3)</u>   | 11/12/2022  | Common Stock, par value \$1.00 per share                      | 1,680                      |
| Stock Option (Right to Buy)                | \$ 36.93<br><u>(2)</u>                                 |                                      |  |                                |   | <u>(3)</u>   | 05/07/2023  | Common Stock, par value \$1.00 per share                      | 3,930                      |
| Stock Option (Right to Buy)                | \$ 39.83<br><u>(2)</u>                                 |                                      |  |                                |   | <u>(3)</u>   | 05/06/2024  | Common Stock, par value \$1.00 per share                      | 4,110                      |
| Stock Option (Right to Buy)                | \$ 37.5 <u>(4)</u>                                     | 07/01/2015                           |  | J                              | 4,979<br><u>(4)</u>   | <u>(5)</u>   | 05/05/2025  | Common Stock, par value \$1.00 per share                      | 4,979                      |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |         |       |
|---|---------------|-----------|---------|-------|
|   | Director      | 10% Owner | Officer | Other |
| CHOWDHRY UMA<br>C/O BAXTER INTERNATIONAL<br>ONE BAXTER PARKWAY<br>DEERFIELD, IL 60015 | X             |           |         |       |

## Signatures

/s/ David P. Scharf, as attorney-in-fact for Uma  
Chowdhry

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 1,414 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. The restricted stock units were deferred under the Baxter Non-Employee Director Deferred Compensation Plan and will vest within the first 90 days of the plan year in which membership on the Board terminates.

(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) 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.

(5) The date exercisable is the date of the Baxter 2016 annual meeting of shareholders.

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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