AT&T INC.
Form PRE 14A
February 17, 2009
Table of Contents

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No. __)

Filed by the Registrant ¨ Filed by a Party other than the Registrant ¨

Check the appropriate box:

x Preliminary Proxy Statement

¨ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

¨ Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material Pursuant to §240.14a-12

AT&T Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

x No fee required.

¨ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which the transaction applies:

(2) Aggregate number of securities to which the transaction applies:

(3) Per unit price or other underlying value of the transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of the transaction:

(5) Total fee paid:

¨ Fee paid previously with preliminary materials.

¨ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

Important Notice Regarding the Availability of Proxy Materials

for the Stockholder Meeting to Be Held on April 24, 2009

The Proxy Statement and annual report to security holders

are available at www.edocumentview.com/att.

Notice of

Annual Meeting of Stockholders

The 2009 Annual Meeting of Stockholders of AT&T Inc., a Delaware corporation, will be held at 9:00 a.m. Central time on Friday, April 24, 2009, at the Dallas Arboretum, Rosine Hall, 8525 Garland Road, Dallas, Texas 75218. The items of business are:

- Election of 15 Directors
- Ratification of the appointment of Ernst & Young LLP as independent auditors of AT&T Inc. for 2009
- Approve an amendment to the Restated Certificate of Incorporation to increase the number of authorized shares of common stock
- Such other matters, including certain stockholder proposals, as may properly come before the meeting.

Holders of AT&T Inc. common stock of record at the close of business on February 25, 2009, are entitled to vote at the meeting and any adjournment of the meeting.

By Order of the Board of Directors.

Ann Effinger Meuleman
Senior Vice President and Secretary
March XX, 2009

Your vote is important. Please sign, date and return your proxy card or submit your proxy and/or voting instructions by telephone or through the Internet promptly so that a quorum may be represented at the meeting. Any person giving a proxy has the power to revoke it at any time, and stockholders who are present at the meeting may withdraw their proxies and vote in person.

Table of Contents

PROXY STATEMENT

Table of Contents

PROXY STATEMENT

General Information

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors of AT&T Inc. (AT&T, the Company, or we) for use at the 2009 Annual Meeting of Stockholders of AT&T. The meeting will be held at:

9:00 a.m. Central time
Friday, April 24, 2009
Dallas Arboretum
Rosine Hall
8525 Garland Road
Dallas, Texas 75218

The purposes of the meeting are set forth in the Notice of Annual Meeting of Stockholders (preceding the table of contents). This Proxy Statement and form of proxy are being sent beginning March 11, 2009, to certain stockholders who were record holders of AT&T s common stock, $1.00 par value per share, at the close of business on February 25, 2009. These materials are also available at www.edocumentreview.com/att. Each share entitles the registered holder to one vote. As of January 30, 2009, there were 5,893,307,211 shares of AT&T common stock outstanding.

All shares represented by proxies will be voted by one or more of the persons designated on the form of proxy in accordance with the stockholders directions. If the proxy card is signed and returned or the proxy is submitted by telephone or through the Internet, without specific directions with respect to the matters to be acted upon, the shares will be voted in accordance with the recommendations of the Board of Directors. Any stockholder giving a proxy may revoke it at any time before the proxy is voted at the meeting by giving written notice of revocation to the Senior Vice President and Secretary of AT&T, by submitting a later-dated proxy or by attending the meeting and voting in person. The Chairman of the Board will announce the closing of the polls during the Annual Meeting. Proxies must be received before the closing of the polls in order to be counted.

Instead of submitting a signed proxy card, stockholders may submit their proxies by telephone or through the Internet. Telephone and Internet proxies must be used in conjunction with, and will be subject to, the information and terms contained on the form of proxy. Similar procedures may also be available to stockholders who hold their shares through a broker, nominee, fiduciary or other custodian.

The proxy card, or a proxy submitted by telephone or through the Internet, will also serve as voting instructions to the plan administrator or trustee for any shares held on behalf of a participant under any of the following employee benefit plans: the AT&T Savings Plan, the AT&T Savings and Security Plan, the AT&T Long Term Savings and Security Plan, the AT&T of Puerto Rico, Inc. Long Term Savings and Security Plan, the AT&T Puerto Rico Savings Plan, the AT&T Puerto Rico Retirement Savings Plan, the AT&T Retirement Savings Plan, and the BellSouth Savings and Security Plan. Subject to the trustee s fiduciary obligations, shares in each of the above employee benefit plans for which voting instructions are not received will not be voted. To allow sufficient time for voting by the trustees and/or administrators of the plans, your voting instructions must be received by April 21, 2009.

Table of Contents

In addition, the proxy card or a proxy submitted by telephone or through the Internet will constitute voting instructions to the plan administrator under The DirectSERVICE Investment Program sponsored and administered by Computershare Trust Company, N.A. (AT&T s transfer agent) for shares held on behalf of plan participants.

If a stockholder participates in these plans and/or maintains stockholder accounts under more than one name (including minor differences in registration, such as with or without a middle initial), the stockholder may receive more than one set of proxy materials. To ensure that all shares are voted, please submit proxies for all of the shares you own.

No more than one annual report and Proxy Statement are being sent to multiple stockholders sharing an address, unless AT&T has received contrary instructions from one or more of the stockholders at that address. Stockholders may request a separate copy of the most recent annual report and/or the Proxy Statement by writing the transfer agent at: Computershare Trust Company, N.A., P.O. Box 43078, Providence, RI 02940-3078, or by calling (800) 351-7221. Stockholders calling from outside the United States may call (781) 575-4729. Requests will be responded to promptly. Stockholders sharing an address who desire to receive multiple copies, or who wish to receive only a single copy, of the annual report and/or the Proxy Statement may write or call the transfer agent at the above address or phone numbers to request a change.

A stockholder may designate a person or persons other than those persons designated on the form of proxy to act as the stockholder s proxy by striking out the name(s) appearing on the proxy card, inserting the name(s) of another person(s) and delivering the signed card to that person(s). The person(s) designated by the stockholder must present the signed proxy card at the meeting in order for the shares to be voted.

Where the stockholder is not the record holder, such as where the shares are held through a broker, nominee, fiduciary or other custodian, the stockholder must provide voting instructions to the record holder of the shares in accordance with the record holder s requirements in order to ensure the shares are properly voted.

The cost of soliciting proxies will be borne by AT&T. Officers, agents and employees of AT&T and its subsidiaries and other solicitors retained by AT&T may, by letter, by telephone or in person, make additional requests for the return of proxies and may receive proxies on behalf of AT&T. Brokers, nominees, fiduciaries and other custodians will be requested to forward soliciting material to the beneficial owners of shares and will be reimbursed for their expenses. AT&T has retained D. F. King & Co., Inc. to aid in the solicitation of proxies at a fee of $18,000, plus expenses.

Stockholders who together represent 40% of the common stock outstanding and are entitled to vote must be present or represented by proxy in order to constitute a quorum to conduct business at the meeting.

If you plan to attend the meeting in person, please bring the admission ticket (which is attached to the proxy card or the Annual Meeting Notice and Admission Ticket) to the Annual Meeting. If you do not have an admission ticket, you will be admitted upon presentation of photo identification at the door.

AT&T s executive offices are located at One AT&T Plaza, 208 S. Akard Street, Dallas, Texas 75202.

Table of Contents

Board of Directors

The Board of Directors is responsible for our management and direction and for establishing broad corporate policies. In addition, the Board of Directors and various committees of the Board regularly meet to receive and discuss operating and financial reports presented by the Chairman of the Board and Chief Executive Officer and other members of management as well as reports by experts and other advisors. Corporate review sessions are also offered to Directors to help familiarize them with our businesses, technology, and operations. Members of the Board are encouraged to attend Board meetings in person, unless the meeting is held by teleconference. The Board held nine meetings in 2008. All of the Directors attended at least 75% of the total number of meetings of the Board and Committees on which each served. Directors are also expected to attend the Annual Meeting of Stockholders. All of the Directors were present at the 2008 Annual Meeting.

At least four times a year, the non-management members of the Board of Directors meet in executive session, *i.e.,* without management Directors or management personnel present. The Lead Director, who is appointed for a two-year term, presides over these meetings. Gilbert F. Amelio currently serves as Lead Director; his term is scheduled to expire February 1, 2010. Responsibilities of the Lead Director include:

- Presiding over each session of the non-management Directors;
- Preparing the agenda for the executive session of the non-management Directors;
- Acting as the principal liaison between the non-management Directors and the Chairman and Chief Executive Officer;
- Coordinating the activities of the non-management Directors when acting as a group; and
- Advising the Chairman and Chief Executive Officer as to the quality, quantity and timeliness of the flow of information from management, including the materials provided to Directors at Board meetings.

Interested persons may contact the Lead Director or the non-management Directors by sending written comments through the Office of the Secretary of AT&T Inc. The Office will either forward the original materials as addressed or provide Directors with summaries of the submissions, with the originals available for review at the Directors request.

The Corporate Governance and Nominating Committee is responsible for identifying candidates who are eligible under the qualification standards set forth in our Corporate Governance Guidelines to serve as members of the Board. The Committee is authorized to retain search firms and other consultants to assist it in identifying candidates and fulfilling its other duties. The Committee is not limited to any specific process in identifying candidates and will consider candidates whom stockholders suggest. Candidates are recommended to the Board after consultation with the Chairman of the Board. In recommending Board candidates, the Committee considers a candidate s:

- general understanding of elements relevant to the success of a large publicly traded company in the current business environment,
- understanding of our business, and
- educational and professional background.

The Committee also gives consideration to a candidate s judgment, competence, anticipated participation in Board activities, experience, geographic location and special talents or personal attributes. Stockholders who wish to suggest qualified candidates should write to the Senior Vice President and Secretary, AT&T Inc., 208 S. Akard Street, Suite 3241, Dallas, Texas 75202, stating in detail the qualifications of the persons proposed for consideration by the Committee.

3

Table of Contents

Under our Bylaws, the Board of Directors has the authority to determine the size of the Board and to fill vacancies. Currently, the Board is comprised of 15 Directors, one of whom is an executive officer of AT&T. There are no vacancies on the Board. We have included biographical information about each continuing Director on pages 13-16. Holdings of AT&T common stock by AT&T Directors are shown on the table on page 11.

The Board of Directors has nominated the 15 persons listed in this Proxy Statement, beginning on page 13, for election as Directors. Each of the nominees is an incumbent Director of AT&T recommended for re-election by the Corporate Governance and Nominating Committee. Under AT&T s Corporate Governance Guidelines, a Director will not be nominated for re-election if the Director has reached age 72.

Board Committees

From time to time the Board establishes permanent standing committees and temporary special committees to assist the Board in carrying out its responsibilities. The Board has established seven standing committees of Directors, the principal responsibilities of which are described below. The charters for each of these committees may be found on our web site at www.att.com. The biographical information included later in this Proxy Statement identifies committee memberships held by each Director.

Audit Committee The Committee met 13 times in 2008. It consists of five independent Directors. The Audit Committee oversees the integrity of our financial statements, the independent auditor s qualifications and independence, the performance of the internal audit function and independent auditors, and our compliance with legal and regulatory matters, including environmental matters. The Committee is responsible for the appointment, compensation, retention and oversight of the work of the independent auditor. The independent auditor audits the financial statements of AT&T and its subsidiaries.

Corporate Development Committee The Committee met three times in 2008. It consists of four independent Directors. The Committee reviews mergers, acquisitions, dispositions and similar transactions.

Corporate Governance and Nominating Committee The Committee met five times in 2008. It consists of five independent Directors. The Committee is responsible for recommending candidates to be nominated by the Board for election by the stockholders, or to be appointed by the Board of Directors to fill vacancies, consistent with the criteria approved by the Board, and recommending committee assignments and the appointment of the Lead Director. In addition, the Committee periodically assesses AT&T s Corporate Governance Guidelines and makes recommendations to the Board for amendments and also recommends to the Board the compensation of Directors. Finally, the Committee takes a leadership role in shaping corporate governance and oversees an annual evaluation of the Board.

Executive Committee The Committee did not meet in 2008. It consists of the chairpersons of our six other standing committees and the Chairman of the Board. The Committee was established to assist the Board by acting upon matters when the Board is not in session. The Committee has the full power and authority of the Board to the extent permitted by law, including the power and authority to declare a dividend or to authorize the issuance of common stock.

Finance/Pension Committee The Committee met four times in 2008. It consists of four independent Directors. The Committee assists the Board in its oversight of our finances, including recommending the payment of dividends and reviewing the management of our debt and investment of our cash reserves.

Human Resources Committee The Committee met six times in 2008. It consists of four independent Directors. The Committee oversees the compensation practices of AT&T, including the design and administration of employee benefit plans. The Committee is also responsible for establishing the compensation of the Chief Executive Officer and the other executive officers, establishing stock ownership guidelines for officers and developing a management succession plan.

Public Policy Committee The Committee met three times in 2008. It consists of five independent Directors. The Committee assists the Board in its oversight of policies related to corporate social responsibility, as well as political and charitable contributions.

Independence of Directors

The New York Stock Exchange (NYSE) prescribes independence standards for companies listed on the NYSE, including us. These standards require a majority of the Board to be independent. They also require every member of the Audit Committee, Human Resources Committee, and Corporate Governance and Nominating Committee to be independent. A Director is considered independent only if the Board of Directors affirmatively determines that the Director has no material relationship with the listed company (either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company). In addition, the Board of Directors has adopted certain additional standards for determining the independence of its members. In accordance with the NYSE standards, a Director is not independent if:

- The Director is, or has been within the last three years, an employee of AT&T, or an immediate family member is, or has been within the last three years, an executive officer of AT&T;

- The Director has received, or has an immediate family member who has received, during any 12-month period within the last three years, more than $120,000 in direct compensation from AT&T, other than Director and committee fees and pension or other forms of deferred compensation for prior service (provided the compensation is not contingent in any way on continued service);

- (a) The Director or an immediate family member is a current partner of a firm that is our internal or external auditor; (b) the Director is a current employee of such a firm; (c) the Director has an immediate family member who is a current employee of such a firm and who participates in the firm s audit, assurance or tax compliance (but not tax planning) practice; or (d) The Director or an immediate family member was within the last three years (but is no longer) a partner or an employee of such a firm and personally worked on our audit within that time period;

- The Director or an immediate family member is, or has been within the last three years, employed as an executive officer of another company where any of our present executive officers at the same time serves or served on that company s compensation committee; or

- The Director is a current employee, or an immediate family member is a current executive officer, of a company that has made payments to, or received payments from, us for property or services in an amount which, in any of the last three fiscal years, is more than the greater of $1 million, or 2% of such other company s consolidated gross revenues.

Additional standards for determining independence of Directors have been established by our Board and are set forth in our Corporate Governance Guidelines, which can be found on our web site at www.att.com. These additional standards are:

A Director who owns, together with any ownership interests held by members of the Director s immediate family, 10% of another company that makes payments to or receives payments from us (together with our consolidated subsidiaries) for property or services in an amount which, in any single fiscal year, is more than the greater of $1 million or 2% of such other company s consolidated gross revenues, is not independent until three years after falling below such threshold.

A Director who is, or whose immediate family member is, a director, trustee or officer of a charitable organization, or holds a similar position with such an organization, and we (together with our consolidated subsidiaries) make contributions to the charitable organization in an amount which exceeds, in any single fiscal year, the greater of $1 million per year or at least 5% of such organization s consolidated gross revenues, is not independent until three years after falling below such threshold.

The Board of Directors, using these standards for determining the independence of its members, has determined that the following Directors are independent: William F. Aldinger III, Gilbert F. Amelio, Reuben V. Anderson, James H. Blanchard, August A. Busch III, Jaime Chico Pardo, James P. Kelly, Jon C. Madonna, Lynn M. Martin, John B. McCoy, Mary S. Metz, Joyce M. Roché, Laura D Andrea Tyson and Patricia P. Upton. Each member of the Audit Committee, the Corporate Governance and Nominating Committee, and the Human Resources Committee is independent.

Compensation of Directors

The compensation of Directors is determined by the Board with the advice of the Corporate Governance and Nominating Committee. The Corporate Governance and Nominating Committee is composed entirely of independent Directors. None of our employees serve on this Committee. The Committee s current members are August A. Busch III (Chairman), James P. Kelly, John B. McCoy, Mary S. Metz, and Joyce M. Roché. Under its charter (available on our web site at www.att.com), the Committee periodically, and at least every two years, reviews the compensation and benefits provided to Directors for their service, and makes recommendations to the Board for changes. This includes not only Director retainers and fees, but also Director compensation and benefit plans.

The Committee s charter authorizes the Committee to employ independent compensation and other consultants to assist in fulfilling its duties. The Committee may also form and delegate authority to subcommittees. From time to time, the Committee engages Total Rewards Strategies, LLC, an employee benefits and compensation consulting firm (which also acts as a consultant to the Human Resources Committee on executive compensation matters), to provide the Committee with information regarding director compensation paid by companies principally in the *Fortune* 50, *Fortune* 100 and a special comparator group used by the Human Resources Committee. In reviewing Director compensation, the Committee may request Total Rewards Strategies to provide a study of director compensation disclosed in proxy statements of companies in the comparison groups. After reviewing the study, the Committee may make recommendations to the Board for modifying the compensation of Directors. In addition, from time to time, the Chief Executive Officer may make recommendations to the Committee or the Board about types and amounts of appropriate compensation and benefits for directors.

Table of Contents

Directors who are employed by us or one of our subsidiaries receive no separate compensation for serving as Directors or as members of Board committees. Non-employee Directors receive an annual retainer of $85,000, together with $2,000 for each Board meeting or review session attended. Committee members receive $1,700 for each committee meeting attended, except that members of the Audit and Human Resources Committees receive $2,000 for each meeting attended in person. The Chairperson of each committee receives an additional annual retainer of $5,000, except for the Chairpersons of the Audit and Human Resources Committees, each of whom receives an additional annual retainer of $20,000. The Lead Director also receives an additional annual retainer of $20,000. Retainers may be taken in cash or invested in AT&T stock.

Under the AT&T Non-Employee Director Stock and Deferral Plan (the Director Deferral Plan), Directors may choose to defer the receipt of their fees and all or part of their retainers into either deferred stock units or into a cash deferral account. Each deferred stock unit is equivalent to a share of common stock and earns dividend equivalents in the form of additional deferred stock units. Directors purchase the deferred stock units at the fair market value of AT&T common stock. Deferred stock units are paid in cash in a lump sum or in up to 15 annual installments, at the Director s election, after the Director ceases service with the Board. In addition, under the Director Deferral Plan each non-employee Director annually receives one and one-half times his or her base annual retainer in the form of deferred stock units. Each Director who joined the Board after November 21, 1997, and before September 24, 2004, receives an additional annual grant of $13,000 in the form of deferred stock units, limited to ten annual grants; no additional grants will be made after 2009. The annual grants are fully earned and vested at issuance. These deferred stock units are paid out in cash at the same time as deferred stock units acquired with deferred retainers and fees.

Deferrals into the cash deferral account under the Director Deferral Plan earn interest during the calendar year at a rate equal to the Moody s Long-Term Corporate Bond Yield Average for September of the preceding year (Moody s Rate). This interest rate roughly approximates the market interest rate prescribed by the Securities and Exchange Commission (SEC) for disclosure purposes. Amounts earned above the SEC interest rate, if any, are included in the Director Compensation table on page 8 under the heading Change in Pension Value and Nonqualified Deferred Compensation Earnings. Directors may annually choose to convert their cash deferral accounts into deferred stock units at the fair market value of our stock at the time of the conversion.

AT&T does not offer non-employee Directors a retirement plan or pension. However, Directors who joined the Board before 1997 have vested rights in a former pension plan that we no longer offer. *Only benefits that have already vested are payable under the plan.* Each Director who is vested in the former pension plan, upon retirement, will receive an annual pension equal to 10% of the annual retainer in effect at the time of his or her retirement multiplied by the number of years of service not to exceed ten years. The payments will continue for the life of the Director. If the Director dies before receiving ten years of payments, the Director s beneficiaries will receive the payments for the remainder of the ten-year period.

Upon our acquisition of Pacific Telesis Group (PTG) on April 1, 1997, certain of the former PTG Directors joined our Board. As part of their service with PTG, these Directors previously received PTG Deferred Stock Units, which were issued in exchange for a waiver by the Directors of certain retirement benefits. The PTG Deferred Stock Units are fully vested, earn dividend equivalents and are paid out in the form of cash after the retirement of the Director. After the acquisition of PTG, the Deferred Stock Units were modified so that their value was based on AT&T stock instead of PTG stock. Service as a Director of AT&T is deemed service with PTG for these benefits. In addition, these Directors were allowed to continue their prior deferrals of PTG retainers and fees made before they joined the AT&T Board at the PTG rates. Under the PTG plans, deferrals earn a rate of interest equal to Moody s Rate plus 4% for deferrals from 1985 through 1992, Moody s Rate plus 2% for deferrals from 1993 through 1995, and the ten-year Treasury Note average for the month of September for the prior year plus 2% for deferrals after 1995.

Table of Contents

Similarly, upon our acquisition of BellSouth Corporation on December 29, 2006, certain of the former BellSouth Directors joined our Board. These Directors had previously made cash- and stock-based deferrals under the BellSouth Corporation Directors Compensation Deferral Plan, which was no longer offered after 2006. These deferrals pay out in accordance with the choices of the Directors. Cash deferrals earn a rate of interest equal to Moody s Monthly Average of Yields of Aa Corporate Bonds for the previous July, while earnings on deferrals in the form of stock units are reinvested in additional deferred stock units at the fair market value of the underlying stock.

In addition, under the BellSouth Nonqualified Deferred Compensation Plan offered to BellSouth Directors prior to its acquisition, Directors were permitted to make up to five annual deferrals of up to 100% of their compensation. For deferrals made in 1995 and 1996, the plan returned the original deferred amount in the 7th year after the deferral year. No interim distributions were granted for subsequent deferral years. For deferrals made from 1995 through 1999, Directors received fixed interest rates of 16%, 12.7%, 12.8%, 12.4% and 11.8%, respectively. Distributions are made at times elected by the Directors. BellSouth discontinued offering this plan in 2000.

Director Compensation

Director	Fees Earned or Paid in Cash (1) ($)	Stock Awards (2) (3) ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings (4) ($)	All Other Compensation (5) ($)	Total ($)
William F. Aldinger III	136,000	127,500	0	21,189	284,689
Gilbert F. Amelio	167,233	127,500	591	3,948	299,272
Reuben V. Anderson	120,650	127,500	51,348	1,478	300,976
James H. Blanchard	123,250	127,500	41,311	4,129	296,190
August A. Busch III	121,900	127,500	0	7,158	256,558
Jaime Chico Pardo (6)	37,733	0	0	0	37,733
James P. Kelly	137,100	127,500	0	1,619	266,219
Charles F. Knight (6)	39,100	0	0	19,768	58,868
Jon C. Madonna	153,700	127,500	0	3,587	284,787
Lynn M. Martin	126,000	140,500	0	3,260	269,760
John B. McCoy	128,633	140,500	0	15,068	284,201
Mary S. Metz	118,600	127,500	3,841	13,356	263,297
Toni Rembe (6)	41,100	0	578	12,225	53,903
Joyce M. Roché	116,600	140,500	0	10,027	267,127
Laura D Andrea Tyson	111,200	140,500	748	4,004	256,452
Patricia P. Upton	121,500	127,500	0	4,325	253,325

1. The following table shows the number of deferred stock units purchased in 2008 by each Director with deferrals of their retainers and fees. Each year, Directors may elect to make monthly purchases during the following calendar year of deferred stock units at the fair market value of our stock at the time of the purchase.

Director	Deferred Stock Units	Director	Deferred Stock Units
Gilbert F. Amelio	5,077	Charles F. Knight	1,025
Reuben V. Anderson	2,712	John B. McCoy	3,935
James H. Blanchard	1,050	Toni Rembe	636

August A. Busch III	3,739	Joyce M. Roché	2,585
James P. Kelly	1,612		

Table of Contents

2. This represents an annual grant of deferred stock units that are immediately vested, valued using the grant date value in accordance with Statement of Financial Accounting Standard (FAS) 123R, and deferred. The deferred stock units will be paid out in cash after the Director ceases his or her service with the Board at the times elected by the Director.

3. Each of Mr. Aldinger and Mr. Madonna hold 1,017 outstanding restricted stock units which were received while they were serving on the Board of Directors of AT&T Corp., before its acquisition by AT&T Inc. (then known as SBC Communications Inc.). Pursuant to the acquisition agreement, these restricted stock units were converted into AT&T Inc. units. The units vest in 2009. At vesting of the units, each unit is converted into a share of AT&T Inc. stock. Termination of service on the Board before vesting of these units will result in forfeiture of the units. Mr. Madonna was also issued options by AT&T Corp., which were converted into options to acquire 2,496 shares of AT&T Inc. common stock. Similarly, Mr. Anderson, Mr. Blanchard, and Mr. Kelly hold 50,560 options, 62,334 options, and 41,099 options, respectively, that were originally granted by BellSouth Corporation while they served on the BellSouth Board before its 2006 acquisition by AT&T Inc.

4. Amounts shown represent the difference between market interest rates determined pursuant to SEC rules and actual rates used to determine earnings on deferred compensation.

5. Under the AT&T Higher Education/Cultural Matching Gift Program, which covers AT&T employees as well as Directors, the AT&T Foundation matches charitable contributions ranging from $25 to $15,000 per year by active Directors. In 2008, a total of $61,386 was paid on behalf of active Directors under the program. The amounts reported in this column include the following matching contributions paid on behalf of the following Directors: Mr. Aldinger $15,000, Mr. Blanchard $1,000, Mr. Knight $15,000, Mr. McCoy $8,000, Dr. Metz $6,600, Ms. Rembe $10,000, and Ms. Roché $5,786.

6. Mr. Knight and Ms. Rembe retired from the board in April 2008; Mr. Chico joined the Board in September 2008.

Related Person Transactions

Under the rules of the SEC, public issuers, such as AT&T, must disclose certain Related Person Transactions. These are transactions in which the Company is a participant where the amount involved exceeds $120,000, and a Director, executive officer or holder of more than 5% of our common stock has a direct or indirect material interest.

AT&T has adopted a written policy requiring that each Director or executive officer involved in such a transaction notify the Corporate Governance and Nominating Committee and that each such transaction be approved or ratified by the Committee.

In determining whether to approve a Related Person Transaction, the Committee will consider the following factors, among others, to the extent relevant to the Related Person Transaction:

- whether the terms of the Related Person Transaction are fair to the Company and on the same basis as would apply if the transaction did not involve a related person,

- whether there are business reasons for the Company to enter into the Related Person Transaction,

- whether the Related Person Transaction would impair the independence of an outside director, and whether the Related Person Transaction would present an improper conflict of interest for any of our Directors or executive officers, taking into account the size of the transaction, the overall financial position of the Director, executive officer or other related person, the direct or indirect nature of the Director s, executive officer s or other related person s interest in the transaction and the ongoing nature of any proposed relationship, and any other factors the Committee deems relevant.

A Related Person Transaction entered into without the Committee s pre-approval will not violate this policy, or be invalid or unenforceable, so long as the transaction is brought to the Committee as promptly as reasonably practical after it is entered into or after it becomes reasonably apparent that the transaction is covered by this policy.

During 2008, a brother of Ronald E. Spears (President and Chief Executive Officer, AT&T Business Solutions) was employed by a subsidiary with an approximate rate of pay, including commissions, of $207,000. This rate of pay is similar to those paid for comparable positions at the Company. The employment of this person was approved by the Corporate Governance and Nominating Committee under the Company s Related Party Transactions Policy.

Under the relocation plan for all employees moving as a result of the Company headquarters move to Dallas, the Company paid certain expenses incurred in the sale of employee homes. If the employee was not able to timely sell a home, the Company purchased the home at the higher of two independent appraisals. If the employee found a buyer offering at least 90% of the appraised value, the Company purchased the home from the employee at the appraised value or the actual sale price, whichever was higher, and paid a bonus of 3% of the sales price, and then completed the sale to the buyer. If the employee paid more for the home than the appraised value, then the loss on sale feature of the plan reimbursed the employee for the difference, including any resulting taxes.

Mr. Stephenson and Mr. Watts each sold their homes to the Company at appraised values of $1,700,000 and $660,000, respectively. Their homes have not yet been resold. The Company paid Mr. Cicconi $807,317 for his home (representing his original purchase price under the loss on sale feature) and $22,000 as a home sale bonus because he found a buyer for the home at not less than 90% of the appraised value; the Company sold Mr. Cicconi s home to a third-party buyer for $740,000. The Company paid Mr. de la Vega $3,050,000 for his home (representing the appraised amount) and $87,000 as a home sale bonus because he found a buyer for the home at not less than 90% of the appraised value; the Company sold Mr. de la Vega s home to a third-party buyer for $2,900,000. The Company paid Mr. Wilkins $4,490,000 for his home (representing the 3rd party s purchase price) and $134,700 as a home sale bonus because he found a buyer for the home at not less than 90% of the appraised value; the Company sold Mr. Wilkins home to a third-party buyer for $4,490,000. Because Mr. Wilkins found a buyer before his home was appraised, we treated the resale price as the appraised price. The Company was responsible for commissions and closing costs on the resale of each home. Each of these transactions was approved by the Corporate Governance and Nominating Committee under the Company s Related Party Transactions Policy. See note 4 to the Summary Compensation Table for moving expenses and other relocation benefits provided to executive officers in connection with the movement of AT&T s headquarters.

Table of Contents

Common Stock Ownership

The following table lists the beneficial ownership of AT&T common stock and non-voting stock units as of December 31, 2008, held by each Director, nominee and officer named in the Summary Compensation Table on page 44. As of that date, each Director and officer listed below, and all Directors and executive officers as a group, owned less than 1% of our outstanding common stock. Except as noted below, the persons listed in the table have sole voting and investment power with respect to the securities indicated.

Name of Beneficial Owner	Total AT&T Beneficial Ownership (including options) (1)	Non-Voting Stock Units (2)	Name of Beneficial Owner	Total AT&T Beneficial Ownership (including options) (1)	Non-Voting Stock Units (2)		
William F. Aldinger III	18,718	13,338	Patricia P. Upton	14,164	39,974		
Gilbert F. Amelio	5,400	68,971	Randall L. Stephenson	1,304,425	253,110		
Reuben V. Anderson	71,500	10,496	Richard G. Lindner	314,447	85,095		
James H. Blanchard	130,255	8,787	Rafael de la Vega	540,798	0		
August A. Busch III (3)	146,354	117,249	Forrest E. Miller	661,630	90,720		
Jaime Chico Pardo (4)	13,800	0	John T. Stankey	223,608	36,382		
James P. Kelly	47,066	9,705					
Jon C. Madonna	16,052	11,035					
Lynn M. Martin	6,851	39,848	All executive officers				
John B. McCoy	31,584	76,930	and Directors as a	44.7		$29.9	
Diluted earnings per share	$ 1.68	$2.65		$ 2.80		$ 3.15	$2.16
Operating cash flow	$ 60.6	$65.7		$ 66.3		$ 64.5	$33.1

Financial performance was a key factor in the bonus decisions and outcomes for the 2014 fiscal year. For 2014, payment of performance bonuses was principally based on over-achievement of targets linked to total revenue, operating income and diluted earnings per share. The performance against the target levels for the 2014 financial performance goals accounted for 100% of the named executive officers bonus pay for fiscal 2014. Ms. Burcar and Mr. McCall initially also had specific individual goals that were impacted as a result of the restructuring efforts mid-year. As a result, the Compensation Committee approved a modification to the bonus plan to have incentive payouts directly linked to the above Company financial results for fiscal 2014.

Executive Compensation Overview

Our executive compensation program is further designed to align our named executive officers' interests with those of our stockholders by establishing a direct and meaningful link between our business financial results and their compensation. Consistent with our pay for performance philosophy, our Compensation Committee approves annual goals for the named executive officers' incentive compensation with the objective of increasing stockholder value. Our named executive officers' total compensation is comprised of a mix of base salary, performance-based bonuses and performance and time-based equity awards.

In determining total compensation of our named executive officers, the Compensation Committee of our Board of Directors considers many factors that include:

- the overall business and financial performance of the Company;
- the individual's performance, experience and skills;
- the terms of employment agreements or other arrangements with the individual;
- competitive market data for similar positions based on the Company's peer group; and
- voting results from the prior year's advisory vote on the compensation of our named executive officers.

Table of Contents

For 2014, the Compensation Committee approved an executive compensation program that included three elements: base salary, annual performance-based cash bonuses, and long-term based incentives. Our executive compensation objectives are:

- to provide competitive total pay opportunities that help attract, reward and retain leadership and key talent;
- to establish a direct and meaningful link between business financial results, individual/team performance and rewards; and
- to provide strong incentives to promote the profitability and growth of the Company, create stockholder value and reward superior performance.

The Compensation Committee believes that a critical factor in ensuring the Company's ability to attract, retain and motivate its executive officers is ensuring that their compensation is competitive with companies that it considers to be competitors. In determining the appropriate level and form of compensation, the Compensation Committee reviews market data relating to the cash and equity compensation of similarly-sized medical device and life sciences companies that is provided by Compensia, a national compensation consulting firm engaged by our Compensation Committee. The market data also includes a specific set of peer companies comprised of publicly-held health care equipment and supply companies that generally met the following characteristics: positive revenue growth, annual revenues of 0.5-2.0 times our revenues and aggregate market values of 0.5-3.0 times our aggregate market value.

Compensia conducted a compensation analysis (which our Compensation Committee used as the basis for setting our executive compensation levels), using the following peer companies:

Abaxis	ArthroCare	Merit Medical Systems	
Abiomed	Cantel Medical	Natus Medical	Thoratec
Align Technology	Insulet	NxStage Medical	Volcano
Analogic	Masimo	RTI Biologics	Wright Medical Group
AngioDynamics	Meridian Bioscience	Symmetry Medical	

All market data used for the comparative analysis, which includes the foregoing companies and supplemental survey data, comprises our peer group.

The Compensation Committee reviews and determines the compensation of all executive officers. See "Compensation Committee" elsewhere in this Annual Report on Form 10-K. In setting compensation levels for executive officers, the Compensation Committee considers each element of compensation separately as well as the aggregate value of all elements of compensation for each individual. Amounts realized or realizable from awards under prior bonus or incentive plans, including stock options, do not significantly influence the pay setting process of current compensation levels. The significant compensation components are base salary, bonus pay and equity awards.

Table of Contents

Primary Components of Our 2014 Executive Compensation Program

Component	Form of compensation	Objectives and basis of compensation
Base Salary	Cash	Compensation is competitively based, taking into account the officer’s responsibilities and experience. Base salary is reviewed by the Compensation Committee annually or when position responsibilities change.
Performance-Based Bonuses	Cash	The bonus is intended to further align the interests of the executive officer with the objectives of the Company, which are based on what the Company believes will produce the best return for the Company’s stockholders. The bonus is based on the achievement of target levels for financial measures determined at the start of the fiscal year. The bonus is a percentage of the executive officer’s base salary. The bonus is funded based on the percentage of the Company financial goal achieved at the fiscal year end. The Compensation Committee may exercise its discretion to award cash bonuses outside the plan in circumstances of special individual achievement.
Performance and Time-Based Equity Awards	Performance and Time-Based Stock Options/ Time-Based Restricted Stock Unit Awards	Stock options and RSU awards retain executive officers through long-term vesting and potential wealth accumulation. Stock options and RSU awards promote stockholder value creation. Stock options and RSU awards are intended to make compensation practices consistent with our peer group. performance-based stock options are effective tools in better aligning equity compensation with Company performance.

We have entered into an employment agreement with Mr. Jain and retention agreements with each of our other named executive officers because our Compensation Committee believes that the occurrence, or potential occurrence, of a change in control would create uncertainty and disruption during a critical time for the Company. In addition, our Compensation Committee believes these agreements:

- contribute to overall competitiveness of executive total compensation and enhance the Company’s ability to attract/retain key executives,
- further align the interests of key executives with those of the Company’s shareholders and promote objective evaluations of strategy alternatives by executives,
- motivate executives to drive business success independent of the possible occurrence of any change-of-control transaction and reduce distractions associated with the potential for a transaction or termination of employment,
- maximize shareholder value by retaining "key" personnel through deal close so that the Company is delivered in the condition bargained for by a potential acquirer,
- protect the Company in the event the transaction is not completed, and
- avoid "one-off" severance negotiations and encourage prompt, rational decisions around executive "viability" and continued employment.

Base Salaries

The Compensation Committee will generally review base salaries annually and when position responsibilities change during the year.

In reviewing the base salaries of our named executive officers, the Compensation Committee considered the market for similar positions based on the peer group and took into account individual performance in addition to terms of employment agreements and offer letters.

11

Table of Contents

For 2014, the Compensation Committee determined base pay increases were merited for the named executive officers as follows with the exception of (i) Mr. Jain who began his employment during the fiscal year and (ii) Mr. Costello who separated with the Company in April 2014:

Name	Position	2013 Base Salary Rate	2014 Base Salary Rate
Vivek Jain	Chief Executive Officer/ Chairman of the Board	not applicable	$650,000
Scott E. Lamb	Chief Financial Officer	$383,622	$395,150
Steven C. Riggs*	Vice President of Operations	$350,093	$360,582
Alison D. Burcar	Vice President and General Manager Infusion Systems	$300,000	$315,000
Tom McCall	Vice President and General Manager of Critical Care	$285,000	$293,550

*During his term as Acting President and CEO, from October 2013 to February 2014, Mr. Riggs' salary was adjusted to $600,000 per year. In February 2014, Mr. Riggs stepped down from this role and returned to his role as our Vice President of Operations when Mr. Jain was appointed CEO and Chairman of the Board.

The following table presents each current named executive officer's earned salary for 2014 and the percentile such salary represents compared to our peer group.

Named Executive Officer (1)	Salary	%
Vivek Jain	$ 574,162	50th to 75th
Scott E. Lamb	$ 395,150	~75th
Steven C. Riggs (2)	$ 390,509	~50th
Alison D. Burcar	$ 315,000	<50th
Tom McCall	$ 293,550	<50th

(1) The salary for Mr. Costello is excluded from the table above. He separated with the Company on April 5, 2014.
(2) The percentile of earned salary for Mr. Riggs for 2014 is based on his annual salary of $360,582 as Vice President of Operations.

Performance-Based Bonuses

Our 2008 Performance-Based Incentive Plan (the "Performance-Based Incentive Plan") was approved by stockholders in 2008 and re-approved by stockholders in 2014. The Performance-Based Incentive Plan is intended to permit the grant of bonuses designed to qualify as performance-based compensation under Section 162(m) of the Internal Revenue Code (the "Code"). Pursuant to the terms of the plan, the Compensation Committee sets target bonus opportunities and selects performance measures and related target levels for each year. Bonus awards are based on our actual performance for the year based on the Company's achievement of the performance measure target levels.

For 2014, the cash bonus opportunities of our named executive officers, excluding Mr. Costello who separated with the Company in April 2014, were provided pursuant to the Performance-Based Incentive Plan. Each target bonus opportunity was weighted so that achievement of the pre-established performance goals paid 1/3rd of the officer's target award if threshold performance was achieved and 140% of the target award if maximum "stretch" performance was achieved. Ms. Burcar and Mr. McCall initially also had individual goals tied to a portion of their potential bonus. After both were promoted to new positions in 2014 in connection with the restructuring plan, these goals were removed. The following table presents the 2014 target bonus opportunities and the eligible bonus range as a percentage of total salary for each named executive officer, excluding Mr. Costello.

Table of Contents

Named Executive Officer	% of salary target award		% of salary bonus range if performance targets are met Threshold performance		Stretch performance	
Vivek Jain	100	%	100	%	140	%
Scott E. Lamb	65	%	100	%	140	%
Steven C. Riggs	65	%	100	%	140	%
Alison D. Burcar	60	%	100	%	140	%
Tom McCall	35	%	100	%	140	%

The 2014 corporate performance measures were weighted equally between total revenue, operating income and diluted earnings per share. Based on a review of economic conditions, the Compensation Committee set performance goals under the Performance-Based Incentive Plan based on achievement of the following financial target levels:

- 1/3 of target award based on total revenue of $285 million to $300 million;
- 1/3 of target award based on operating income of $26 million to $33 million; and
- 1/3 of target award based on $1.15 to $1.45 diluted earnings per share.

The following table presents target and stretch bonus payouts and the actual amounts earned under the Performance-Based Incentive Plan for each named executive officer, excluding Mr. Costello, for 2014 as approved by the Compensation Committee.

Named Executive Officer	Salary	Potential bonus payout of target at 100%	Potential additional stretch bonus payout	Potential maximum bonus payout	Actual bonus earned	Actual bonus earned % of salary	
Vivek Jain	$650,000	$650,000	$260,000	$910,000	$910,000	140	%
Scott E. Lamb	$395,150	$256,848	$102,739	$359,587	$359,587	91	%
Steven C. Riggs	$360,582	$234,378	$93,752	$328,130	$328,130	91	%
Alison D. Burcar	$315,000	$189,000	$75,600	$264,600	$264,600	84	%
Tom McCall	$293,550	$102,743	$41,097	$143,840	$143,840	49	%

In 2014, Mr. Jain joined our Company as the CEO and Chairman of the Board. Mr. Jain was eligible for participation in the Performance-Based Incentive Plan, pursuant to which his target bonus opportunity is not less than 100% of his base salary (and it was agreed for fiscal year 2014, the amount of the actual bonus payable to Mr. Jain would not be less than 66% of his base salary).

Table of Contents

Performance and Time-Based Equity Awards

We grant equity awards to our executive officers and certain employees to align their interest with the interest of our stockholders and to achieve our retention objectives. The use of equity awards further promotes our efforts to encourage the profitability and growth of the Company through the establishment of strong incentives.

The following table presents the equity award grants to our named executive officers for 2014. There were no equity awards granted to Mr. Costello.

Name	Restricted stock units	Time-based option grants	Performance stock option grants
Vivek Jain	68,039	365,241	317,125
Scott E. Lamb	—	—	100,000
Steven C. Riggs	—	—	125,000
Alison D. Burcar	—	—	75,000
Tom McCall	—	7,500	—

Consistent with our overall pay philosophy, our Compensation Committee sized 2014 executive equity awards such that total executive pay levels fell in the competitive market range, as appropriate, after considering factors such as Company and individual performance, experience, longevity with the Company, internal pay parity considerations and unique requirements of the position. All named executive officer performance grants included the following provisions:

- The performance stock options vest 25% on each of the first, second, third and fourth anniversaries of the option grant date. Fifty percent of the vested shares shall become exercisable if, during the term of the option, the closing price of our common stock is equal to or more than 125% of the exercise price of $58.79 per share for 30 consecutive trading days. The remaining 50% of the vested shares shall become exercisable if the closing price of our common stock is equal to or more than 150% of the exercise price of $58.79 per share for 30 consecutive trading days.
- The time-based stock options vest 25% on the first anniversary of the option grant date and monthly thereafter for the following 36 months.
- The restricted stock units ("RSUs") vest in equal annual increments over a three year period.

In February 2014, in connection with Mr. Jain's appointment as the CEO and Chairman of the Board, his signing award included $11.9 million in performance and time-based stock options, determined using a "Monte Carlo Simulation" valuation for the performance stock options and a "Black Scholes" valuation for the time-based stock options and $4.0 million of restricted stock units. Roughly one-half of the stock option award value is performance-based and one-half is time-based. We believe the equity awards and performance goals directly align with creating value for stockholder.

Benefits

The Company does not provide pension or other post-retirement benefits, other than matching contributions under the Company’s 401(k) retirement plan. The Company does not provide, except to the limited extent described in this discussion, any significant perquisites or other personal benefits to its officers.

Stock Ownership Guidelines

In 2011, we established stock ownership guidelines for our CEO and members of our Board of Directors. In 2014, we established stock ownership guidelines for our other executive officers. Our CEO has up to five years to acquire and retain shares of our common stock that equal or exceed five times the CEO's annual salary. Our directors have up to five years to acquire and retain shares of our common stock that equal or exceed three times the director's annual base retainer. Our other executive officers have up to five years to acquire and retain shares of our common stock that equal or the annual salary of the executive officer. Shares beneficially owned by a director, directly or indirectly, including vested restricted shares and shares represented by vested RSUs, count toward meeting the stock ownership guidelines.

Table of Contents

Anti-Pledging / Hedging Policies

All executive officers and directors are prohibited from engaging in any speculative transactions in Company securities, including share pledging, engaging in short sales, engaging in transactions in put options, call options or other derivative securities, or engaging in any other forms of hedging transactions.

Results of 2014 Stockholder Advisory Vote

The Compensation Committee considers the Say-On-Pay vote results from the prior Annual Meeting of stockholders to assist in its evaluation of the compensation program for our named executive officers. The 2014 Say-On-Pay vote approved by the stockholders with over 87% support, confirming to the Compensation Committee that stockholders approved of the recent efforts of the Committee to more effectively align executive compensation with performance.

For 2015, the Compensation Committee has positioned the targeted total compensation with reference to the competitive market range (e.g. 50th percentile), with adjustments upwards or downwards based on factors such as Company and individual performance, experience, longevity with the Company, internal pay parity considerations and unique requirements of the position.

2015 PLAN ADOPTIONS
2015 Executive Compensation
Base Salary

In December 2014, our Compensation Committee considered the compensation for our current named executive officers for the 2015 fiscal year. The Compensation Committee determined not to modify the base salary for all named executive officers.

Annual Cash Incentives

For 2015, the Compensation Committee approved a new annual incentive plan for the executive management team referred to as the Management Incentive Program ("MIP"). We feel it is critical to build a culture that emphasizes company success first, teamwork, accountability, and pay for performance. An important part of building this culture is developing a total compensation program that rewards the executive team members who achieve results that positively impact the organization. There are two key components to our MIP:

1. Company Performance - The funding mechanism for MIP. ICU Medical Inc. will have a financial target established at the beginning of the fiscal year. Funding of the MIP will be based on attainment of the financial target. In setting the Company-wide MIP performance goal for fiscal 2015, the Company determined that the goal would be based on performance to Adjusted EBITDA.

2. Individual Performance Factor ("IPF") - The IPF provides a mechanism for our Compensation Committee to exercise discretion to recommend a MIP payment above or below the individual named executive officer’s target amount based on the individual’s contributions to the Company’s success and performance towards stated goals and objectives for the fiscal year. The IPF reinforces our pay for performance philosophy.

For fiscal 2015, our MIP has a funding range of 0%-150% payment based on the Company's performance to Adjusted EBITDA.
In addition, the Compensation Committee may assign an individual performance factor of 0%-150% related to the IPF of the named executive officer, which can result in an increase or decrease in the actual MIP payment, provided that no MIP payment shall exceed 150% of a named executive officer’s MIP target.

As part of the review and introduction of the MIP, the Compensation Committee reviewed the 2015 MIP targets as a percentage of base salary. The Compensation Committee approved the following MIP targets for the following named executive officers:

- Mr. Jain - No change in his target as a percentage of base pay; remains at 100%.
- Mr. Lamb - Target decreased by 5%; 60% for 2015.

15

Table of Contents

- Mr. Riggs - Target decreased by 5%; 60% for 2015.
- Ms. Burcar - No change in her target as a percentage of base pay; remains at 60%.
- Mr. McCall - Target increased by 25%; 60% for 2015.

The following table outlines the decisions of our Compensation Committee with respect to our current named executive officers annual base pay and MIP targets for the 2015 fiscal year.

Name	Position	2015 Base Salary	2015 Target MIP %	2015 Total Cash Compensation at Target
Vivek Jain	Chief Executive Officer/ Chairman of the Board	$650,000	100%	$1,300,000
Scott E. Lamb	Chief Financial Officer	$395,150	60%	$632,240
Steven C. Riggs	Vice President of Operations	$360,582	60%	$576,931
Alison D. Burcar	Vice President and General Manager Infusion Systems	$315,000	60%	$504,000
Tom McCall	Vice President and General Manager of Critical Care	$293,550	60%	$469,680

Long Term Equity

In February 2015, our Compensation Committee reviewed and approved the fiscal 2015 annual Long Term Incentive ("LTI") award, which included equity-based awards for our named executive officers. Our philosophy on Long Term Equity for our current named executive offices is built on our pay for performance philosophy. Fifty percent of the LTI award is tied directly to Company performance.

The 2015 equity awards for Mr. Jain, Mr. Lamb, Mr. Riggs, Ms. Burcar and Mr. McCall include a combination of restricted stock units and performance-based stock options. The restricted stock units vest in equal annual increments over a three-year period. The performance-based stock options vest in equal annual increments over a three-year period and become exercisable if the closing price of our common stock is 30% higher than the exercise price of $88.76 for at least 30 consecutive trading days within four years from the grant date.

Name	Position	Total Target Award	Restricted Stock Units	Performance-Based Stock Options
Vivek Jain	Chief Executive Officer/ Chairman of the Board	$2,925,000	16,478	61,373
Scott E. Lamb	Chief Financial Officer	$790,300	4,452	16,583
Steven C. Riggs	Vice President of Operations	$721,164	4,063	15,132
Alison D. Burcar	Vice President and General Manager Infusion Systems	$630,000	3,549	13,219
Tom McCall	Vice President and General Manager of Critical Care	$352,260	1,985	7,392

Compensation Policies and Practices and Risk Management

Our Compensation Committee considers potential risks when reviewing and approving the compensation programs for our executive officers and other employees. We have designed our compensation programs, including our incentive compensation plans, with specific features to address potential risks while rewarding employees for achieving long-term financial and strategic objectives through prudent business judgment and appropriate risk taking. The following elements have been incorporated in our programs available for our executive officers:

- A balanced mix of compensation components - The target compensation mix for our executive officers is composed of base salary, annual cash bonus incentives, and long-term equity awards.
- Multiple performance factors - Our incentive compensation plans use both Company-wide metrics and individual performance metrics for all executive officers, excluding Mr. Jain, to establish funding of our MIP and IPF which

encourage focus on the achievement of objectives for the overall benefit of the Company.

- Capped cash incentive awards - Beginning in 2015, MIP awards are capped at 150% of target.
- Multi-year vesting - Equity awards vest over multiple years requiring long-term commitment on the part of employees.
- Competitive positioning - The Compensation Committee has compared our executive compensation to our peers to ensure our compensation program is consistent with industry practice.

Table of Contents

- Corporate governance programs - We have implemented corporate governance guidelines, a code of conduct and other corporate governance measures and internal controls.

The Compensation Committee also reviews the key design elements of our compensation programs in relation to industry practices, as well as the means by which any potential risks may be mitigated, such as through our internal controls and oversight by management and the Board of Directors. Based on this review, our Compensation Committee concluded that based on a combination of factors, our compensation policies and practices do not incentivize excessive risk-taking that could have a material adverse effect on our Company.

Summary Compensation Table

The following table shows all compensation awarded to, earned by or paid to each of our principal executive officers, principal financial officer and the next three most highly compensated executive officers, including one former executive officer, in 2014 whose 2014 total compensation exceeded $100,000 (collectively, the "named executive officers"). Bonus and non-equity incentive plan compensation in the table below are included in the year awarded rather than the year actually paid; a portion of certain amounts may be paid in the following year.

SUMMARY COMPENSATION TABLE

Name and principal position	Year	Salary ($)	Bonus ($) (1)	Stock Awards ($) (2)	Option Awards ($) (3)	Non-equity incentive plan compensation ($) (4)	All other compensation ($) (5)	Total ($)
Vivek Jain, Chairman of the Board and Chief Executive Officer	2014	574,162	—	4,000,013	11,898,739	910,000	—	17,382,914
Scott E. Lamb,	2014	395,150	—	—	1,906,000	359,587	9,100	2,669,837
Treasurer and Chief	2013	383,622	23,000	104,029	489,902	48,336	8,925	1,057,814
Financial Officer	2012	372,448	—	109,872	373,402	230,174	14,028	1,099,924
Steven C. Riggs,	2014	390,509	—	—	2,382,500	328,130	9,100	3,110,239
Vice President of	2013	399,390	—	104,029	489,902	61,931	8,925	1,064,177
Operations (6)	2012	339,900	—	95,615	324,883	175,049	15,750	951,197
Alison D. Burcar,	2014	315,000	—	—	1,429,500	264,600	9,559	2,018,659
Vice President and	2013	300,000	15,000	104,029	489,902	31,500	8,925	949,356
General Manager of Infusion Systems	2012	231,750	—	43,556	147,982	119,351	9,916	552,555
Tom McCall, Vice President and General Manager of Critical Care	2014	293,550	40,000	—	70,360	143,840	8,085	555,835
Richard A. Costello,	2014	123,378	—	—	—	—	—	123,378
Former Vice	2013	356,462	—	104,029	489,902	37,429	—	987,822
President of Sales (7)	2012	346,080	—	64,005	217,505	160,927	—	788,517

(1) The 2014 bonus for Mr. McCall was for additional duties he assumed when he was promoted to Vice President and General Manager of Critical Care. The 2013 bonus for Mr. Lamb was an additional discretionary cash bonus approved by our Compensation Committee for his extraordinary efforts in a strategic transaction that ultimately did not proceed. The 2013 bonus for Ms. Burcar was an additional discretionary cash bonus approved by our Compensation Committee for her efforts in new product development. Mr. Lamb and Ms. Burcar voluntarily agreed not to accept any payment associated with their 2013 discretionary bonuses, as well as their 2013 performance bonuses.

(2) The 2014 stock award represents the grant date fair value of time-based restricted stock granted in 2014. The 2012 and 2013 stock awards represent the grant date fair value of performance-based restricted stock granted in the

period. See Note 4 in our Consolidated Financial Statements included in our Annual Report on Form 10-K for assumptions made in valuation of the time-based and performance-based restricted stock.

(3) Represents the grant date fair value of stock options granted in the period. See Note 4 in our Consolidated Financial Statements included in our 2014 Annual Report on Form 10-K for assumptions made in valuation of stock options.

(4) The amounts for all named executive officers represent the achievement of each respective officer's fiscal year 2014, 2013 and 2012 performance and stretch performance goals, consistent with the terms of the Performance-Based Incentive Plan. Mr. Lamb, Mr. Riggs and Ms. Burcar voluntarily agreed not to accept any payment associated with their 2013 performance bonuses as well as their 2013 discretionary bonuses.

(5) Other compensation in 2014, 2013 and 2012 is our match on the officer’s 401(k) contributions.

(6) Mr. Riggs served as Acting President and Chief Executive Officer from October 21, 2013 to February 13, 2014.

(7) Mr. Costello, the Company’s Former Vice President of Sales, separated with the Company, effective April 5, 2014.

Grants of Plan-Based Awards

The following table presents awards in 2014 under the Company's various incentive award plans. No awards were granted to Mr. Costello in 2014.

GRANTS OF PLAN-BASED AWARDS FOR 2014

		Estimated possible payouts under non-equity incentive plan awards			Estimated Future Payouts Under Equity Incentive Plan Awards			Exercise or base price of option awards ($/sh)	Grant date fair value of stock and option awards
Name	Grant date	Threshold ($)	Target ($)	Maximum ($)	Threshold (#)	Target (#)	Maximum (#)		
Vivek Jain									
Performance bonus (1)		$—	$650,000	$910,000	—	—	$—		
Performance stock option (2)	02/24/14	$—	$—	$—	—	317,125	317,125	$58.79	$6,044,403
Time-based stock option (3)	02/24/14	$—	$—	$—	—	365,241	365,241	$58.79	$5,854,336
RSUs (4)	02/24/14	$—	$—	$—	—	68,039	68,039		$4,000,013
Scott E. Lamb									
Performance bonus (1)		$—	$256,848	$359,587	—	—	—		
Performance stock option (2)	02/24/14	$—	$—	$—	—	100,000	100,000	$58.79	$1,906,000
Steven C. Riggs									
Performance bonus (1)		$—	$234,378	$328,130	—	—	—		
Performance stock option (2)	02/24/14	$—	$—	$—	—	125,000	125,000	$58.79	$2,382,500
Alison D. Burcar									
Performance bonus (1)		$—	$189,000	$264,600	—	—	—		
Performance stock option (2)	02/24/14	$—	$—	$—	—	75,000	75,000	$58.79	$1,429,500
Tom McCall									
Performance bonus (1)		$—	$102,743	$143,840	—	—	—		
Time-based stock option (3)	02/24/14	$—	$—	$—	—	7,500	7,500	$58.79	$70,360

(1) Performance bonuses are payable under the Performance-Based Incentive Plan if certain annual financial achievements are met or exceeded. The amounts earned by our named executive officers from this bonus arrangement in 2014 are reflected in the Non-Equity Incentive Plan Compensation column in the Summary Compensation Table. The material terms of the Performance-Based Incentive Plan are discussed above under the

caption “Performance-Based Bonuses.”

(2) Performance stock options to purchase our common stock were granted under the 2011 Plan and the 2014 Inducement Incentive Plan ("2014 Plan"). The exercise price of the options is the fair market value of a share of common stock on the date of grant. The options expire 10 years from issuance and vest ratably at 25% per year over four years. The performance stock options are exercisable if the common stock price condition is met. Fifty percent of the vested performance stock options become exercisable if the closing price of our common stock is equal to or more than 125% of the exercise price for 30 consecutive trading days during the term of the grant. The remaining 50% of the vested performance stock options become exercisable if the closing price of our common stock is equal to or more than 150% of the exercise price for 30 consecutive trading days during the term of the grant.

(3) Time-based stock options to purchase our common stock were granted under the 2011 Plan. The exercise price of the options is the fair market value of a share of common stock on the date of grant. The options expire 10 years from issuance and vest over four years, 25% on the first anniversary of issuance and the balance vests ratably on a monthly basis over the remaining 36 months.

(4) RSUs were granted under the 2014 Plan and vest ratably on the anniversary of the grant over three years. The fair value of the RSUs is based on the price of the common stock on the grant date.

Table of Contents

Outstanding Equity Awards at December 31, 2014

The following table contains information about stock and option awards held at December 31, 2014, by our named executive officers.

OUTSTANDING EQUITY AWARDS AT DECEMBER 31, 2014

Name	Option Awards					Stock Awards		
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)		Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units Of Stock That Have Not Vested ($)	
Vivek Jain	—	317,125	$58.79	(1)	02/24/24	68,039	$5,572,394	(11)
	—	365,241	$58.79	(2)	02/24/24			
	—	682,366				68,039	$5,572,394	
Scott E. Lamb	15,000	—	$38.85	(3)	07/22/19	1,680	$137,592	(12)
	15,000	—	$32.31	(4)	02/04/20			
	15,000	—	$37.00	(5)	07/21/20			
	14,375	625	$43.12	(6)	02/02/21			
	12,812	2,187	$43.62	(7)	07/20/21			
	16,839	6,934	$46.53	(8)	02/01/22			
	10,828	12,796	$61.76	(9)	02/06/23			
	—	100,000	$58.79	(1)	02/24/24			
	99,854	122,542				1,680	$137,592	
Steven C. Riggs	15,000	—	$38.85	(3)	07/22/19	1,462	$119,738	(12)
	15,000	—	$32.31	(4)	02/04/20			
	15,000	—	$37.00	(5)	07/21/20			
	14,375	625	$43.12	(6)	02/02/21			
	12,812	2,188	$43.62	(7)	07/20/21			
	14,650	6,033	$46.53	(8)	02/01/22			
	10,828	12,796	$61.76	(9)	02/06/23			
	—	125,000	$58.79	(1)	02/24/24			
	97,665	146,642				1,462	$119,738	
Alison D. Burcar	—	417	$43.12	(6)	02/02/21	666	$54,545	(12)
	209	1,458	$43.62	(7)	07/20/21			
	—	2,748	$46.53	(8)	02/01/22			
	10,223	12,796	$61.76	(9)	02/06/23			
	—	75,000	$58.79	(1)	02/24/24			
	10,432	92,419				666	$54,545	
Tom McCall	1,917	83	$43.12	(6)	02/02/21			
	3,542	1,458	$46.53	(8)	02/01/22			
	2,708	2,292	$60.40	(10)	10/11/22			
	2,062	2,438	$61.76	(9)	02/06/23			
	—	7,500	$58.79	(2)	02/24/24			
	10,229	13,771				—	$—	
Richard A. Costello	N/A	N/A				N/A	N/A	

(1) Performance stock options were granted on 02/24/2014 and vest ratably at 25% per year over four years. The performance stock options are exercisable if the common stock price condition is met. Fifty percent of the vested performance stock options become exercisable if the closing price of our common stock is equal to or more than 125% of the exercise price for 30 consecutive trading days during the term of the grant. The remaining 50% of the vested performance stock options become exercisable if the closing price of our common stock is equal to or more than 150% of the exercise price for 30 consecutive trading days during the term of the grant.

(2) Time-based stock options were granted on 02/24/2014 and vest 25% after one year, monthly for 36 months thereafter.

(3) Time-based stock options were granted on 07/22/2009 and vest 25% after one year, monthly for 36 months thereafter.

(4) Time-based stock options were granted on 02/04/2010 and vest 25% after one year, monthly for 36 months thereafter.
(5) Time-based stock options were granted on 07/21/2010 and vest 25% after one year, monthly for 36 months thereafter.
(6) Time-based stock options were granted on 02/02/2011 and vest 25% after one year, monthly for 36 months thereafter.
(7) Time-based stock options were granted on 07/20/2011 and vest 25% after one year, monthly for 36 months thereafter.
(8) Time-based stock options were granted on 02/01/2012 and vest 25% after one year, monthly for 36 months thereafter.
(9) Time-based stock options were granted on 02/06/2013 and vest 25% after one year, monthly for 36 months thereafter.
(10) Time-based stock options were granted on 10/11/2012 and vest 25% after one year, monthly for 36 months thereafter.
(11) Award granted on 02/24/2014 and vests one-third annually. Market value is determined based on the closing price of our stock at December 31, 2014.
(12) Award granted on 02/01/2012 and vests one-third annually. By meeting a market performance goal in 2012, the named executive officers earned 200% of this original stock award, which is reflected in the number of shares unvested in the table. Market value is determined based on the closing price of our stock at December 31, 2014.

Options Exercised and Stock Vested

The following table contains information about stock options exercised and PRSUs vested during 2014, by the named executive officers of the Company.

Name	Option awards Number of shares acquired on exercise (#)	Value realized on exercise ($)	Stock Awards Number of shares acquired on vesting (1) (#)	Value realized on vesting (2) ($)
Scott E. Lamb	80,000	$3,812,069	1,680	$106,596
Steven C. Riggs	58,500	$2,949,987	1,462	$92,764
Alison D. Burcar	20,000	$924,727	666	$42,258
Richard A. Costello	29,846	$622,584	978	$62,054

(1) Reflects 200% of the original award because our TSR was greater than the 75th percentile.
(2) Represents the amounts realized based on the fair market value of our stock on 02/01/2014, the vesting date for PRSUs. Fair market value is determined based on the closing price of our stock on the applicable date.

Potential Payments upon Termination or Change in Control

On February 7, 2014, we entered into an employment agreement with Mr. Jain. Under his employment agreement, any amounts payable upon termination are subject to tax withholdings and will be made on the sixtieth day following the date of termination.

Payments to Mr. Jain would have been the following if a change in control of the Company had occurred at December 31, 2014 and he continued in his position as CEO and Chairman of the board:

- 100% of the shares subject to the initial performance-based stock option, the initial time-based stock option and the initial restricted stock unit award granted to him in his employment agreement would have vested.

Payments to Mr. Jain would have been the following if a change in control of the Company had occurred at December 31, 2014 and his employment had been terminated without cause by the Company or for good reason by Mr. Jain or as a result of his death or disability at December 31, 2014:

- Mr. Jain would have received a cash payment equal to 300% of his annual salary and his target bonus.
- 100% of the shares subject to the initial performance-based stock option, the initial time-based stock option and the initial restricted stock unit award granted to him in his employment agreement would have vested.

Payments to Mr. Jain would have been the following if his employment had been terminated without cause by the Company or for good reason by Mr. Jain or as a result of his death or disability at December 31, 2014:

- Mr. Jain would have received a cash payment equal to 300% of his annual salary and his target bonus.
- 100% of the shares subject to the initial time-based stock option and the initial restricted stock unit award granted to him in his employment agreement would have vested. In addition, all of Mr. Jain’s outstanding stock options would remain exercisable, to the extent vested, for a period of three years following the date of termination.

Table of Contents

- If any of these payments or benefits were subject to excise tax under Section 4999 of the Code, Mr. Jain would have been entitled to the payments and benefits either (i) delivered in full or (ii) reduced such that no portion of the payments or benefits would be subject to the excise tax, whichever would be more favorable to Mr. Jain on an after tax basis.

Under Mr. Jain's employment agreement, the cash severance payable in connection with involuntary terminations on or after February 13, 2016 is reduced to 100% of his annual salary and target bonus (200% of these amounts for termination in connection with a change in control).

On December 2, 2013, we entered into retention agreements with Mr. Lamb, Mr. Riggs, Ms. Burcar, Mr. McCall and Mr. Costello that are effective until December 1, 2016 (unless the employee is terminated prior to this date). Mr. Costello separated with the Company April 5, 2014, at which time he received $27,419 for his accrued vacation. The retention agreements provide that, if within three months prior or 12 months after a change in control of the Company, as defined in the agreements, their employment is terminated for other than cause, disability or death or for good reason the officer will be entitled to the items that follow. These retention agreements do not contain any tax gross-up provisions but, instead provide for the same most favorable excise tax option.

Payments will be made within sixty days following the date of termination. Payments to Mr. Lamb, Mr. Riggs, Ms. Burcar and Mr. McCall would have included the following if termination without cause or for good reason in connection with a change in control had occurred at December 31, 2014:

Mr. Lamb, Mr. Riggs and Ms. Burcar would have received 200% of their annual base salary. Mr. McCall would have received 150% of his annual base salary.
Mr. Lamb, Mr. Riggs and Ms. Burcar would have received 200% of their target annual bonuses. Mr. McCall would have received 150% is his target annual bonus.
Mr. Lamb, Mr. Riggs and Ms. Burcar's benefits for medical insurance, dental insurance, vision insurance, life insurance and disability insurance would continue through December 31, 2016. Mr. McCall's benefits for medical insurance, dental insurance, vision insurance, life insurance and disability insurance would continue through June 30, 2016.
Unvested stock options or other equity awards would vest 100% for Mr. Lamb, Mr. Riggs and Ms. Burcar and would vest 90% for Mr. McCall.

The retention agreements provide that, if employment is terminated by the Company other than for cause, disability or death, change of control or by the employee for "good reason", the employee would be entitled to receive 100% of their annual salary and 12 months of benefits.

For the purposes of Mr. Jain's employment agreement and the retention agreements, a change in control generally means the following:

- the acquisition by an individual, entity or group of beneficial ownership of 50% or more of either the outstanding common stock or voting securities of the Company; or
- a change in the composition of the majority of the Board of Directors, which is not supported by a majority of the current Board of Directors; or
- a major corporate transaction, such as a reorganization, merger or consolidation or sale or disposition of all or substantially all of the Company's assets (unless certain conditions are met); or
- approval of the stockholders of the Company of a complete liquidation or dissolution of the Company.

For the purposes of Mr. Jain's employment agreement, cause generally means the following:

- his gross neglect and willful and repeated failure to substantially perform his assigned duties, which failure is not cured within 30 days after a written demand for substantial performance is received by him from the Board which identifies the manner in which the Board believes he has not substantially performed his duties; or
- his engagement in illegal conduct or gross misconduct which is materially and demonstrably injurious to the Company; or
- his conviction of, or plea of no contest to, a felony or a crime involving fraud, embezzlement, or theft; or
- his improper and willful disclosure of the Company’s confidential or proprietary information where such disclosure causes (or should reasonably be expected to cause) significant harm to the Company.

21

Table of Contents

For the purposes of the retention agreements, cause generally means the following:

- the employee’s intentional, willful and continuous failure to substantially perform his or her reasonable assigned duties (other than any such failure resulting from incapacity due to physical or mental illness or any failure after the employee gives notice of termination for good reason), which failure is materially and demonstrably injurious to the Company, and which failure is not cured within 30 days after a written demand for substantial performance and is received by the employee from the Board which specifically identifies the manner in which the Board believes the employee has not substantially performed the employee’s duties; or
- the employee’s intentional and willful engagement in illegal conduct or gross misconduct which is materially and demonstrably injurious to the Company or is intended to result in substantial personal enrichment; or
- the employee’s conviction for a felony or the employee’s plea of nolo contendere in connection with a felony indictment.

For the purposes of Mr. Jain's employment agreements, good reason generally means the following and occurs without the employee's written consent and is not due to a circumstance applied by the Company to a group of similarly situated employees:

- any significant diminution in his duties, responsibilities or authority; or
- a material reduction in his annual base salary; or
- a requirement that he reports to a corporate officer or employee instead of reporting directly to the Board; or
- a material change in the location that he performs his principal duties, resulting in a material increase in the daily commuting distance; or
- a material breach by the Company

For the purposes of the retention agreements, good reason generally means the following and occurs without the employee's written consent and is not due to a circumstance applied by the Company to a group of similarly situated employees:

- any significant diminution in the employee’s duties, responsibilities or authority; or
- a material reduction in the employee’s annual base salary; or
- failure by the Company to continue a material compensation or benefit plan; or
- a material change in the location the employee performs their principal duties, resulting in a material increase in the daily commuting distance; or
- a material breach by the Company

The following table summarizes the payments and benefits that would have been made if the employment of a named executive officer had been terminated without cause or for good reason in connection with a change in control of the Company on December 31, 2014:

	Vivek Jain	Scott E. Lamb	Steven C. Riggs	Alison D. Burcar	Tom McCall
Number of options that would accelerate	682,366	72,542	84,142	54,919	12,394
Number of PRSU/RSUs that would accelerate	68,039	1,680	1,462	666	—
Intrinsic value of accelerated options and equity awards	$21,341,872	$1,904,022	$2,143,186	$1,348,064	$326,498
Salary	$1,950,000	$790,300	$721,164	$630,000	$440,325
Bonus (1)	$1,950,000	$513,670	$468,756	$378,000	$154,115

Benefits	$—	$47,176	$48,187	$43,887	$37,028
Total	$25,241,872	$3,255,168	$3,381,293	$2,399,951	$957,966

(1) The bonus amounts included are based on the target performance bonuses for 2014.

Table of Contents

The following table summarizes the payments and benefits that would have been made if the employment of a named executive officer had been terminated without cause or for good reason on December 31, 2014:

	Vivek Jain	Scott E. Lamb	Steven C. Riggs	Alison D. Burcar	Tom McCall	Richard A. Costello (2)
Number of options that would accelerate	365,241	—	—	—	—	N/A
Number of RSUs that would accelerate	68,039	—	—	—	—	N/A
Intrinsic value of accelerated options and equity awards	$14,013,114	$—	$—	$—	$—	N/A
Salary	$1,950,000	$395,150	$360,582	$315,000	$293,550	N/A
Bonus (1)	$1,950,000	$—	$—	$—	$—	N/A
Benefits	$—	$23,588	$24,094	$21,944	$24,686	N/A
Total	$17,913,114	$418,738	$384,676	$336,944	$318,236	N/A

(1) The bonus amount included are based on the target performance bonus for 2014.
(2) Mr. Costello, the Company's Former Vice President of Sales, separated with the Company, effective April 5, 2014.

Director Compensation

In 2014, our non-employee directors received an annual cash retainer of $40,000. Our lead director and each Chairperson of a Committee of the Board of Directors also receives an annual retainer. The compensation per meeting and annual chairperson retainer amounts earned in 2014 is as follows:

	Board of Directors	Audit Committee	Compensation Committee	Nominating/Corporate Governance Committee
Meeting daily compensation - chairperson attendance in person	$1,000	$1,500	$1,125	$ 1,125
Meeting daily compensation - chairperson telephonic	$500	$750	$750	$ 750
Meeting daily compensation - committee member attendance in person	$1,000	$1,000	$750	$ 750
Meeting daily compensation - committee member telephonic	$500	$500	$500	$ 500
Annual Retainer - lead director	$25,000	not applicable	not applicable	not applicable
Annual Retainer - chairperson	not applicable	$18,500	$7,500	$ 5,000

In 2014, our non-employee directors received equity awards of options to purchase our common stock and RSUs valued at $150,000 in the aggregate, with 75% consisting of options and 25% consisting of RSUs. In June 2014, each non-employee director received an option grant to purchase 6,481 shares of our common stock, which is exercisable after one year and expires 10 years from the grant date. In June 2014, each of our non-employee directors received 616 RSUs which fully vest after one year.

In January 2015, our Compensation Committee approved a new compensation structure. Under the new structure, our directors that do not chair a committee will receive an annual retainer of $60,000. The chairperson of our Audit Committee will receive an annual retainer of $85,000. The chairperson of our Compensation Committee will receive an annual retainer of $80,000. The chairperson of our Nominating/Corporate Governance Committee will receive an annual retainer of $70,000. Per meeting fees have been eliminated. Our non-employee directors will continue to receive equity awards valued at $150,000 per year with 50% of that value to be in RSUs vesting after one year and 50% to be in stock options that become exercisable after one year and expire 10 years from the grant date.

Table of Contents

The following table shows all compensation awarded to, earned by or paid to our directors for service as a director in 2014. Dr. Lopez is an employee director and does not receive compensation for service as a director. All other directors in the table below are non-employee directors.

2014 DIRECTOR COMPENSATION TABLE

Name	Fees earned or paid in cash ($)	RSU awards ($)(1)	Option awards ($)(2)(3)	Total ($)
Jack W. Brown	$69,250	$37,490	$112,506	$219,246
John J. Connors	$88,167	$37,490	$112,506	$238,163
Michael T. Kovalchik, III, M.D. (4)	$43,979	$—	$—	$43,979
George A. Lopez, M.D.	$—	$—	$—	$—
Joseph R. Saucedo	$93,125	$37,490	$112,506	$243,121
Richard H. Sherman, M.D.	$73,125	$37,490	$112,506	$223,121
Robert S. Swinney, M.D.	$70,844	$37,490	$112,506	$220,840

(1) On June 9, 2014, each non-employee director, excluding Dr. Kovalchik, was granted 616 RSUs of the Company with a grant date fair value of $37,490. The fair value of the RSUs is based on the market price of our common stock on the date of the grant, or $60.86 per share. Each non-employee director, excluding Dr. Kovalchik, has 616 RSUs outstanding at December 31, 2014.

(2) On June 9, 2014, each non-employee director, excluding Dr. Kovalchik, was granted 6,481 options to purchase shares of our common stock with a grant date fair value of $112,506. See Note 4 to our Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014 for the assumptions used in valuation of these options.

(3) At December 31, 2014, our non-employee directors held options to purchase shares of our common stock as follows: Mr. Brown 56,284; Mr. Connors 45,034; Mr. Saucedo 56,284; Dr. Sherman 45,034; and, Dr. Swinney 56,284.

(4) Dr. Kovalchik's membership on our Board of Directors ended on June 9, 2014.

Table of Contents

Use of Non-GAAP Financial Information

This Annual Report on Form 10-K contains financial measures that are not calculated in accordance with U.S. generally accepted accounting principles ("GAAP"). Our management believes that the non-GAAP data provides useful supplemental information to management and investors regarding our performance and facilitates a more meaningful comparison of results of operations between current and prior periods. The non-GAAP financial measures included in this Annual Report on Form 10-K are adjusted EBITDA and adjusted diluted earnings per share ("Adjusted Diluted EPS"). Adjusted EBITDA excludes intangible asset amortization expense, depreciation expense, stock compensation expense, strategic transaction expense, restructuring expense and income tax expense. Adjusted Diluted EPS excludes, net of tax, intangible asset amortization expense, stock compensation expense, strategic transaction expense and restructuring expense.

The non-GAAP financial measures should be considered supplemental to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP. There are limitations in using these non-GAAP financial measures because they are not prepared in accordance with GAAP and may be different from non-GAAP financial measures used by other companies.

Reconciliations of 2014 GAAP to non-GAAP Financial Measures
(in thousands, except per share data)

Adjusted EBITDA		
GAAP net income	$26,335	
Non-GAAP adjustments:		
Stock compensation expense (a)	9,592	
Depreciation and amortization expense (b)	19,447	
Restructuring and strategic transaction expense (c)	5,093	
Provision for income taxes (d)	13,457	
Total non-GAAP adjustments	47,589	
Adjusted EBITDA	$73,924	
Adjusted Diluted Earnings Per Share		
GAAP diluted earnings per share	1.68	
Non-GAAP adjustments:		
Stock compensation expense (a)	0.61	
Amortization expense (e)	0.15	
Restructuring and strategic transaction expense (c)	0.33	
Estimated income tax impact from adjustments (f)	(0.39	)
Adjusted diluted earnings per share	2.38	

(a) Stock-based compensation expense in accordance with ASC 718.
(b) Depreciation of fixed assets and amortization of intangible assets.
(c) Restructuring and strategic transaction expense.
(d) Income tax expense recognized during the period.
(e) Amortization expense.
(f) Estimated income tax effect on adjustments for stock compensation expense, amortization expense and restructuring and strategic transaction expense.

Table of Contents

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The following table sets forth information as to shares of Common Stock owned as of April 7, 2015, by (a) each director and nominee, (b) each named executive officer and (c) all directors and executive officers as a group. Unless otherwise indicated in the footnotes following the table, and subject to community property laws where applicable, the Company believes that the persons as to whom the information is given have sole voting and investment power over the shares listed as beneficially owned. The business address of the Company's directors and officers, the George A. Lopez, M.D. Second Family Limited Partnership and the Lopez Family Trust is 951 Calle Amanecer, San Clemente, California 92673.

Stock Ownership of Management

	Shares of Common Stock Owned	Options Exercisable within 60 days	Total Shares Beneficially Owned	Percent of Outstanding Shares (1)	
Jack W. Brown	17,537	46,053	63,590	*	
John J. Connors	1,840	28,553	30,393	*	
Joseph R. Saucedo	940	46,053	46,993	*	
Richard H. Sherman, M.D.	67,791	27,053	94,844	*	
Robert S. Swinney, M.D.	17,215	46,053	63,268	*	(4)
Alison D. Burcar	—	25,396	25,396	*	
Vivek Jain	40,791	153,778	194,569	1.2	%
Scott E. Lamb	3,372	120,466	123,838	*	
George A. Lopez, M.D.	1,489,759	488,800	1,978,559	12.5	%(2)
George A. Lopez, M.D. Second Family Limited Partnership	1,086,843		1,086,843	6.9	%(3)
Tom McCall	—	14,365	14,365	*	
Steven C. Riggs	3,115	121,016	124,131	*	
Richard A. Costello	364	7,000	7,364	*	(5)
All directors and named executive officers as a group (11 persons)	1,642,360	1,117,586	2,759,946	17.5	%(6)

* Represents less than 1% of our outstanding common stock

(1) Based on total shares of common stock outstanding plus outstanding options to acquire common stock currently exercisable or exercisable within 60 days held by the beneficial owner whose percent of outstanding stock is calculated.

(2) Includes the 1,086,843 shares owned by the George A. Lopez, M.D. Second Family Limited Partnership (the "Partnership"), as to which shares Dr. Lopez disclaims any beneficial ownership except to the extent described in Note (3). Includes 4,002 shares owned by the Lopez Family Trust. Dr. Lopez is a trustee and beneficiary of the Lopez Family Trust. Includes 173,950 shares held by Dr. Lopez as Trustee of the Lopez Charitable Remainder Trust #1 for the benefit of Dr. Lopez.

(3) Dr. Lopez is the general partner of the Partnership and holds a 1% general partnership interest in the Partnership. As general partner, he has the power to vote and power to dispose of the 1,186,843 shares owned by the Partnership and may be deemed to be a beneficial owner of such shares. Trusts for the benefit of Dr. Lopez's children, the Christopher George Lopez Children's Trust and the Nicholas George Lopez Children's Trust, own a 99% limited partnership interest in the Partnership. Dr. Lopez is not a trustee of and has no interest in his children's Trusts. Except to the extent of the undivided one percent general partnership interest in the assets of the

Partnership, Dr. Lopez disclaims any beneficial ownership of the shares owned by the Partnership.

(4) Does not include 1,125 shares owned by Dr. Swinney's wife as to which he has no voting or investment power and disclaims any beneficial ownership.

(5) Information for Mr. Costello is as of April 5, 2014, the effective date of his separation with the Company. The "Options Exercisable within 60 days" column reflects the exercisable stock options for Mr. Costello at his separation date.

(6) Does not include shares held by Mr. Costello because he separated with the Company and was not an executive officer at the record date.

Table of Contents

5% or More Beneficial Ownership

Name and Address of Beneficial Owner	Shares of Common Stock Owned	Percent of Outstanding Shares		
BlackRock Fund Advisors 55 East 52nd Street, New York, NY 10022	1,341,414	8.5	%	(1)(2)
Wellington Management Co. LLP 280 Congress Street, Boston, MA 02210	1,337,429	8.5	%	(1)(3)
The Vanguard Group, Inc. 100 Vanguard Blvd, Malvern, PA 19355	940,394	6.0	%	(1)(4)

(1) Information included solely in reliance on information included in statements filed with the Securities and Exchange Commission ("SEC") pursuant to Section 13(d) or Section 13(g) of the Securities Act of 1934, as amended, by the indicated holder.

(2) BlackRock, Inc. stated in its Schedule 13G/A filing with the SEC on January 22, 2015 that, of the 1,341,414 shares beneficially owned, it has sole voting power with respect to 1,295,139 shares and sole dispositive power with respect to all 1,341,414 shares.

(3) Wellington Management Company, LLP stated in its Schedule 13G/A filing with the SEC on February 12, 2015 that, of the 1,337,429 shares beneficially owned, it has shared voting power with respect to 1,086,682 shares and shared dispositive power with respect to all 1,337,429 shares.

(4) The Vanguard Group, Inc. stated in its Schedule 13G/A filing with the SEC on February 10, 2015 that, of the 940,394 shares beneficially owned, it has sole voting power with respect to 19,280 shares, sole dispositive power with respect to 923,014 shares and shared dispositive power with respect to 17,380 shares.

Equity Compensation Plan Information

We have a 2011 Stock Incentive Plan under which we may grant restricted stock or options to purchase our common stock to our employees, directors and consultants. We also have a 2014 Inducement Stock Incentive Plan under which granted 250,405 restricted stock units and options to purchase our common stock. We had a 2001 Directors' Stock Option Plan under which we granted options to purchase our common stock to our directors, which plan expired in November 2011. We also had a 1993 Stock Incentive Plan and a 2003 Stock Option Plan, under which we granted options to purchase common stock to the employees, which plans expired in January 2005 and May 2011, respectively. We also have an Employee Stock Purchase Plan. All plans were approved by our stockholders. Further information about the plans is in Note 4 to the Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014. Certain information about the plans at December 31, 2014, is as follows:

Number of shares to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of shares remaining available for future issuance under equity compensation plans (excluding shares reflected in column (a)) (c)*
2,556,936	$49.46	1,337,420

*As of December 31, 2014, there were 222,439 shares of common stock available for issuance under our Employee Stock Purchase Plan, which are included in this amount.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

Transactions with Related Persons

We have not entered into or participated in any transaction required to be disclosed by Item 404(a) of Regulation S-K.

Table of Contents

Policies and Procedures Regarding Transactions with Related Persons

We attempt to review all related person transactions to ensure fairness to the Company and proper disclosure under SEC rules. Pursuant to the Audit Committee charter, our Audit Committee is responsible for reviewing and approving all related person transactions. Additionally, our Board of Directors conducts annual reviews of each director to determine such director's independence. We also require each of our executive officers and directors to complete a questionnaire that is intended to identify transactions or potential transactions that require disclosure under SEC rules or create a potential conflict of interest. In determining whether to approve a related party transaction, our Audit Committee considers the general fairness of the transaction to the Company, including the material terms and conditions of the proposed transaction, the related party's interest, the amount involved in the transaction and whether the transaction is on terms comparable to terms available in a transaction involving an unrelated third party.

Pursuant to our written Code of Business Conduct and Ethics, each executive officer or director must receive approval of the Nominating/Corporate Governance Committee or the Board of Directors prior to engaging in certain transactions that are likely to involve a conflict of interest.

Director Independence

The Board of Directors has determined that Messrs. Brown, Connors and Saucedo and Drs. Sherman and Swinney are independent directors as defined by the NASDAQ Listing Rules. During the course of its review, the Board of Directors considers transactions and relationships between each director (and such director's immediate family) and the Company and its affiliates against the independence requirements of NASDAQ, and in the case of the Audit Committee and the Compensation Committee, the SEC rules.

Table of Contents

Item 14. Principal Accounting Fees and Services.

Fees Paid to Auditors

It is the policy of our Audit Committee to have the engagement of our independent registered public accounting firm to perform any audit or non-audit services approved in advance by the Audit Committee. Such approval authority is delegated to the Chairman of the Audit Committee on behalf of the Audit Committee as permitted by the Audit Committee Charter. In 2013 and 2014, all fees to our auditors were pre-approved by the Audit Committee.

Deloitte was our independent registered public accounting firm in 2013 and 2014. Fees billed by Deloitte for 2013 and 2014 were as follows:

	2013	2014
Audit fees	$692,409	$902,660
Audit related fees	$—	$—
Tax fees	$—	$—
All other fees *	$256,800	$377,508

*The 2013 fees were associated with a strategic transaction that ultimately did not proceed. The 2014 fees were for a strategic transaction that ultimately did not proceed and for fees associated with filing form S-8.

Table of Contents

PART IV

Item 15. Exhibits, Financial Statement Schedules.

		Original Form 10-K Page No.
(a)	The following documents were filed as part of the Original Form 10-K:	
	The financial statements listed below are set forth in Item 8 of the Original Form 10-K.	
	Report of Independent Registered Public Accounting Firm	32
	Consolidated Balance Sheets at December 31, 2014 and 2013	33
	Consolidated Statements of Income for the Years Ended December 31, 2014, 2013 and 2012	34
	Consolidated Statements of Comprehensive Income for the Years Ended December 31, 2014, 2013 and 2012	35
	Consolidated Statements of Stockholders’ Equity for the Years Ended December 31, 2014, 2013 and 2012	35
	Consolidated Statements of Cash Flows for the Years Ended December 31, 2014, 2013 and 2012	35
	Notes to Consolidated Financial Statements	35
(b)	Exhibits	51
(c)	Financial Statement Schedules	
	The Financial Statement Schedules required to be filed as a part of this Report were filed as part of the Original Form 10-K:	
	Schedule II - Valuation and Qualifying Accounts	51
	Exhibits required to be filed as part of this Amendment are:	

Exhibit Number	Description
3.1	Registrant's Certificate of Incorporation, as amended and restated. (1)
3.2	Registrant's Bylaws, as amended and restated. (19)
10.1	Form of Indemnification Agreement with Directors and Executive Officers. (18)
10.2	Registrant's Amended and Restated 1993 Incentive Stock Plan. (2)*
10.3	Manufacture and Supply Agreement dated September 13, 1993 between Registrant and B. Braun, Inc. relating to the Protected Needle product. (3)
10.4	Supply and Distribution Agreement dated April 3, 1995 between Registrant and Abbott Laboratories, Inc. relating to the Clave product. (4)
10.5	Amended and Restated Rights Agreement dated October 18, 2007 between Registrant and American Stock Transfer & Trust Company as Rights Agent. (14)

10.6	SafeLine Agreement effective October 1, 1997 by and between Registrant and B. Braun Medical, Inc. (5)
10.7	Amendment to April 3, 1995 Supply and Distribution Agreement, dated January 1, 1999, between Registrant and Abbott Laboratories. (6)
10.8	Co-Promotion and Distribution Agreement, dated February 27, 2001 between Registrant and Abbott Laboratories. (7)
10.9	Registrant's 2001 Directors' Stock Option Plan. (8)*
10.10	Registrant's 2002 Employee Stock Purchase Plan. (8)*
10.11	Registrant's 2003 Stock Option Plan. (9)*
10.12	Amendment to April 3, 1995 Supply and Distribution Agreement, dated as of January 14, 2004, between Registrant and Abbott Laboratories. (10)
10.13	Amendment to February 27, 2001 Co-Promotion and Distribution Agreement, dated as of January 14, 2004, between Registrant and Abbott Laboratories. (10)
10.14	Manufacturing, Commercialization and Development Agreement between Registrant and Hospira, Inc. effective May 1, 2005. (11)
10.15	Employment Agreement between Registrant and George A. Lopez, M.D. effective January 1, 2011. (22)*
10.16	Letter Agreement dated July 8, 2005 between Registrant and Hospira, Inc. re: Manufacturing, Commercialization and Development Agreement effective May 1, 2005. (12)
10.17	Settlement and Release Agreement dated as of January 2, 2007 between ICU Medical, Inc. and Fulwider Patton Lee & Utecht, LLP. (13)
10.18	Executive officer compensation.* (30)
10.19	Non-employee director compensation.* (30)
10.20	2008 Performance-Based Incentive Plan, as amended. (22)*
10.21	Amendment No. 1 to 2001 Directors' Stock Option Plan. (16)*
10.22	Amendment No. 2 to 2001 Directors' Stock Option Plan. (16)*
10.23	Amendment No. 3 to 2001 Directors' Stock Option Plan. (16)*
10.24	Form of Executive Officer Retention Agreement. (17)*
10.25	Amended and Restated Retention Agreement between Registrant and Dr. George A. Lopez, dated November 3, 2010. (20)*

10.26	Schedule identifying parties to agreements with the Registrant substantially identical to the Form of Executive Officer Retention Agreement filed as Exhibit 10.24 hereto. (21)*
10.27	Amendment 20 to the Supply and Distribution Agreement, effective as of November 30, 2011, between ICU Medical Sales, Inc. and Hospira, Inc. (24)
10.28	Third Amendment to the Co-Promotion and Distribution Agreement, effective as of November 30, 2011, between ICU Medical Sales, Inc. and Hospira, Inc. (24)
10.29	ICU Medical, Inc. Amended 2011 Stock Incentive Plan. (23)*
10.30	Form of Executive Officer Retention Agreement - Tier 1 Employee. (25)*

10.31	Form of Executive Officer Retention Agreement - Tier 2 Employee. (25)*
10.32	2014 Inducement Stock Incentive Plan (26)*
10.33	Executive Employment Agreement, dated as of February 7, 2014, by and between ICU Medical, Inc. and Vivek Jain (27)*
10.34	Amendment to Executive Employment Agreement, dated as of February 12, 2014, by and between ICU Medical, Inc. and Vivek Jain (27)*
10.35	Employment Agreement between Registrant and George A. Lopez, M.D. effective October 21, 2013 (28)*
10.36	Amended and Restated Retention Agreement between Registrant and George A. Lopez, M.D. effective October 21, 2013 (29)*
14.1	Code of Business Conduct and Ethics for Directors and Officers. (15)
21	Subsidiaries of Registrant. (30)
23.1	Consent of Deloitte & Touche LLP. (30)
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. (30)
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. (30)
31.3	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.4	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. (30)

*Executive compensation plan or other arrangement

Exhibit 101.INS	XBRL Instance Document
Exhibit 101.SCH	XBRL Taxonomy Extension Schema Document
Exhibit 101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
Exhibit 101.LAB	XBRL Taxonomy Extension Label Linkbase Document
Exhibit 101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
Exhibit 101.DEF	XBRL Taxonomy Extension Definition Linkbase Document

(1)	Filed as an exhibit to Registrant's Current Report on Form 8-K filed on June 10, 2014, an incorporated herein by reference.
(2)	Filed as an Exhibit to Registrant's definitive Proxy Statement filed pursuant to Regulation 14A on March 4, 1999, and incorporated herein by reference.
(3)	Filed as an Exhibit to Registrant's Quarterly Report on Form 10-Q for the Quarter ended September 30, 1993, and incorporated herein by reference.

(4) Filed as an Exhibit to Registrant's Quarterly Report on Form 10-Q for the Quarter ended March 31, 1995, and incorporated herein by reference.

(5) Filed as an Exhibit to Registrant's Current Report on Form 8-K filed June 18, 1998, and incorporated herein by reference.

(6) Filed as an Exhibit to Registrant's Current Report on Form 8-K filed February 23, 1999, and incorporated herein by reference.

(7)	Filed as an Exhibit to Registrant's Current Report on Form 8-K filed March 7, 2001, and incorporated herein by reference.
(8)	Filed as an Exhibit to Registrant's definitive Proxy Statement filed pursuant to Regulation 14A on April 3, 2002, and incorporated herein by reference.
(9)	Filed as an Exhibit to Registrant's definitive Proxy Statement filed pursuant to Regulation 14A on April 25, 2003, and incorporated herein by reference.
(10)	Filed as an Exhibit to Registrant's Current Report on Form 8-K dated January 15, 2004, and incorporated herein by reference.
(11)	Filed as an Exhibit to Registrant's Quarterly Report on Form 10-Q for the Quarter ended March 31, 2005, and incorporated herein by reference.
(12)	Filed as an Exhibit to Registrant's Quarterly Report on Form 10-Q for the Quarter ended June 30, 2005, and incorporated herein by reference.
(13)	Filed as an Exhibit to Registrant's Annual Report on Form 10-K for the year ended December 31, 2006, and incorporated herein by reference.
(14)	Filed as an Exhibit to Registrant's Registration Statement on Form 8-A/A dated October 18, 2007, and incorporated herein by reference.
(15)	Filed as an Exhibit to Registrant's Current Report on Form 8-K filed February 5, 2009, and incorporated herein by reference.
(16)	Filed as an Exhibit to Registrant's Quarterly Report on Form 10-Q for the Quarter ended September 30, 2009, and incorporated herein by reference.
(17)	Filed as an Exhibit to Registrant's Current Report on Form 8-K filed February 4, 2010, and incorporated herein by reference.
(18)	Filed as an Exhibit to Registrant's Quarterly Report on Form 10-Q for the Quarter ended September 30, 2010, and incorporated herein by reference.
(19)	Filed as an Exhibit to Registrant's Current Report on Form 8-K filed July 25, 2014, and incorporated herein by reference.
(20)	Filed as an Exhibit to Registrant's Current Report on Form 8-K filed November 5, 2010, and incorporated herein by reference.
(21)	Filed as an Exhibit to Registrant's Annual Report on Form 10-K dated February 18, 2011, and incorporated herein by reference.
(22)	Filed as an Exhibit to Registrant's Quarterly Report on Form 10-Q for the Quarter ended March 31, 2011, and incorporated herein by reference.
(23)	

	Filed as an Exhibit to Registrant's Quarterly Report on Form 10-Q for the Quarter ended June 30, 2012, and incorporated herein by reference.
(24)	Filed as an Exhibit to Registrant's Current Report on Form 8-K filed December 22, 2011, and incorporated herein by reference.
(25)	Filed as an Exhibit to Registrant's Current Report on Form 8-K filed November 21, 2013, and incorporated herein by reference.
(26)	Filed as an Exhibit to Registrant's Current Report on Form 8-K filed February 26, 2014 and incorporated herein by reference.
(27)	Filed as an Exhibit to Registrant's Current Report on Form 8-K filed February 12, 2014, and incorporated herein by reference.
(28)	Filed as an Exhibit to Registrant's Quarterly Report on Form 10-Q for the Quarter ended June 30, 2014 and incorporated herein by reference.

Table of Contents

(29)	Filed as an Exhibit to Registrant's Quarterly Report on Form 10-Q for the Quarter ended September 30, 2014 and incorporated herein by reference.
(30)	Filed as an Exhibit to Registrant's Annual Report on Form 10-K dated February 20, 2015, and incorporated herein by reference.

Exhibit Index

EXHIBIT INDEX

31.3	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.4	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

SIGNATURE

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ICU MEDICAL, INC.

By: /s/ Vivek Jain
Vivek Jain
Chairman of the Board and Chief Executive Officer

Dated: April 30, 2015

34