

BAXTER INTERNATIONAL INC
 Form 4
 February 18, 2015

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Bufalino Sebastian J

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction
 (Month/Day/Year)
 02/16/2015

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Corporate Vice President

ONE BAXTER PARKWAY

(Street)

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

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

DEERFIELD, IL 60015

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V Amount (A) or (D) Price | | | |
| Common Stock, \$1 par value | 02/16/2015 | | A ⁽¹⁾ | 730 A \$ 0 | 12,236 | D | |
| Common Stock, \$1 par value | 02/16/2015 | | A ⁽²⁾ | 736 A \$ 0 | 12,972 | D | |

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

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SEC 1474 (9-02)

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Owned Following Reporting Transaction (Instr. 6) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|--------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Bufalino Sebastian J ONE BAXTER PARKWAY DEERFIELD, IL 60015 | | | Corporate Vice President | |

Signatures

/s/ Sebastian J.
Bufalino 02/18/2015

__Signature of Reporting Person Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Represents shares earned from the performance share unit award granted on March 5, 2013 pursuant to the Issuer's Equity Plan adopted as of such date. The award provides that fifty percent of the performance share units are earned based on the Issuer's Return on Invested

(1) Capital (ROIC) performance annually over a three-year period with one-third of the ROIC performance share units allocated to each one-year period. The number of shares reported represents the shares earned based on the Issuer's ROIC during the performance period of January 1, 2014 to December 31, 2014. These shares vest after the end of the relevant three-year ROIC performance period.

Represents shares earned from the performance share unit award granted on March 4, 2014 pursuant to the Issuer's Equity Plan adopted as of such date. The award provides that fifty percent of the performance share units are earned based on the Issuer's Return on Invested

(2) Capital (ROIC) performance annually over a three-year period with one-third of the ROIC performance share units allocated to each one-year period. The number of shares reported represents the shares earned based on the Issuer's ROIC during the performance period of January 1, 2014 to December 31, 2014. These shares vest after the end of the relevant three-year ROIC performance period.

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

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