

BAXTER INTERNATIONAL INC

Form 4

January 31, 2014

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

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

OMB APPROVAL

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(Print or Type Responses)

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

(Last) (First) (Middle)

ONE BAXTER PARKWAY

(Street)

DEERFIELD, IL 60015

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol

BAXTER INTERNATIONAL INC
[BAX]

3. Date of Earliest Transaction
(Month/Day/Year)
01/29/2014

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

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

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

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

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock, \$1 par value	01/29/2014		A ⁽¹⁾	435 A \$ 0	6,136	D	
Common Stock, \$1 par value	01/29/2014		F	165 D \$ 68.4	5,971	D	
Common Stock, \$1 par value	01/29/2014		A ⁽²⁾	596 A \$ 0	6,567	D	

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

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(9-02)

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported 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 01/31/2014

__Signature of Reporting Person Date

Explanation of Responses:

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

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

(1) These shares represent the payout from performance share units granted on March 4, 2011 pursuant to the Company's Equity Plan adopted as of such date. The number of shares represents 30% of the performance share units granted based on the Company's growth in shareholder value during the performance period of January 1, 2011 through December 31, 2013 as measured against the growth in shareholder value of the companies in the applicable healthcare peer group during the same period.

(2) These shares represent shares earned from the performance share unit award granted on March 5, 2013 pursuant to the Company's Equity Plan adopted as of such date. The award provides that fifty percent of the performance share units are earned based on the Company's Return on Invested 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 above represents the shares earned based on the Company's ROIC during the performance period of January 1, 2013 to December 31, 2013. These shares shall not vest until after the end of the entire three-year ROIC performance period.

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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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