

BAXTER INTERNATIONAL INC

Form 8-K

February 17, 2006

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549
FORM 8-K
CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934
Date of Report (Date of earliest event reported) **February 13, 2006**
Baxter International Inc.**

(Exact name of registrant as specified in its charter)
Delaware

(State or other jurisdiction of incorporation)

1-4448

(Commission File Number)

36-0781620

(IRS Employer Identification No.)

One Baxter Parkway, Deerfield, Illinois

(Address of principal executive offices)

60015

(Zip Code)

(847) 948-2000

(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement

On February 13, 2006, the Compensation Committee of the Board of Directors of Baxter International Inc. (the Company) and, on February 14, 2006, the independent directors of the Board of Directors with respect to the Chief Executive Officer s compensation, approved the following compensatory arrangements for the Company s named executive officers (as defined in Item 402(a)(3) of Regulation S-K):

| <u>Executive Officer</u> | <u>2005 Cash Bonus</u> | <u>2006 Salary</u> |
|---|----------------------------|--------------------|
| Robert L. Parkinson, Jr. Chairman and Chief Executive Officer | \$ 1,941,420 | \$ 1,200,000 |
| Joy A. Amundson Corporate Vice President and President BioScience | \$ 770,280 | \$ 507,000 |
| Peter J. Arduini (1) Corporate Vice President and President Medication Delivery | \$ 364,540 | \$ 482,000 |
| John J. Greisch Corporate Vice President and Chief Financial Officer | \$ 810,600 | \$ 572,000 |
| James E. Utts Corporate Vice President and President Europe | \$ 462,120 | \$ 433,000 |

(1) Peter Arduini s bonus was prorated to reflect the amount of time that he was employed by the Company during 2005.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

BAXTER INTERNATIONAL INC.

(Registrant)

By: /s/ Susan R.
Lichtenstein
Susan R. Lichtenstein
Corporate Vice President,
General Counsel and
Corporate Secretary

Date: February 17, 2006