

COMMUNITY HEALTH SYSTEMS INC

Form 4

August 26, 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

OMB  
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(Print or Type Responses)

1. Name and Address of Reporting Person \*  
SMITH WAYNE T

2. Issuer Name **and** Ticker or Trading  
Symbol  
COMMUNITY HEALTH  
SYSTEMS INC [CYH]

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

(Last) (First) (Middle)  
4000 MERIDIAN BOULEVARD  
(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
08/25/2014

☐ Director ☐ 10% Owner  
☒ Officer (give title below) ☐ Other (specify below)  
Chairman & CEO

FRANKLIN, TN 37067

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

(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 Indirect Beneficial Ownership (Instr. 4)
Common Stock	08/25/2014		M	100,000	A \$ 37.21	871,975	D
Common Stock	08/25/2014		S	83,796	D \$ 51.6742 (1)	788,179	D
Common Stock						169,388	I
						481,721	I
							by 2009 WTS Irrevocable Trust Dated 2/27/09 WAC LLC

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Common  
Stock

Common  
Stock

69,830

I

2012  
GRAT

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

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SEC 1474  
(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 Underlying Security (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date Date	Title
Stock Options (Right to Buy)	\$ 37.21	08/25/2014		M	100,000	02/28/2008 02/27/2015	Common Stock
Stock Options (Right to Buy)	\$ 40.41					07/25/2008 07/24/2015	Common Stock
Stock Options (Right to Buy)	\$ 32.28					02/27/2009 02/26/2018	Common Stock
Stock Options (Right to Buy)	\$ 18.18					02/25/2010 02/24/2019	Common Stock
Stock Options (Right to Buy)	\$ 33.9					02/24/2011 02/23/2020	Common Stock
Stock Options (Right to Buy)	\$ 37.96					02/23/2012 02/22/2021	Common Stock

Stock Options (Right to Buy)	\$ 21.07	02/16/2013	02/15/2022	Common Stock
Performance Based Restricted	\$ 0	03/01/2015 <sup>(2)</sup>	02/29/2024	Common Stock
Performance Based Restricted	\$ 0	03/01/2015 <sup>(3)</sup>	02/29/2024	Common Stock

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SMITH WAYNE T 4000 MERIDIAN BOULEVARD FRANKLIN, TN 37067	X		Chairman & CEO	

## Signatures

Christopher G. Cobb, Attorney in Fact for Wayne T. Smith 08/26/2014

                    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 were sold in a series of transactions at an average sales price of \$51.6742 per share.

Each performance based restricted share represents a contingent right to receive one share of CYH common stock. There are two elements to the lapsing of the restriction; first, the Company must achieve specified targeted amount of earnings per share from

(2) continuing operations, or net revenue from continuing operations, and if the performance objective is met, the vesting restrictions will lapse in 1/3 increments on the first, second and third anniversary of the date of grant. If the objectives are not met, the shares will be forfeited.

(3) Each performance based restricted share represents a contingent right to receive one share of CYH common stock. The lapsing of the restrictions is dependent on the Company meeting certain cost savings ("synergies") from the Health Management Associates, Inc. merger transaction. The performance target may be met in part in the first year or in whole or in part over the first two years. There is also a time vesting element to the maximum targets of the award. If the objectives are not met, the shares will be forfeited.

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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