

ILLIG CLIFFORD W
Form 4
November 09, 2009

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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 *
ILLIG CLIFFORD W

(Last) (First) (Middle)
2800 ROCKCREEK PARKWAY
(Street)

NORTH KANSAS
CITY, MO 64117

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
CERNER CORP /MO/ [CERN]

3. Date of Earliest Transaction
(Month/Day/Year)
11/06/2009

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
Vice Chairman

6. Individual or Joint/Group Filing(Check Applicable Line)
 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 Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock					16,927.621	I	By Trust
Common Stock					4,112,076	D	
Common Stock					391,334	I	By spouse
Common Stock					27,000	I	By Trust as Co-Trustee
Common Stock					27,000	I	By Trust as Co-Trustee

Edgar Filing: ILLIG CLIFFORD W - Form 4

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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 Underlying (Instr. 3 and 4)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title
Variable Prepaid Forward Contract	(1) (2) (3)	11/06/2009		J(1)(2)(3)		500,000		(1)(2)(3)	(1)(2)(3)	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 40.22							03/14/2013	03/14/2018	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 36.72							03/06/2011	03/06/2019	Common Stock
Non-Quallified Stock Option (right to buy)	\$ 53.81							03/09/2012	03/09/2017	Common Stock
Non-Quallified Stock Option (right to buy)	\$ 14.8125							06/28/2003	06/28/2020	Common Stock
Non-Quallified Stock Option (right to buy)	\$ 23.115							04/05/2007	04/05/2012	Common Stock
Non-Quallified Stock Option (right to buy)	\$ 11.295							06/12/2006	06/12/2013	Common Stock
Non-Quallified Stock Option (right to buy)	\$ 18.04							09/04/2008	09/04/2013	Common Stock
Non-Quallified Stock Option (right to buy)	\$ 20.99							06/03/2009	06/03/2014	Common Stock

Non-Quallified Stock Option (right to buy)	\$ 31.405	06/03/2010	06/03/2015	Common Stock
Non-Quallified Stock Option (right to buy)	\$ 43.51	03/09/2011	03/09/2016	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ILLIG CLIFFORD W 2800 ROCKCREEK PARKWAY NORTH KANSAS CITY, MO 64117	X		Vice Chairman	

Signatures

/s/Crystal Spoor, by Power of
Attorney

11/09/2009

**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).

On November 6, 2009, the reporting person entered into a variable prepaid forward contract ("VPFC") with an unaffiliated third party. Under the terms of the VPFC, at maturity three years after the date thereof the reporting person will deliver to the third party up to 500,000 shares of Cerner Corporation common stock, the precise amount being dependent on the market price at maturity. In exchange, (1) the third party makes an upfront cash payment of \$31,920,966.53 to the reporting person within three business days after the date of the VPFC. At maturity, if the market price per share is equal to or less than the forward floor price, the reporting person will deliver all of the covered shares to the third party. If the market price per share at maturity is greater than the floor price, the reporting person will deliver fewer shares.

The reporting person has pledged 500,000 shares of Cerner Corporation common stock to secure his obligations under the VPFC and will retain voting rights, and subject to the terms of the agreement, dividends in the shares during the term of the pledge. At the election of the reporting person, he may substitute other collateral for the pledged shares of Cerner Corporation common stock, and may settle the VPFC (2) in cash, or with the pledged shares of Cerner Corporation common stock, or with other shares of Cerner Corporation common stock. The third party may not sell, lend, pledge, rehypothecate, assign, invest, use, commingle or otherwise dispose of, or otherwise use in its business any of the pledged Cerner Corporation common stock.

The purpose of the VPFC is primarily to provide funding for other business investments of the reporting person. The VPFC provides the (3) reporting person with current liquidity while he retains his interest in the shares, as well as the ability to participate (up to a cap) in future stock price appreciation.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.