

Zoetis Inc.
Form 4
February 16, 2017

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 *
Bernal Alejandro

(Last) (First) (Middle)
C/O ZOETIS INC., 10 SYLVAN WAY
(Street)

PARSIPPANY, NJ 07054

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
Zoetis Inc. [ZTS]

3. Date of Earliest Transaction
(Month/Day/Year)
02/14/2017

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)
Executive Vice President

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 Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)		
				(A) or (D)	Code	V	Amount	(D)	Price

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	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. De
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Restricted Stock Unit ⁽¹⁾	<u>(2)</u>	02/14/2017	A	5,452					<u>(3)</u>	<u>(4)</u>	Common Stock	5,452
Stock Option ⁽⁶⁾	<u>(7)</u>	02/14/2017	A	20,979					<u>(8)</u>	<u>(9)</u>	Common Stock	20,979

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Bernal Alejandro C/O ZOETIS INC. 10 SYLVAN WAY PARSIPPANY, NJ 07054			Executive Vice President	

Signatures

/s/ Katherine H. Walden, as
Attorney-in-Fact

02/16/2017

 **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 restricted stock units granted pursuant to the Zoetis Inc. 2013 Equity and Incentive Plan, and dividend equivalent units automatically issued thereon (each an "RSU" and collectively, "RSUs"). Restricted stock units vest and are settled in shares of Zoetis common stock on the third anniversary of the date of grant, subject to the reporting person's continued service through such vesting date and subject to earlier vesting and settlement upon certain specific events. Dividend equivalent units vest and are settled in shares of Zoetis common stock on the third anniversary of the date of grant of the underlying restricted stock units, subject to the reporting person's continued service through such vesting date and subject to earlier vesting and settlement upon certain specific events.
- (1) Represents restricted stock units granted pursuant to the Zoetis Inc. 2013 Equity and Incentive Plan, and dividend equivalent units automatically issued thereon (each an "RSU" and collectively, "RSUs"). Restricted stock units vest and are settled in shares of Zoetis common stock on the third anniversary of the date of grant, subject to the reporting person's continued service through such vesting date and subject to earlier vesting and settlement upon certain specific events. Dividend equivalent units vest and are settled in shares of Zoetis common stock on the third anniversary of the date of grant of the underlying restricted stock units, subject to the reporting person's continued service through such vesting date and subject to earlier vesting and settlement upon certain specific events.
 - (2) Each RSU represents a contingent right to receive one share of Zoetis Inc. common stock.
 - (3) Each RSU will vest and be settled in shares of Zoetis Inc. common stock on the third anniversary of the date of grant, subject to the reporting person's continued service through such vesting date and subject to earlier vesting and settlement upon certain specific events.
 - (4) Not applicable.
 - (5) The RSUs vest as follows: 7,456.6952 RSUs will vest on March 4, 2017; 4,038.8879 RSUs will vest on February 27, 2018; 6,023.3571 RSUs will vest on February 19, 2019; and 5,452 RSUs will vest on February 14, 2020.
 - (6) Stock options (right to buy Zoetis Inc. common stock) granted pursuant to the Zoetis Inc. 2013 Equity and Incentive Plan. The options vest on the third anniversary of the date of grant.
 - (7) 32,097 options granted January 31, 2013 at an exercise price of \$26.00 per option; 28,089 options granted March 4, 2014 at an exercise price of \$30.89 per option; 15,709 options granted February 27, 2015 at an exercise price of \$46.09 per option; 22,341 options granted

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February 19, 2016 at an exercise price of \$41.83 per option; and 20,979 options granted February 14, 2017 at an exercise price of \$55.02 per option.

- (8) Each option vests on the third anniversary of the date of grant.
- (9) Each option expires on the tenth anniversary of the date of grant.

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.