

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).



Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
OMB Number:	3235-0287
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1. Name and Address of Reporting Person* <u>PAYNE MELVIN C</u> (Last) (First) (Middle) <u>3040 POST OAK BLVD</u> <u>SUITE 300</u> (Street) <u>HOUSTON TX 77056</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>CARRIAGE SERVICES INC [CSV]</u> 3. Date of Earliest Transaction (Month/Day/Year) <u>02/14/2020</u> 4. If Amendment, Date of Original Filed (Month/Day/Year)	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>CEO</u> 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person
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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)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	02/14/2020		S		1,097 ⁽¹⁾	D	\$24.55	1,256,799	D	
Common Stock								11,446	I	Melvin C. Payne, Jr. 2016 Annuity Trust
Common Stock								11,446	I	Karen P. Payne 2016 Annuity Trust
Common Stock								17,072	I	Spouse

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 Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V		Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Performance Award	(2)						(2)	12/31/2023	Common Stock	100,000		100,000	D	
Stock Options	\$25.43						(3)	02/14/2028	Common Stock	50,000		50,000	D	
Stock Options	\$26.54						(4)	03/21/2027	Common Stock	116,100		116,100	D	
Stock Options	\$20.06						(5)	02/23/2026	Common Stock	58,500		58,500	D	
Stock Options	\$22.58						(6)	02/24/2022	Common Stock	100,000		100,000	D	
Stock Options	\$5.7						(7)	02/28/2021	Common Stock	3,284		3,284	D	

Explanation of Responses:

1. Represents shares withheld on February 14, 2020 to cover taxes associated with the vesting of shares of restricted stock granted on February 14, 2018.
2. Represents performance awards, payable in shares, granted under the Carriage Services, Inc. 2017 Omnibus Incentive Plan. The award will vest (if at all) on December 31, 2023 provided that certain criteria surrounding share price performance is achieved and the Reporting Person has remained continuously employed by Carriage through such date.
3. Stock Options granted pursuant to the Carriage Services, Inc. 2017 Omnibus Plan which 1/5 vested on 2/14/2019, 1/5 vested on 2/14/2020 and 1/5 will vest on 2/14/2021, 2/14/2022 and 2/14/2023. The options expire on 2/14/2028.
4. Stock Options granted pursuant to the Carriage Services, Inc. Second Amended and Restated 2006 Long-Term Incentive Plan which vested 1/5 on 3/21/2018, 1/5 vested on 3/21/2019 and 1/5 will vest each year on 3/21/2020, 3/21/2021 and 3/21/2022. These stock options expire on 3/21/2027.
5. Stock Options granted pursuant to the Carriage Services, Inc. Second Amended and Restated 2006 Long-Term Incentive Plan which 1/5 vested on 2/23/2017, 1/5 on 2/23/2018, 1/5 vested on 2/23/2019 and 1/5 will vest on 2/23/2020 and 2/23/2021. These stock options expire on 2/23/2026.

6. Stock Options granted pursuant to the Carriage Services, Inc. Second Amended and Restated 2006 Long-Term Incentive Plan which vested 1/3 on 2/24/2016, 1/3 on 2/24/2017 and 1/3 on 2/24/2018. These stock options expire on 2/24/2022.

7. Stock Options granted pursuant to the Carriage Services, Inc. Second Amended and Restated 2006 Long-Term Incentive Plan of 44,702 options granted on 02/28/2011, of which 14,900 options vested on 02/28/2012 and 3,283 were exercised on 12/20/2012, 14,901 options vested on 02/28/2013 and 14,000 were exercised on 11/06/2015 and 24,135 options were exercised on 03/29/2016. These stock options expire on 02/28/2021.

Remarks:

[/s/ Melvin C. Payne](#)

** Signature of Reporting Person

[02/18/2020](#)

Date

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

* 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).

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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