

ILLINOIS TOOL WORKS INC
Form 4
November 14, 2016

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 *
NAGARAJAN SUNDARAM

2. Issuer Name and Ticker or Trading Symbol
ILLINOIS TOOL WORKS INC [ITW]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

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

___ Director ___ 10% Owner
X Officer (give title below) ___ Other (specify below)

Executive Vice President

ILLINOIS TOOL WORKS INC, 155 HARLEM AVENUE

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

6. Individual or Joint/Group Filing(Check Applicable Line)

X Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

(Street)
GLENVIEW, IL 60026

(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 (Instr. 4) | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--------|---|--|-----------------------------------|------------|-------|
| | | | | Code | V | Amount | | | | (A) or (D) | Price |
| Common Stock | 11/10/2016 | | M | | | 34,299 | A | \$ 55.71 | 54,516 | D | |
| Common Stock | 11/10/2016 | | S | | | 6,247 | D | \$ 122.171 | 48,269 | D | |
| Common Stock | 11/10/2016 | | S | | | 28,052 | D | \$ 122.726 | 20,217 | D | |

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 of Underlying Security (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title Amount or Number of |
| Employee Stock Option | \$ 55.81 | | | | | 02/11/2012 02/11/2021 | Common Stock 9 |
| Employee Stock Option | \$ 98.26 | | | | | 02/13/2016 ⁽³⁾ 02/13/2025 | Common Stock 21 |
| Employee Stock Option | \$ 78.59 | | | | | 02/14/2015 ⁽³⁾ 02/14/2024 | Common Stock 27 |
| Employee Stock Option | \$ 55.71 | 11/10/2016 | | M | 34,299 | 02/10/2013 02/10/2022 | Common Stock 34 |
| Employee Stock Option | \$ 63.25 | | | | | 02/15/2014 ⁽³⁾ 02/15/2023 | Common Stock 37 |
| Employee Stock Option | \$ 91.88 | | | | | 02/12/2017 ⁽³⁾ 02/12/2026 | Common Stock 22 |
| Performance Restricted Stock Unit (granted 2/12/2016) ⁽⁴⁾ | \$ 0 | | | | | ⁽⁵⁾ ⁽⁵⁾ | Common Stock 4 |
| Performance Restricted Stock Unit (granted 2/13/15) ⁽⁴⁾ | \$ 0 | | | | | ⁽⁵⁾ ⁽⁵⁾ | Common Stock 4 |
| Performance Restricted Stock Unit (granted 2/14/2014) | \$ 0 | | | | | ⁽⁵⁾ ⁽⁵⁾ | Common Stock 5 |

(4)

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|--------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| NAGARAJAN SUNDARAM ILLINOIS TOOL WORKS INC 155 HARLEM AVENUE GLENVIEW, IL 60026 | | | Executive Vice President | |

Signatures

Sundaram Nagarajan by Janet O. Love, Deputy General Counsel & Assistant Secretary,
Attorney-In-Fact POA on File

11/14/2016

__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) This transaction was executed in multiple trades at prices ranging from \$121.58 to \$122.57. The price reported above reflects the weighted average sale price. The reporting person hereby undertakes to provide upon request to the SEC staff, Illinois Tool Works Inc. or a shareholder of Illinois Tool Works Inc. full information regarding the number of shares and prices at which the transactions described in footnotes (1) and (2) of this Form 4 were effected.
 - (2) The price reported is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$122.58 to \$122.91, inclusive.
 - (3) Options vest in four (4) equal annual installments beginning one year from date of grant.
 - (4) Each performance restricted stock unit (PRSU) represents a contingent right to receive one share of the Company's common stock.
 - (5) Each PRSU vests 100% three years from the date of grant if performance goals are met.

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.