

ILLINOIS TOOL WORKS INC

Form 4

July 22, 2016

**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

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(Print or Type Responses)

1. Name and Address of Reporting Person \*  
Hartnett John R.

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)

ILLINOIS TOOL WORKS  
INC., 155 HARLEM AVENUE

(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
07/21/2016

\_\_\_\_ Director \_\_\_\_ 10% Owner  
\_\_X\_\_ Officer (give title below) \_\_\_\_ Other (specify below)  
Executive Vice President

GLENVIEW, IL 60025

(City) (State) (Zip)

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

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of<br>Security<br>(Instr. 3) | 2. Transaction Date<br>(Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3.<br>Transaction<br>Code<br>(Instr. 8) | 4. Securities Acquired<br>or Disposed of (D)<br>(Instr. 3, 4 and 5) | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership<br>Form: Direct<br>(D) or<br>Indirect (I)<br>(Instr. 4) | 7. Nature of<br>Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
|---------------------------------------|-----------------------------------------|-------------------------------------------------------------|-----------------------------------------|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------|
| Common<br>Stock                       | 07/21/2016                              |                                                             | M                                       | 7,500                                                               | A \$ 48.51 16,399                                                                                                  | D                                                                    |                                                                   |
| Common<br>Stock                       | 07/21/2016                              |                                                             | S                                       | 7,500                                                               | D \$ 114.08 8,899                                                                                                  | 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)

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**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of<br>Derivative<br>Security<br>(Instr. 3)                                 | 2.<br>Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4.<br>Transaction<br>Code<br>(Instr. 8) | 5. Number<br>of Derivative<br>Securities<br>Acquired<br>(A) or<br>Disposed of<br>(D)<br>(Instr. 3, 4,<br>and 5) | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) | 7. Title and Amount<br>Underlying Security<br>(Instr. 3 and 4) |
|-------------------------------------------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------|-----------------------------------------|-----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|----------------------------------------------------------------|
|                                                                                     |                                                                       |                                         |                                                             | Code                                    | V (A) (D)                                                                                                       | Date Exercisable<br>Expiration Date                            | Title<br>Amount<br>or<br>Number<br>of S                        |
| Employee<br>Stock Option                                                            | \$ 48.51                                                              | 07/21/2016                              |                                                             | M                                       | 7,500                                                                                                           | 02/08/2009 02/08/2018                                          | Common<br>Stock 7,5                                            |
| Employee<br>Stock Option                                                            | \$ 43.64                                                              |                                         |                                                             |                                         |                                                                                                                 | 02/12/2011 02/12/2020                                          | Common<br>Stock 13,                                            |
| Employee<br>Stock Option                                                            | \$ 55.71                                                              |                                         |                                                             |                                         |                                                                                                                 | 02/10/2013 02/10/2022                                          | Common<br>Stock 13,                                            |
| Employee<br>Stock Option                                                            | \$ 63.25                                                              |                                         |                                                             |                                         |                                                                                                                 | 02/15/2014 <sup>(2)</sup> 02/15/2023                           | Common<br>Stock 28,                                            |
| Employee<br>Stock Option                                                            | \$ 55.81                                                              |                                         |                                                             |                                         |                                                                                                                 | 02/11/2012 02/11/2021                                          | Common<br>Stock 11,                                            |
| Employee<br>Stock Option                                                            | \$ 78.59                                                              |                                         |                                                             |                                         |                                                                                                                 | 02/14/2015 <sup>(2)</sup> 02/14/2024                           | Common<br>Stock 24,                                            |
| Employee<br>Stock Option                                                            | \$ 91.88                                                              |                                         |                                                             |                                         |                                                                                                                 | 02/12/2017 <sup>(2)</sup> 02/12/2026                           | Common<br>Stock 19,                                            |
| Employee<br>Stock Option                                                            | \$ 98.26                                                              |                                         |                                                             |                                         |                                                                                                                 | 02/13/2016 <sup>(2)</sup> 02/13/2025                           | Common<br>Stock 19,                                            |
| Performance<br>Restricted<br>Stock Unit<br>(granted<br>2/12/2016)<br><sup>(3)</sup> | \$ 0                                                                  |                                         |                                                             |                                         |                                                                                                                 | <sup>(4)</sup> <sup>(4)</sup>                                  | Common<br>Stock 4,3                                            |
| Performance<br>Restricted<br>Stock Unit<br>(granted<br>2/13/15) <sup>(3)</sup>      | \$ 0                                                                  |                                         |                                                             |                                         |                                                                                                                 | <sup>(4)</sup> <sup>(4)</sup>                                  | Common<br>Stock 4,0                                            |
| Performance<br>Restricted<br>Stock Unit<br>(granted                                 | \$ 0                                                                  |                                         |                                                             |                                         |                                                                                                                 | <sup>(4)</sup> <sup>(4)</sup>                                  | Common<br>Stock 4,0                                            |

2/14/2014)

(3)

## Reporting Owners

| Reporting Owner Name / Address                                                          | Relationships                             |
|-----------------------------------------------------------------------------------------|-------------------------------------------|
|                                                                                         | Director    10% Owner    Officer    Other |
| Hartnett John R.<br>ILLINOIS TOOL WORKS INC.<br>155 HARLEM AVENUE<br>GLENVIEW, IL 60025 | Executive Vice President                  |

## Signatures

John R. Hartnett, by Janet O. Love, Deputy General Counsel & Assistant Secretary,  
Attorney-In-Fact on File

07/22/2016

                    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).

This transaction was executed in multiple trades at prices ranging from \$114.08 to \$114.083. The price reported above reflects the

- (1) 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 transaction was effected.
- (2) Options vest in four (4) equal annual installments beginning one year from date of grant.
- (3) Each performance restricted stock unit (PRSU) represents a contingent right to receive one share of the Company's common stock.
- (4) 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.

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