

ILLINOIS TOOL WORKS INC

Form 4

November 14, 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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response... 0.5

(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 \_\_\_\_ Other (specify  
below) below)

Executive Vice President

ILLINOIS TOOL WORKS INC, 155  
HARLEM AVENUE

(Street)

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

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 Indirect Beneficial 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 (1)	48,269 D
Common Stock	11/10/2016		S		28,052	D	\$ 122.726 (2)	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 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 <sup>(3)</sup> 02/13/2025	Common Stock 21
Employee Stock Option	\$ 78.59					02/14/2015 <sup>(3)</sup> 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 <sup>(3)</sup> 02/15/2023	Common Stock 37
Employee Stock Option	\$ 91.88					02/12/2017 <sup>(3)</sup> 02/12/2026	Common Stock 22
Performance Restricted Stock Unit (granted 2/12/2016) <sup>(4)</sup>	\$ 0					<sup>(5)</sup> <sup>(5)</sup>	Common Stock 4
Performance Restricted Stock Unit (granted 2/13/15) <sup>(4)</sup>	\$ 0					<sup>(5)</sup> <sup>(5)</sup>	Common Stock 4
Performance Restricted Stock Unit (granted 2/14/2014)	\$ 0					<sup>(5)</sup> <sup>(5)</sup>	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.

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