

ILLINOIS TOOL WORKS INC
 Form 4
 February 17, 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 *
 Parry David C

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)
 02/12/2016

____ Director
 Officer (give title below)
 ____ 10% Owner
 ____ Other (specify below)
 Vice Chairman

GLENVIEW, IL 60025

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(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 Indirect Beneficial Ownership (Instr. 4) | | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|--------|---|-----------------------------|
| | | | | (A) or (D) | Price | | | | | |
| | | | | Code | V | Amount | | | | |
| Common Stock | 02/15/2016 | | M | | 15,810 | A | \$ 0 ⁽¹⁾ | 15,854 | D | |
| Common Stock | 02/15/2016 | | F | | 7,226 | D | \$ 91.88 | 8,628 | D | |
| Common Stock | | | | | | | | 1,182 | I | See Footnote ⁽²⁾ |

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

Persons who respond to the collection of information contained in this form are not

SEC 1474 (9-02)

required to respond unless the form displays a currently valid OMB control number.

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 Underlying (Instr. 3 and 4) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|--|--------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title |
| Employee Stock Option | \$ 55.81 | | | | | 02/11/2012 | 02/11/2021 | Common Stock |
| Employee Stock Option | \$ 98.26 | | | | | 02/13/2016 ⁽³⁾ | 02/13/2025 | Common Stock |
| Employee Stock Option | \$ 78.59 | | | | | 02/14/2015 ⁽³⁾ | 02/14/2024 | Common Stock |
| Employee Stock Option | \$ 55.71 | | | | | 02/10/2013 | 02/10/2022 | Common Stock |
| Employee Stock Option | \$ 63.25 | | | | | 02/15/2014 ⁽³⁾ | 02/15/2023 | Common Stock |
| Performance Restricted Stock Unit (granted 2/13/15) ⁽¹⁾ | \$ 0 | | | | | <u>(4)</u> | <u>(4)</u> | Common Stock |
| Performance Restricted Stock Unit (granted 2/14/2014) ⁽¹⁾ | \$ 0 | | | | | <u>(4)</u> | <u>(4)</u> | Common Stock |
| Performance Restricted Stock Unit (granted 2/15/2013) ⁽¹⁾ | \$ 0 | 02/15/2016 | | M | 15,810 | <u>(5)</u> | <u>(5)</u> | Common Stock |
| Employee Stock Option | \$ 91.88 | 02/12/2016 | | A | 49,950 | 02/12/2017 ⁽³⁾ | 02/12/2026 | Common Stock |
| Performance Restricted | \$ 0 | 02/12/2016 | | A | 10,883 | <u>(4)</u> | <u>(4)</u> | Common Stock |

Stock Unit
 (granted
 2/12/2016)
(1)

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------------|-------|
| | Director | 10% Owner | Officer | Other |
| Parry David C ILLINOIS TOOL WORKS INC. 155 HARLEM AVENUE GLENVIEW, IL 60025 | | | Vice Chairman | |

Signatures

David C. Parry by Janet O. Love, Deputy General Counsel & Assistant Secretary,
 Attorney-In-Fact POA on File

02/17/2016

__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) Each performance restricted stock unit (PRSU) represents a contingent right to receive one share of the Company's common stock.
- (2) Shares of common stock allocated to my account in the Illinois Tool Works Inc. Savings & Investment Plan--Information reported as of February 15, 2016.
- (3) Options vest in four (4) equal annual installments beginning one year from date of grant.
- (4) Each PRSU vests 100% three years from the date of grant if performance goals are met.
- (5) The PRSU award became vested and payable on February 15, 2016.

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.