

ILLINOIS TOOL WORKS INC
 Form 4
 July 13, 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)
 ILLINOIS TOOL WORKS INC, 155 HARLEM AVENUE

3. Date of Earliest Transaction (Month/Day/Year)
 07/12/2016

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Executive Vice President

(Street)
 GLENVIEW, IL 60026

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | Code V Amount (A) or (D) Price | | | |
| Common Stock | 07/12/2016 | | M | 4,560 A \$ 55.81 | 24,777 | D | |
| Common Stock | 07/12/2016 | | S ⁽¹⁾ | 4,560 D \$ 110 | 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)

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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 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) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Employee Stock Option | \$ 55.81 | 07/12/2016 | | M | 4,560 | 02/11/2012 02/11/2021 | Common Stock | 4,560 |
| Employee Stock Option | \$ 98.26 | | | | | 02/13/2016 ⁽²⁾ 02/13/2025 | Common Stock | 21,000 |
| Employee Stock Option | \$ 78.59 | | | | | 02/14/2015 ⁽²⁾ 02/14/2024 | Common Stock | 27,000 |
| Employee Stock Option | \$ 55.71 | | | | | 02/10/2013 02/10/2022 | Common Stock | 34,000 |
| Employee Stock Option | \$ 63.25 | | | | | 02/15/2014 ⁽²⁾ 02/15/2023 | Common Stock | 37,000 |
| Employee Stock Option | \$ 91.88 | | | | | 02/12/2017 ⁽²⁾ 02/12/2026 | Common Stock | 22,000 |
| Performance Restricted Stock Unit (granted 2/12/2016) ⁽³⁾ | \$ 0 | | | | | <u>(4)</u> <u>(4)</u> | Common Stock | 4,900 |
| Performance Restricted Stock Unit (granted 2/13/15) ⁽³⁾ | \$ 0 | | | | | <u>(4)</u> <u>(4)</u> | Common Stock | 4,400 |
| Performance Restricted Stock Unit (granted 2/14/2014) ⁽³⁾ | \$ 0 | | | | | <u>(4)</u> <u>(4)</u> | Common Stock | 5,300 |

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

07/13/2016

__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) The sale reported in this Form 4 was effected pursuant to a Rule 10b5-1 Trading Plan adopted by the reporting person and approved by the Issuer effective June 7, 2016.
 - (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. 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.