

SANTI ERNEST SCOTT

Form 4

December 14, 2018

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 *
SANTI ERNEST SCOTT

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)
12/12/2018

☐ Director ☐ 10% Owner
☒ Officer (give title below) ☐ Other (specify below)
Chairman & CEO

GLENVIEW, IL 60025

(City) (State) (Zip)

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

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)
Common Stock	12/12/2018		M	45,128	A \$ 55.71	149,777	D
Common Stock	12/12/2018		S	45,128	D \$ (1) 132.54	104,649	D
Common Stock	12/12/2018		M	48,557	A \$ 55.71	153,206	D
Common Stock	12/12/2018		S	48,557	D \$ (2) 133.43	104,649	D

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Common Stock	12/12/2018	M	15,200	A	\$ 55.71	119,849	D	
Common Stock	12/12/2018	S	15,200	D	\$ <u>134.37</u> (3)	104,649	D	
Common Stock	12/12/2018	G	3,500	D	\$ 0	101,149	D	
Common Stock						3,771	I	See Footnote (4)

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

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(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 Underlying Security (Instr. 3 and 4)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Underlying Security
Employee Stock Option	\$ 128							02/10/2018 ⁽⁵⁾	02/10/2027	Common Stock	1
Employee Stock Option	\$ 98.26							02/13/2016 ⁽⁵⁾	02/13/2025	Common Stock	1
Employee Stock Option	\$ 78.59							02/14/2015	02/14/2024	Common Stock	2
Employee Stock Option	\$ 63.25							02/15/2014	02/15/2023	Common Stock	3
Employee Stock Option	\$ 91.88							02/12/2017 ⁽⁵⁾	02/12/2026	Common Stock	1
Employee Stock Option	\$ 55.71	12/12/2018		M		108,885		02/10/2013	02/10/2022	Common Stock	1
Employee Stock Option	\$ 163.36							02/15/2019 ⁽⁵⁾	02/15/2028	Common Stock	1
Performance Restricted	\$ 0							⁽⁷⁾	⁽⁷⁾	Common Stock	

Stock Unit
(granted
2/12/2016)
(6)

Performance
Share Units
(granted \$ 0
2/10/17) (6)
(8)

(7)

(7)

Common
Stock

Performance
Share Units
(granted \$ 0
2/15/18) (6)
(8)

(7)

(7)

Common
Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SANTI ERNEST SCOTT ILLINOIS TOOL WORKS INC. 155 HARLEM AVENUE GLENVIEW, IL 60025	X		Chairman & CEO	

Signatures

Ernest Scott Santi by Janet O. Love, Deputy General Counsel & Assistant Secretary,
Attorney-In-Fact POA on File

12/14/2018

__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 at multiple trades at prices ranging from \$132.11 to \$133.10. 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 transaction was effected.

(2) This transaction was executed at multiple trades at prices ranging from \$133.11 to \$133.90. 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 transaction was effected.

(3) This transaction was executed at multiple trades at prices ranging from \$134.22 to \$134.38. 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 transaction was effected.

(4) Shares of common stock allocated to my account in the Illinois Tool Works Inc. Savings & Investment Plan---Information reported as of December 12, 2018.

(5) Options vest in four (4) equal annual installments beginning one year from date of grant.

(6) Each performance restricted stock unit (PRSU) and performance share unit (PSU) represents a contingent right to receive one share of the Company's common stock.

(7) Each PRSU and PSU vests 100% three years from the date of grant if performance goals are met.

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- (8) PSUs accrue dividends in shares of common stock, subject to fulfillment of vesting period and performance goals; the PSUs shown include dividend equivalents, if any, accrued to date.

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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