

TRANE INC.  
Form 8-K  
December 11, 2007

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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

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**FORM 8-K**

**CURRENT REPORT**

**PURSUANT TO SECTION 13 OR 15(d) OF THE**  
**SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): December 5, 2007

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**TRANE INC.**

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**1-11415**  
(Commission File No.)

**13-3465896**  
(I.R.S. Employer  
Identification No.)

**One Centennial Avenue, P.O. Box 6820, Piscataway, NJ**  
(Address of principal executive offices)

**08855-6820**  
(Zip Code)

Registrant's telephone number, including area code: (732) 980-6000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the obligation of the registrant under any of the following provisions:

Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

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- “ Pre-commencement communication pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - “ Pre-commencement communication pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 5.02(e). Compensatory Arrangements for Certain Officers**

On December 5, 2007, the Management Development and Compensation Committee of Trane Inc. approved the payment in 2007 of the following special, non-recurring bonuses to two of our named executive officers:

G. Peter D Aloia	
Senior Vice President and Chief Financial Officer	\$ 1,020,000
Lawrence B. Costello	
Senior Vice President, Human Resources	\$ 722,500

The Committee approved these discretionary bonuses in recognition of each of these officers' contributions in connection with the successful completion of our separation plan, which resulted in the spin-off of our vehicle controls systems business as an independent publicly traded company (WABCO Holdings Inc.) on July 31, 2007 and the consummation of the sale of our bath and kitchen business on October 31, 2007.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TRANE INC.

By: /s/ Mary Elizabeth Gustafsson  
Name: Mary Elizabeth Gustafsson  
Title: Senior Vice President, General Counsel

and Secretary

DATE: December 11, 2007