

TRANE INC.
Form 4
June 09, 2008

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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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 *
Gustafsson Mary Elizabeth

(Last) (First) (Middle)
C/O TRANE INC., ONE CENTENNIAL AVENUE
(Street)

PISCATAWAY, NJ 08855

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
TRANE INC. [TT]

3. Date of Earliest Transaction (Month/Day/Year)
06/05/2008

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Sr VP, Gen Counsel & Secretary

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 Indirect Beneficial Ownership (Instr. 4) | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|-----------------------------|
| | | | Code | V | Amount | (A) or (D) | Price | |
| Common Stock, \$.01 par value | 06/05/2008 | | D | | 4,314 | D | 0 | D |
| Common Stock, \$.01 par value | 06/05/2008 | | D | | 3,378.943 | D | 0 | I ESOP/Savings Plan/SSP (2) |

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 Securities (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title Amount or Number of Shares |
| Stock Option (Right to Buy) | \$ 24.78 | 06/05/2008 | | D | 22,200 | 06/05/2008 ⁽³⁾ 02/04/2014 | Common Stock, \$.01 par value 22,200 |
| Stock Option (Right to Buy) | \$ 29.15 | 06/05/2008 | | D | 24,206 | 06/05/2008 ⁽³⁾ 01/03/2015 | Common Stock, \$.01 par value 24,206 |
| Stock Option (Right to Buy) | \$ 29.15 | 06/05/2008 | | D | 25,794 | 06/05/2008 ⁽³⁾ 01/03/2015 | Common Stock, \$.01 par value 25,794 |
| Stock Option (Right to Buy) | \$ 26.08 | 06/05/2008 | | D | 50,000 | 06/05/2008 ⁽³⁾ 02/01/2016 | Common Stock, \$.01 par value 50,000 |
| Stock Option (Right to Buy) | \$ 37.25 | 06/05/2008 | | D | 50,000 | 06/05/2008 ⁽³⁾ 02/05/2017 | Common Stock, \$.01 par value 50,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|--------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Gustafsson Mary Elizabeth C/O TRANE INC. ONE CENTENNIAL AVENUE PISCATAWAY, NJ 08855 | | | Sr VP, Gen Counsel & Secretary | |

Signatures

/s/Mary E. Gustafsson (By M. Cresitello by Power of Attorney)

06/09/2008

__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) Disposed of pursuant to the merger agreement between issuer and Indian Merger Sub, Inc. (a wholly owned subsidiary of Ingersoll-Rand Company Limited) in exchange for Ingersoll Rand Class A common shares at an exchange ratio of 0.23 per share plus \$36.50 per share in cash.
 - (2) Includes shares held in ESOP, Savings Plan and Supplemental Savings Plan.
 - (3) Pursuant to the terms of the merger agreement, all options, whether or not exercisable or vested at the Effective Time of the merger, became, as of the effective time of the merger, fully vested and exercisable.
 - (4) This option was canceled in the merger in exchange for a cash payment of \$484,367.73, representing the difference between the exercise price and the deemed value of the merger consideration to be paid in the merger in accordance with the merger agreement (\$46.60 per share).
 - (5) This option was canceled in the merger in exchange for a cash payment of \$422,355.15, representing the difference between the exercise price and the deemed value of the merger consideration to be paid in the merger in accordance with the merger agreement (\$46.60 per share).
 - (6) In this merger, this option was converted into 24,762 options to acquire Class A common shares of Ingersoll Rand with an exercise price per option equal to \$25.77.
 - (7) In this merger, this option was converted into 48,000 options to acquire Class A common shares of Ingersoll Rand with an exercise price per option equal to \$22.57.
 - (8) In this merger, this option was converted into 48,000 options to acquire Class A common shares of Ingersoll Rand with an exercise price per option equal to \$34.21.

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.