

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 *
COSTELLO LAWRENCE B

(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, Human Resources

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		4,880.6006	D	(1) 0
						I	ESPP (2)
Common Stock, \$.01 par value	06/05/2008		D		40,965.74	D	(1) 0
						I	DCP (3)
Common Stock, \$.01 par value	06/05/2008		D		4,909.574	D	(1) 0
						I	ESOP/Savings Plan (4)

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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 Amount of Underlying Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount Number of Shares
Stock Option (Right to Buy)	\$ 10.89	06/05/2008		D	27,567	06/05/2008 ⁽⁵⁾ 06/01/2010	Common Stock, \$0.01 par value 27,567
Stock Option (Right to Buy)	\$ 13.53	06/05/2008		D	7,394	06/05/2008 ⁽⁵⁾ 03/01/2011	Common Stock, \$0.01 par value 7,394
Stock Option (Right to Buy)	\$ 16.05	06/05/2008		D	115,500	06/05/2008 ⁽⁵⁾ 02/06/2013	Common Stock, \$0.01 par value 115,500
Stock Option (Right to Buy)	\$ 24.78	06/05/2008		D	2,132	06/05/2008 ⁽⁵⁾ 02/04/2014	Common Stock, \$0.01 par value 2,132
Stock Option (Right to Buy)	\$ 24.78	06/05/2008		D	93,868	06/05/2008 ⁽⁵⁾ 02/04/2014	Common Stock, \$0.01 par value 93,868
Stock Option (Right to Buy)	\$ 30.66	06/05/2008		D	75,000	06/05/2008 ⁽⁵⁾ 02/02/2015	Common Stock, \$0.01 par value 75,000
Stock Option (Right to Buy)	\$ 26.08	06/05/2008		D	75,000	06/05/2008 ⁽⁵⁾ 02/01/2016	Common Stock, \$0.01 par value 75,000
	\$ 37.25	06/05/2008		D	75,000	06/05/2008 ⁽⁵⁾ 02/05/2017	75,000

Stock
Option
(Right to
Buy)

Common
Stock,
\$.01 par
value

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
COSTELLO LAWRENCE B C/O TRANE INC. ONE CENTENNIAL AVENUE PISCATAWAY, NJ 08855			Sr. VP, Human Resources	

Signatures

/s/ Lawrence B. Costello (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) Represents shares purchased pursuant to the Company's Employee Stock Purchase Plan.
- (3) Represents shares held under the Company's Deferred Compensation Plan.
- (4) Includes shares held in ESOP and Savings Plan.
- (5) 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.
- (6) In the merger, this option was converted into 29,129 options to acquire Class A common shares of Ingersoll Rand with an exercise price per option equal to \$10.31.
- (7) In the merger, this option was converted into 7,813 options to acquire Class A common shares of Ingersoll Rand with an exercise price per option equal to \$12.81.
- (8) This option was canceled in the merger in exchange for a cash payment of \$3,528,336.30, 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).
- (9) This option was canceled in the merger in exchange for a cash payment of \$46,516.76, 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).
- (10) In the merger, this option was converted into 90,113 options to acquire Class A common shares of Ingersoll Rand with an exercise price per option equal to \$21.22.
- (11) In the merger, this option was converted into 72,000 options to acquire Class A common shares of Ingersoll Rand with an exercise price per option equal to \$27.35.
- (12) In the merger, this option was converted into 72,000 options to acquire Class A common shares of Ingersoll Rand with an exercise price per option equal to \$22.57.

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- (13) In the merger, this option was converted into 72,000 options to acquire Class A common shares of Ingersoll Rand with an exercise price per option equal to \$34.21

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