

Hartnett John R.
Form 4
October 24, 2017

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 *
Hartnett John R.

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)
10/20/2017

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

GLENVIEW, IL 60025

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	10/20/2017		M	6,533 A \$ 55.71	18,622	D	
Common Stock	10/20/2017		S ⁽¹⁾	6,533 D \$ 155	12,089	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)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option	\$ 55.71	10/20/2017		M	6,533	02/10/2013	02/10/2022	Common Stock	6,533
Employee Stock Option	\$ 63.25					02/15/2014	02/15/2023	Common Stock	28,000
Employee Stock Option	\$ 78.59					02/14/2015 ⁽²⁾	02/14/2024	Common Stock	24,000
Employee Stock Option	\$ 91.88					02/12/2017 ⁽²⁾	02/12/2026	Common Stock	19,000
Employee Stock Option	\$ 98.26					02/13/2016 ⁽²⁾	02/13/2025	Common Stock	19,000
Performance Restricted Stock Unit (granted 2/12/2016) ⁽³⁾	\$ 0					<u>(4)</u>	<u>(4)</u>	Common Stock	4,300
Performance Restricted Stock Unit (granted 2/13/15) ⁽³⁾	\$ 0					<u>(4)</u>	<u>(4)</u>	Common Stock	4,000
Performance Share Units (granted 2/10/17) ⁽³⁾ ⁽⁵⁾	\$ 0					<u>(4)</u>	<u>(4)</u>	Common Stock	2,400
Employee Stock Option	\$ 128					02/10/2018 ⁽²⁾	02/10/2027	Common Stock	23,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Hartnett John R. ILLINOIS TOOL WORKS INC. 155 HARLEM AVENUE GLENVIEW, IL 60025			Executive Vice President	

Signatures

John R. Hartnett, by Janet O. Love, Deputy General Counsel & Assistant Secretary,
Attorney-In-Fact on File

10/24/2017

__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 12, 2017.
 - (2) Options vest in four (4) equal annual installments beginning one year from date of grant.
 - (3) 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.
 - (4) Each PRSU and PSU vests 100% three years from the date of grant if performance goals are met.
 - (5) PSUs accrue dividends in shares of common stock, subject to fulfillment of vesting period and performance goals; the PSUs shown include dividend equivalents 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. 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.