LYDALL INC /DE/ Form 4

December 10, 2008

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

OMB APPROVAL OMB

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Form filed by More than One Reporting

Person

if no longer subject to Section 16. Form 4 or Form 5

Check this box

SECURITIES Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

obligations Section 17(a) of the Public Utility Holding Company Act of 1935 or Section may continue. 30(h) of the Investment Company Act of 1940 See Instruction

1(b).

(City)

(Print or Type Responses)

1. Name and Address of Reporting Person * 5. Relationship of Reporting Person(s) to 2. Issuer Name and Ticker or Trading LAUGHLAN JAMES V Issuer Symbol LYDALL INC /DE/ [LDL] (Check all applicable) (Last) (First) (Middle) 3. Date of Earliest Transaction (Month/Day/Year) Director 10% Owner X_ Officer (give title Other (specify C/O LYDALL, INC., ONE 12/08/2008 below) below) COLONIAL ROAD, P.O. BOX 151 Controller (Street) 4. If Amendment, Date Original 6. Individual or Joint/Group Filing(Check Filed(Month/Day/Year) Applicable Line) _X_ Form filed by One Reporting Person

MANCHESTER, CT 06045-0151

(State)

(7:n)

(City)	(State) (2	Table	Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned									
1.Title of Security	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if	3. Transactio	4. Securities on Acquired (A) or			5. Amount of Securities	6. Ownership Form: Direct	7. Nature of Indirect			
(Instr. 3)	•	any	Code	(/ - / - /		Beneficially	(D) or	Beneficial				
		(Month/Day/Year)	(Instr. 8)			Owned Following	Indirect (I) (Instr. 4)	Ownership (Instr. 4)				
			Code V	Amount	(A) or (D)	Price	Reported Transaction(s) (Instr. 3 and 4)					
Common Stock ESPP	12/08/2008		A	43	A	<u>(1)</u>	688	D				
Common Stock	12/08/2008		F	150 (2)	D	\$ 5.2	1,680	D				

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

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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	2.	3. Transaction Date	3A. Deemed	4.	5.	6. Date Exerc	cisable and	7. Title	and	8. Price of	9. Nu
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	TransactionNumber		Expiration D	ate Amou		t of	Derivative	Deriv
Security	or Exercise		any	Code	of	(Month/Day/	Year)	Underly	ying	Security	Secui
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Derivative	e		Securit	ies	(Instr. 5)	Bene
	Derivative				Securities			(Instr. 3	3 and 4)		Own
	Security				Acquired						Follo
	•				(A) or						Repo
					Disposed						Trans
					of (D)						(Instr
					(Instr. 3,						
					4, and 5)						
									A manuat		
									Amount		
						Date	Expiration		Or Number		
						Exercisable	Date		Number		
				C + V	(A) (D)				of		
				Code V	(A) (D)				Shares		

Reporting Owners

Relationships Reporting Owner Name / Address

> 10% Owner Officer Other Director

LAUGHLAN JAMES V C/O LYDALL, INC. ONE COLONIAL ROAD, P.O. BOX 151 MANCHESTER, CT 06045-0151

Controller

Signatures

Kathleen J. Carroll, Attorney-in-fact for James V.

Laughlan 12/10/2008

> **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).
- The reporting person acquired 43 shares through the Company's ESPP between 1/1/2008 and 12/8/2008 at prices ranging from \$4.63 and **(1)** \$15.53.
- In conjunction with a restricted stock vesting on December 8, 2008, the reporting person disposed of 150 shares of Common Stock to satisfy tax obligations of the reporting person.

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.

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