

TRANE INC.
Form 4
June 09, 2008

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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.

Persons who respond to the collection of information contained in this form are not

SEC 1474 (9-02)

required to respond unless the form displays a currently valid OMB control number.

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.