SEC Form 4

FORM 4

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

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934
or Section 30(h) of the Investment Company Act of 1940

| 1. Name and Address of Reporting Person[*]

 RESCORLA CHARLES L

 (Last) (First) (Middle)
 88 11TH AVENUE NE

 (Street)
 MINNEAPOLIS MN 55413

 (City) (State) (Zip) | 2. Issuer Name **and** Ticker or Trading Symbol
 GRACO INC [GGG]

 3. Date of Earliest Transaction (Month/Day/Year)
 11/03/2015

 4. If Amendment, Date of Original Filed (Month/Day/Year) | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable)

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

 6. Individual or Joint/Group Filing (Check Applicable Line)
 X   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	11/03/2015		M		22,500	A	$40.68	83,657	D	
Common Stock	11/03/2015		S		22,500	D	$75.5054[1]	61,157[2]	D	
Common Stock								2,104.7531[3]	I	by ESOP

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 Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Non-qualified Stock Option (Right to Buy)	$40.68[4]	11/03/2015		M			22,500	[4]	02/17/2016	Common Stock	22,500	$0	0	D	

Explanation of Responses:

1. The price reported in Column 4 is a weighted average price. The shares were sold at prices ranging from $75.08 to $75.73, inclusive. The reporting person undertakes to provide Graco Inc., any security holder of Graco Inc., or the staff of the Securities and Exchange Commission, upon request, with full information regarding the number of shares sold at each separate price within the range set forth in the footnote.

2. Includes shares acquired under Graco Employee Stock Purchase Plan, exempt under Rule 16b-3.

3. Included in the amount of ESOP shares are dividends paid pursuant to the Graco Employee Stock Ownership Plan, exempt under Rule 16b-3(c).

4. Employee stock option granted pursuant to the Graco Inc. Stock Incentive Plan in transaction exempt under Rule 16b-3. The stock option becomes exercisable in four equal annual installments, commencing one year after the date of the grant.

/s/ Francis J. Brixius Jr., attorney-in-fact for Mr. Rescorla	11/04/2015
** Signature of Reporting Person	Date

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

* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.