

YATES RICHARD L
Form 4
August 03, 2010

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 *
YATES RICHARD L

(Last) (First) (Middle)
TEXTRON INC., 40
WESTMINSTER STREET
(Street)

PROVIDENCE, RI 02903

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
TEXTRON INC [TXT]

3. Date of Earliest Transaction
(Month/Day/Year)
07/30/2010

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 & Controller

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 Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)	Code V Amount (D) Price		

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

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SEC 1474
(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	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
				Code	V					(A)
Employee Stock Option (Right to Buy)	\$ 38.29	07/30/2010	D		20,180	<u>(1)</u>	02/22/2015	Common Stock	20,180	
Employee Stock Option (Right to Buy)	\$ 20.76	07/30/2010	A		7,853		08/01/2011	02/22/2015	Common Stock	7,853
Employee Stock Option (Right to Buy)	\$ 43.98	07/30/2010	D		18,038	<u>(3)</u>	02/29/2016	Common Stock	18,038	
Employee Stock Option (Right to Buy)	\$ 20.76	07/30/2010	A		6,757		08/01/2011	02/29/2016	Common Stock	6,757
Employee Stock Option (Right to Buy)	\$ 45.85	07/30/2010	D		17,450	<u>(5)</u>	02/28/2017	Common Stock	17,450	
Employee Stock Option (Right to Buy)	\$ 20.76	07/30/2010	A		6,953		08/01/2011	02/28/2017	Common Stock	6,953
Employee Stock Option (Right to Buy)	\$ 54.17	07/30/2010	D		17,283	<u>(7)</u>	02/28/2018	Common Stock	17,283	
Employee Stock Option (Right to Buy)	\$ 20.76	07/30/2010	A		6,426		08/01/2011	02/28/2018	Common Stock	6,426

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
YATES RICHARD L TEXTRON INC. 40 WESTMINSTER STREET PROVIDENCE, RI 02903			Sr. VP & Controller	

Signatures

/s/ Ann T. Willaman, Attorney-in-Fact	08/03/2010
**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 option provided for vesting in three (3) equal annual installments, beginning on February 23, 2006.
As of July 30, 2010, the issuer accepted for exchange and cancelled, pursuant to the issuer's option exchange offer, an option for 20,180 shares of Textron Common Stock granted to the Reporting Person on February 23, 2005. In exchange, the Reporting Person received a new option for 7,853 shares having an exercise price of \$20.76 per share.
 - (3) The option provided for vesting in three (3) equal annual installments, beginning on March 1, 2007.
As of July 30, 2010, the issuer accepted for exchange and cancelled, pursuant to the issuer's option exchange offer, an option for 18,038 shares of Textron Common Stock granted to the Reporting Person on March 1, 2006. In exchange, the Reporting Person received a new option for 6,757 shares having an exercise price of \$20.76 per share.
 - (5) The option provided for vesting in three (3) equal annual installments, beginning on March 1, 2008.
As of July 30, 2010, the issuer accepted for exchange and cancelled, pursuant to the issuer's option exchange offer, an option for 17,450 shares of Textron Common Stock granted to the Reporting Person on March 1, 2007. In exchange, the Reporting Person received a new option for 6,953 shares having an exercise price of \$20.76 per share.
 - (7) The option provided for vesting in three (3) equal annual installments, beginning on March 1, 2009.
As of July 30, 2010, the issuer accepted for exchange and cancelled, pursuant to the issuer's option exchange offer, an option for 17,283 shares of Textron Common Stock granted to the Reporting Person on February 29, 2008. In exchange, the Reporting Person received a new option for 6,426 shares having an exercise price of \$20.76 per share.

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.