Edgar Filing: GRACO INC - Form 4

Form 4													
FORM 4 UNITED STATES SECURITIES AND EXCHANCE COMMISSION										OMB APPROVAL			
UNITED STATES SECURITIES AND EXCHANGE COMMISSIO Washington, D.C. 20549								N OMB Number:	3235-0287				
Check this if no longe subject to Section 16 Form 4 or		NGES IN SECU	Expires: Estimated a burden hou response	urs per									
Form 5 obligations may contin <i>See</i> Instruct 1(b).	s Section 17(ction	a) of the l	Public U		oldir	ng Cor	npany	Act	nge Act of 1934, of 1935 or Secti 940				
(Print or Type Re	esponses)												
1. Name and Address of Reporting Person <u>*</u> EUGSTER JACK W			2. Issuer Name and Ticker or Trading Symbol					ıg	5. Relationship of Reporting Person(s) to Issuer				
(Last)	(First) (1	Middle)	GRACO INC [GGG] 3. Date of Earliest Transaction						(Check all applicable)				
88 11TH AVENUE NE			(Month/Day/Year) 04/23/2010						X_ Director 10% Owner Officer (give title Other (specify below) below)				
				4. If Amendment, Date Original Filed(Month/Day/Year)					 6. Individual or Joint/Group Filing(Check Applicable Line) _X_Form filed by One Reporting Person Form filed by More than One Reporting 				
(City)	(State)	(Zip)	Tak	la I Non	Dor	ivotivo	Soon	tion A	Person	of or Ponoficia	lly Owned		
1.Title of 2	2. Transaction Date Month/Day/Year)	2A. Deemo	ed Date, if	3. Transacti Code (Instr. 8) Code V	4. ionAd Di (In	Securit cquired isposed nstr. 3, 4	ies (A) or of (D) 4 and 5 (A) or)	cquired, Disposed 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		
Reminder: Repo	ort on a separate line	for each cl	ass of sec	urities ben	efici	ally ow	ned dir	ectly o	or indirectly.				
						inforn requi	nation red to	cont respo	pond to the colle ained in this form ond unless the fo ntly valid OMB co	n are not rm	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	2.	3. Transaction Date	3A. Deemed	4.	5. Number	6. Date Exercisable and	7. Title and Amount
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transactio	onof Derivative	Expiration Date	Underlying Securitie
Security	or Exercise		any	Code	Securities	(Month/Day/Year)	(Instr. 3 and 4)
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Acquired		

number.

	Derivative Security					(A) or Disposed (D) (Instr. 3, and 5)					
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amour or Numbe of Shares
Non-Qualified Stock Option (right to buy)	\$ 35.16 (1)	04/23/2010 <u>(2)</u>		А		8,600		(1)	04/23/2020	Common Stock	8,60

Reporting Owners

Reporting Owner Name / AddressRelationshipsDirector10% OwnerOfficerOtherEUGSTER JACK WXVVV88 11TH AVENUE NEXVVVMINNEAPOLIS, MN 55413VVVV

Signatures

By: Kristen C. Nelson, Attorney-in-Fact For: Jack W. Eugster

**Signature of Reporting Person

07/08/2010

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) Nonemployee director stock option granted pursuant to the Graco Inc. 2010 Stock Incentive Plan in a 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.
- (2) Stock options granted to nonemployee directors at the annual meeting held on April 23, 2010. Not filed previously due to an administrative oversight by the company.

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.