

PRAXAIR INC
Form 4
August 19, 2008

FORM 4

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

OMB APPROVAL

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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 *
Breedlove James T

(Last) (First) (Middle)
39 OLD RIDGEBURY ROAD
(Street)

DANBURY, CT 06810-5113

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
PRAXAIR INC [PX]

3. Date of Earliest Transaction
(Month/Day/Year)
08/15/2008

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)
Senior VP, Gen. Counsel & Sec.

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Stock | 08/15/2008 | | M | | 20,000 | A | \$ 44.27 |
| Common Stock | 08/15/2008 | | M | | 30,000 | A | \$ 44.25 |
| Common Stock | 08/15/2008 | | S | | 50,000 | D | \$ 88.83 (1) |
| Common Stock | | | | | | | 2,096.5086 |
| | | | | | | I | 401(k) |

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 (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 Number Shares |
| Stock Option (right to buy) | \$ 44.27 | 08/15/2008 | | M | 20,000 | 11/15/2006 ⁽²⁾ | 11/15/2014 | Common Stock | 20,000 |
| Stock Option (right to buy) | \$ 44.25 | 08/15/2008 | | M | 30,000 | 02/22/2006 ⁽³⁾ | 02/22/2015 | Common Stock | 30,000 |
| Stock Option (right to buy) | \$ 53.98 | | | | | 02/28/2007 ⁽³⁾ | 02/28/2016 | Common Stock | 54,400 |
| Stock Option (right to buy) | \$ 61.47 | | | | | 02/27/2008 ⁽³⁾ | 02/27/2017 | Common Stock | 67,400 |
| Stock Option (right to buy) | \$ 83.89 | | | | | 02/26/2009 ⁽³⁾ | 02/26/2018 | Common Stock | 39,300 |
| Stock Option (right to buy) | \$ 83.89 | | | | | 02/26/2011 ⁽⁴⁾ | 02/26/2018 | Common Stock | 20,000 |
| Deferred Stock | \$ 0 ⁽⁵⁾ | | | | | ⁽⁶⁾ | ⁽⁶⁾ | Common Stock | 485,100 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|--------------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Breedlove James T 39 OLD RIDGEBURY ROAD DANBURY, CT 06810-5113 | | | Senior VP, Gen. Counsel & Sec. | |

Signatures

Anthony M. Pepper,
Attorney-In-Fact

08/19/2008

__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 \$88.83 price reported is the weighted average sale price. The sale prices ranged from \$88.48 to 89.15 per share. Upon request of the
- (1) SEC Staff, Praxair, Inc. or a security holder of Praxair, Inc., the reporting person will provide full information regarding the number of shares sold at each separate price.
- (2) This option becomes exercisable in the following two installments: (i) 50% on November 15, 2006, and 50% on November 15, 2009.
- (3) This option becomes exercisable in three (3) equal annual installments beginning on the first anniversary of the date of grant.
This option will vest in full if Praxair, Inc. achieves cumulative fiscal year earnings per share growth of at least 33% over 2007 earnings
- (4) per share at any time prior to January 1, 2011. If vested, the option may be exercised beginning on the third anniversary of the grant date. If Praxair, Inc. fails to meet the cumulative earnings per share goal, this option will be forfeited.
- (5) Conversion to Praxair Common Stock is on a 1-for-1 basis.
- (6) Deferred stock units acquired under the 1993 Praxair, Inc. Compensation Deferral Program as amended and are to be settled in Praxair Common Stock.

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.