

LYDALL INC /DE/  
Form 4  
March 06, 2007

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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 \*  
**FRANKS BILLY W JR**

(Last) (First) (Middle)

**C/O LYDALL, INC., ONE COLONIAL ROAD, P.O. BOX 151**

(Street)

**MANCHESTER, CT 06045-0151**

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**LYDALL INC /DE/ [LDL]**

3. Date of Earliest Transaction (Month/Day/Year)  
**03/05/2007**

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)  
**Group President**

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 Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	03/05/2007		M		3,750 A \$ 7.65	16,990	D
Common Stock	03/05/2007		M		17,575 A \$ 9.85	34,565	D
Common stock	03/05/2007		M		11,795 A \$ 9.875	46,360	D
Common Stock	03/05/2007		S		33,120 D \$ 12.746	13,240	D

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

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(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)	8. Amount or Number of Shares
Option to Buy	\$ 7.65	03/05/2007		M	3,750	<u>(1)</u> 12/06/2015	Common Stock	3,750
Option to Buy	\$ 9.85	03/05/2007		M	17,575	<u>(2)</u> 12/11/2011	Common Stock	17,575
Option to Buy	\$ 9.875	03/05/2007		M	11,795	<u>(2)</u> 12/11/2010	Common Stock	11,795

## Reporting Owners

### Reporting Owner Name / Address

### Relationships

Director    10% Owner    Officer    Other

FRANKS BILLY W JR  
C/O LYDALL, INC.  
ONE COLONIAL ROAD, P.O. BOX 151  
MANCHESTER, CT 06045-0151

Group President

## Signatures

David A. Jacoboski, Attorney-in-fact for Billy W. Franks, Jr.

03/06/2007

\_\_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) Employee Stock Option granted under the Lydall 2003 Stock Incentive Compensation Plan. Option becomes exercisable in four equal annual installments beginning one year from initial grant date.
- (2) Employee Stock Option granted under the Lydall 1992 Stock Incentive Compensation Plan. Option becomes exercisable in four equal annual installments beginning one year from initial grant date.

## Edgar Filing: LYDALL INC /DE/ - Form 4

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