

TOLL BROTHERS INC
Form 4
September 11, 2008

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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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 *
SHAPIRO PAUL E

(Last) (First) (Middle)
250 GIBRALTAR ROAD
(Street)
HORSHAM, PA 19044
(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
TOLL BROTHERS INC [TOL]

3. Date of Earliest Transaction (Month/Day/Year)
09/09/2008

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)

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 Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount (A) or (D) Price | | |
| Common Stock | 09/09/2008 | | M | | 66,000 (1) | A | \$ 5.7188 107,890 D |
| Common Stock | 09/09/2008 | | F | | 15,558 (1) | D | \$ 24.26 92,332 D |
| Common Stock | 09/09/2008 | | S | | 17,000 (2) (3) | D | \$ 25.8473 75,332 D |

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

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SEC 1474
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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 or Number of Shares |
| Stock Options (Right to buy) | \$ 4.375 | | | | | | | 12/20/2000 | 12/20/2009 | Common Stock | 66,000 |
| Stock Options (Right to buy) | \$ 9.6563 | | | | | | | 12/20/2000 | 12/20/2010 | Common Stock | 68,000 |
| Stock Options (Right to buy) | \$ 10.525 | | | | | | | 12/20/2003 | 12/20/2012 | Common Stock | 34,000 |
| Stock Options (Right to buy) | \$ 10.88 | | | | | | | 12/20/2001 | 12/20/2011 | Common Stock | 66,000 |
| Stock Options (Right to buy) | \$ 20.135 | | | | | | | 12/20/2004 | 12/20/2013 | Common Stock | 33,000 |
| Stock Options (Right to buy) | \$ 20.76 | | | | | | | 12/20/2008 | 12/20/2017 | Common Stock | 16,250 |
| Stock Options (Right to buy) | \$ 31.82 | | | | | | | 12/20/2007 | 12/20/2016 | Common Stock | 16,000 |
| Stock Options (Right to buy) | \$ 32.55 | | | | | | | 12/20/2005 | 12/20/2014 | Common Stock | 32,000 |

| | | | | | | | | | |
|------------------------------|-----------|------------|--|---|--------|------------|------------|--------------|--------|
| Stock Options (Right to buy) | \$ 35.97 | | | | | 12/20/2006 | 12/20/2015 | Common Stock | 16,000 |
| Stock Options (Right to buy) | \$ 5.7188 | 09/09/2008 | | M | 66,000 | 12/20/1999 | 12/20/2008 | Common Stock | 66,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| SHAPIRO PAUL E 250 GIBRALTAR ROAD HORSHAM, PA 19044 | | X | | |

Signatures

Kathryn G. Flanagan,
Attorney-in-Fact

09/11/2008

__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).
- (1) The Reporting Person exercised an option to purchase 66,000 shares at an exercise price of \$5.7188 per share. The option was granted on December 20, 1998 as compensation for services as a director of the Company and was scheduled to expire on December 20, 2008. The Company withheld 15,558 shares to cover payment of the exercise price and the Reporting Person received a net issuance of 50,442 shares, from which he sold 17,000 shares to pay applicable taxes and is retaining beneficial ownership of the remaining 33,442 shares.
- (3) Average sales price-actual sale prices ranged from \$25.80 to \$25.945
- (2) The Reporting person will provide, upon request by SEC staff, the issuer or a security holder, the full information about the number of shares sold at each separate sales price.

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.