

SMITH THOMAS P
Form 4
December 10, 2008

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 *
SMITH THOMAS P

(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)
12/08/2008

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)
V.P.- CFO & Treasurer

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 ESPP	12/08/2008		A		569 ⁽⁴⁾ A ⁽⁴⁾	D	
Common Stock	12/08/2008		F		512 ⁽³⁾ A \$ 5.2	D	
Common Stock	12/09/2008		A		400 ⁽²⁾ A \$ 4.94	I	Owned/Held by Spouse
Common Stock	12/09/2008		A		1,100 ⁽¹⁾ A \$ 4.9319	I	Owned/Held by Spouse

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. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned (Instr. 5)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SMITH THOMAS P C/O LYDALL, INC. ONE COLONIAL ROAD, P. O. BOX 151 MANCHESTER, CT 06045-0151			V.P.- CFO & Treasurer	

Signatures

Kathleen Carroll, Attorney-in-fact for Thomas P. Smith

12/10/2008

__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) Mr. Smith purchased 1,100 shares of stock at \$4.9319 on 12/9/08. The stock is registered in the name of his spouse: Valerie Wiseman, Rollover IRA Account
- (2) Mr. Smith purchased 400 shares of stock at \$4.94 on 12/9/08. The stock is registered in the name of his spouse: Valerie Wiseman, Rollover IRA Account
- (3) In conjunction with a restricted stock vesting on December 8, 2008, the reporting person disposed of 512 shares of Common Stock to satisfy tax obligations of the reporting person.
- (4) The reporting person acquired 569 shares through the Company's ESPP between 1/1/2008 and 12/8/2008 at prices ranging from \$4.63 and \$15.53.

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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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