

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

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 \*  
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  
(9-02)

number.

**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.