BENDER JAMES J
Form 4
March 05, 2009

# FORM 4

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

**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

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).

(Print or Type Responses)

1. Name and Address of Reporting Person *
BENDER JAMES J

(Last) (First) (Middle)

ONE WILLIAMS CENTER

(Street)

TULSA, OK 74172

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
WILLIAMS COMPANIES INC [WMB]

3. Date of Earliest Transaction (Month/Day/Year)
03/03/2009

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Sr. Vice President & GC

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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 (1) (2) | 03/03/2009 | | M | | 31,374 | A | $ 10.06 | 64,936 | D | |
| Common Stock | 03/03/2009 | | F | | 10,024 | D | $ 10.06 | 54,912 | D | |
| Common Stock (3) | 03/03/2009 | | M | | 10,458 | A | $ 10.06 | 65,370 | D | |
| Common Stock | 03/03/2009 | | F | | 3,342 | D | $ 10.06 | 62,028 | D | |
| Common Stock | | | | | | | | 2,800 | I | By children (4) |

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

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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 |
| Restricted Stock Units (1) (2) | $ 10.06 | 03/03/2009 | | M | | | 31,374 | 03/03/2009 | 03/03/2009 | Common Stock | 31,374 |
| Restricted Stock Units (3) | $ 10.06 | 03/03/2009 | | M | | | 10,458 | 03/03/2009 | 03/03/2009 | Common Stock | 10,458 |

# Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---|---|---|---|
| | Director | 10% Owner | Officer | Other |
| BENDER JAMES J<br>ONE WILLIAMS CENTER<br>TULSA, OK 74172 | | | Sr. Vice President & GC | |

# Signatures

| Cher S. Lawrence, Attorney-in-Fact for Mr. James J. Bender | 03/05/2009 |
|---|---|
| **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)** Vesting was subject to applicable grant agreement and compensation committee certification that the Company met the three year performance measure. The specific performance measure was an improvement in the Company's Economic Value Added over the three year period.

**(2)** Payout of performance-based Restricted Stock Units, in a transaction exempt under Rules 16b-3(d) and 16b-6(b), of shares of common stock awarded under The Williams Companies, Inc. 2007 Incentive Plan of which a portion of the shares were withheld for taxes.

**(3)** Payout of Restricted Stock Units, in a transaction exempt under Rules 16b-3(d) and 16b-6(b), of shares of common stock awarded under The Williams Companies, Inc. 2007 Incentive Plan of which a portion of the shares were withheld for taxes.

**(4)** Represents shares held in custodial accounts for reporting persons children titled James J. Bender as custodian for Victoria G. Bender, James J. Bender as custodian for Elizabeth H. Bender and James J. Bender as custodian for Jonathan J. Bender.

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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