

ALBANY INTERNATIONAL CORP /DE/
 Form 4
 March 03, 2008

FORM 4

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

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).

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 *
 NAHL MICHAEL C

2. Issuer Name and Ticker or Trading Symbol
 ALBANY INTERNATIONAL CORP /DE/ [AIN]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
 03/01/2008

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Executive Vice President & CFO

C/O ALBANY INTERNATIONAL CORP., P.O. BOX 1907

(Street)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

ALBANY, NY 12201-1907

(City) (State) (Zip)

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) | Price | | |
| Class A Common Stock | | | | | 2,562 | I | by ESOP |
| Class A Common Stock | 03/01/2008 | | M | 4,023 (1) | A \$ 0 11,719 | D | |
| Class A Common Stock (2) | 03/01/2008 | | M | 2,727 | A (2) 2,727 (2) | D (2) | |
| Class A Common Stock | 03/01/2008 | | D | 2,727 | D \$ 0 | D (2) | |

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| | | | | | | | | |
|-------------------------------------|------------|--|---|-------|---|------------|------------------|--------------|
| Common Stock ⁽²⁾ | | | | | | 35.15 | | |
| Class A Common Stock ⁽²⁾ | 03/01/2008 | | M | 1,296 | A | <u>(2)</u> | 1,296 <u>(2)</u> | D <u>(2)</u> |
| Class A Common Stock ⁽²⁾ | 03/01/2008 | | D | 1,296 | D | \$ 35.05 | 0 | D <u>(2)</u> |
| Class A Common Stock ⁽²⁾ | 03/01/2008 | | M | 2,605 | A | <u>(2)</u> | 2,605 <u>(2)</u> | D <u>(2)</u> |
| Class A Common Stock ⁽²⁾ | 03/01/2008 | | D | 2,605 | D | \$ 35.05 | 0 | D <u>(2)</u> |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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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 Security (Instr. 3 and 4) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------|--------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount |
| Class B Common Stock | <u>(3)</u> | | | | | <u>(3)</u> | <u>(3)</u> | Class A Common | 1 |
| Employee Stock Option ⁽⁴⁾ | \$ 15 | | | | | <u>(5)</u> | 02/09/2013 | Class A Common | 25 |
| Employee Stock Option ⁽⁴⁾ | \$ 16.25 | | | | | <u>(5)</u> | 05/28/2013 | Class A Common | 25 |
| Employee Stock Option ⁽⁴⁾ | \$ 18.75 | | | | | <u>(5)</u> | 05/11/2014 | Class A Common | 25 |

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) Shares distributed upon partial settlement of Restricted Stock Units previously granted pursuant to the Albany International Corp. 2005 Incentive Plan (see footnotes 11, 12, 13 and 14).
- (2) Deemed acquisition and disposition to the issuer of shares of stock underlying Restricted Stock Units upon automatic vesting and cash settlement of such Units (see footnotes 11, 13 and 15). No shares were actually issued to the reporting person, nor did the reporting person dispose of any shares.
- (3) Convertible, on a share-for-share basis, into Class A Common Stock.
- (4) Option granted pursuant to Company's 1992 Stock Option Plan as incentive to remain in employ of Company.
- (5) Fully exercisable.
- (6) Option granted in an exempt transaction as incentive to remain in employ of Company.
- (7) The option is not exercisable unless the market price of Class A Common Stock reaches \$48 per share while the optionee is employed by the Company or a subsidiary. When the target price is achieved, the option becomes exercisable as to a number of shares determined by multiplying 25,000 times the number of full years that have elapsed since the grant date. Thereafter, the option becomes exercisable as to an additional 25,000 shares on each anniversary of the grant date while the optionee remains an employee. In the event of termination of the optionee's employment, the option terminates as to all shares as to which it is not then exercisable, except that, in the case of voluntary termination after age 62, death, disability or involuntary termination, if the target price has been achieved prior to such termination, the option becomes exercisable, immediately prior to such termination, as to one-half of the shares as to which it is not then exercisable.
- (8) Restricted Stock Units granted pursuant to the Albany International Corp. 2003 Restricted Stock Unit Plan (the "Restricted Stock Unit Plan"). Each Restricted Stock Unit entitles the holder to receive the cash equivalent of one share of Class A Common Stock at the time of vesting or, in the event that the holder elects to defer payment, at such later time elected in accordance with the Restricted Stock Unit Plan.
- (9) 1,500 Restricted Stock Units (plus related dividend units) vest on each November 13, beginning November 13, 2004.
- (10) 1,500 Restricted Stock Units (plus related dividend units) vest on each November 11, beginning November 11, 2005.
- (11) Restricted Stock Units granted in February 2006 pursuant to the Albany International Corp. 2005 Incentive Plan (the "Incentive Plan"). Each Restricted Stock Unit award entitles the holder to receive a number of shares of Class A Common Stock, the cash equivalent of such shares, or a combination of cash and shares, in each case in accordance with a settlement schedule.
- (12) Reflects settlement (half in cash, half in shares of the Company's Class A Common Stock) on March 1, 2008.
- (13) Restricted Stock Units granted on February 16, 2007 pursuant to the Albany International Corp. 2005 Incentive Plan (the "Incentive Plan"). Each Restricted Stock Unit award entitles the holder to receive a number of shares of Class A Common Stock, the cash equivalent of such shares, or a combination of cash and shares, in each case in accordance with a settlement schedule.
- (14) Reflects settlement (half in cash, half in shares of the Company's Class A Common Stock) of two-thirds of the reported units on March 1, 2008. The remaining reported units (plus related dividend units) will be settled and payable on or about March 1, 2009, half in cash, half in shares of the Company's Class A Common Stock.
- (15) Restricted Stock Units granted on February 15, 2008 pursuant to the Albany International Corp. 2005 Incentive Plan (the "Incentive Plan"). Each Restricted Stock Unit award entitles the holder to receive a number of shares of Class A Common Stock, the cash equivalent of such shares, or a combination of cash and shares, in each case in accordance with a settlement schedule.
- (16) Reflects settlement in cash of 25% of the reported units on March 1, 2008. Two-thirds of the remaining reported units (plus related dividend units) will be settled and payable on or about March 1, 2009, and the remaining balance of the reported units (plus related dividend units) will be settled and payable on our about March 1, 2010. Each of the 2009 and 2010 payments will be half in cash, half in shares of the Company's Class A Common Stock.
- (17) 8,000 Restricted Stock Units (plus related dividend units) vest on March 1, 2011; 8,000 Restricted Stock Units (plus related dividend units) vest on September 1, 2011; 8,000 Restricted Stock Units (plus related dividend units) vest on March 1, 2012; and 8,000 Restricted Stock Units (plus related dividend units) vest on September 1, 2012.

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.