

Smith Richard M
Form 4
February 10, 2009

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 *
Smith Richard M

(Last) (First) (Middle)

1300 SOUTH MOPAC, THIRD FLOOR

(Street)

AUSTIN, TX 78746

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
TEMPLE INLAND INC [TIN]

3. Date of Earliest Transaction
(Month/Day/Year)
02/06/2009

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 Ownership (Instr. 4)
Common Stock				(A) or (D) Price	10,000 ⁽¹⁾	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)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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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)
Option (right to buy)	\$ 16.71 ⁽²⁾					11/03/2007 ⁽³⁾ 11/03/2016 ⁽³⁾	Common Stock 20,000 ⁽³⁾
Phantom Stock	\$ 5.64 ⁽⁴⁾	02/06/2009	02/06/2009	A	16,867	05/04/2018 ⁽⁴⁾ 05/04/2033 ⁽⁴⁾	Common Stock 53,000 ⁽⁴⁾

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Smith Richard M 1300 SOUTH MOPAC THIRD FLOOR AUSTIN, TX 78746		X		

Signatures

Leslie K. O'Neal signed on behalf of Richard M. Smith

02/09/2009

^{**}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) In accordance with the Shareholder Rights Plan adopted by the Company on February 9, 1999, Preferred Stock Purchase Rights are deemed to be attached to the shares of Common Stock.

(2) The exercise price of these outstanding options were amended from that previously reported in connection with the spin-off announced by the Company effective 12/28/2007, and pursuant to anti-dilution provisions set forth in the option plan and is intended to give the option the same economic value it had before the spin-off.

(3) Option Vesting Schedule: Options exercisable 11/03/2007 - 8,000; Options exercisable 11/03/2008 - 8,000; Options exercisable 11/03/2009 - 4,000.

(4) Phantom shares accrued under a Company plan, to be settled upon the reporting person's retirement. Phantom shares earned before 2006 are payable in stock. Phantom shares earned in 2006 or later are payable in cash.

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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