

Aardsma David A
 Form 3
 January 28, 2005

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF 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 * | | 2. Date of Event Requiring Statement | 3. Issuer Name and Ticker or Trading Symbol | |
| Â Aardsma David A | | (Month/Day/Year) | WASTE MANAGEMENT INC [WMI] | |
| (Last) | (First) | (Middle) | 4. Relationship of Reporting Person(s) to Issuer | 5. If Amendment, Date Original Filed(Month/Day/Year) |
| | | | | |
| 1001 FANNIN STREET, SUITE 4000 | | | (Check all applicable) | |
| (Street) | | | ___ Director | ___ 10% Owner |
| | | | <u>X</u> Officer | ___ Other |
| | | | (give title below) | (specify below) |
| HOUSTON, Â TX Â 77002 | | | Sr. VP, Sales and Marketing | |
| (City) | (State) | (Zip) | 6. Individual or Joint/Group Filing(Check Applicable Line) | |
| | | | <u>X</u> Form filed by One Reporting Person | |
| | | | ___ Form filed by More than One Reporting Person | |

Table I - Non-Derivative Securities Beneficially Owned

| 1. Title of Security (Instr. 4) | 2. Amount of Securities Beneficially Owned (Instr. 4) | 3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 4. Nature of Indirect Beneficial Ownership (Instr. 5) |
|---------------------------------|---|--|---|
| Common Stock ⁽¹⁾ | 6,400.7526 | D | Â |

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

SEC 1473 (7-02)

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

| 1. Title of Derivative Security (Instr. 4) | 2. Date Exercisable and Expiration Date (Month/Day/Year) | 3. Title and Amount of Securities Underlying Derivative Security (Instr. 4) | 4. Conversion or Exercise Price of Derivative Security | 5. Ownership Form of Derivative Security: Direct (D) | 6. Nature of Indirect Beneficial Ownership (Instr. 5) |
|--|--|---|--|--|---|
|--|--|---|--|--|---|

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| | Date Exercisable | Expiration Date | Amount or Number of Shares | | | or Indirect (I) (Instr. 5) | |
|--|------------------|-----------------|----------------------------|----------|------------|----------------------------|---|
| Stock Option (Right to Buy) ⁽²⁾ | 03/10/1999 | 03/10/2008 | Common Stock | 2,475 | \$ 33.64 | D | Â |
| Stock Option (Right to Buy) ⁽³⁾ | 01/11/2000 | 01/11/2009 | Common Stock | 1,500 | \$ 51.375 | D | Â |
| Stock Option (Right to Buy) ⁽³⁾ | 09/13/2000 | 09/13/2009 | Common Stock | 750 | \$ 20.5 | D | Â |
| Stock Option (Right to Buy) ⁽⁴⁾ | 05/09/1998 | 05/09/2007 | Common Stock | 3,106 | \$ 41.45 | D | Â |
| Stock Option (Right to Buy) ⁽⁵⁾ | 02/28/2001 | 02/28/2010 | Common Stock | 1,250 | \$ 14.8125 | D | Â |
| Stock Option (Right to Buy) ⁽⁶⁾ | 03/01/2002 | 03/01/2011 | Common Stock | 25,000 | \$ 24.01 | D | Â |
| Phantom Stock Units ⁽⁷⁾ | 08/08/1988 | 08/08/1988 | Common Stock | 991.6877 | \$ 0 | D | Â |
| Stock Option (right to buy) ⁽⁶⁾ | 03/07/2003 | 03/07/2012 | Common Stock | 17,500 | \$ 27.88 | D | Â |
| Stock Option (right to buy) ⁽⁶⁾ | 03/06/2004 | 03/06/2013 | Common Stock | 21,500 | \$ 19.61 | D | Â |
| Stock Option (right to buy) ⁽⁶⁾ | 03/04/2005 | 03/04/2014 | Common Stock | 20,500 | \$ 29.24 | D | Â |
| Stock Option (Right to Buy) ⁽⁸⁾ | 06/05/2001 | 06/05/2010 | Common Stock | 9,000 | \$ 19.25 | D | Â |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Aardsma David A 1001 FANNIN STREET, SUITE 4000 HOUSTON, TX 77002 | Â | Â | Â Sr. VP, Sales and Marketing | Â |

Signatures

David A. Aardsma 01/28/2005

⁽¹⁾Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 5(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)

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Includes 5,000 restricted stock units granted January 19, 2005 pursuant to Waste Management, Inc. 2004 Stock Incentive Plan. Award vests in 25% annual increments, commencing on the first anniversary of the date of grant.

- (2) Stock option granted pursuant to Waste Management, Inc. 1997 Equity Incentive Plan. Stock option vests in increments of one-third, commencing on the first anniversary of the date of grant.
- (3) Stock option granted pursuant to Waste Management, Inc. 1993 Stock Incentive Plan. Stock option vests in 20% annual increments, commencing on the first anniversary date of the date of grant.
- (4) Stock option granted pursuant to Waste Management, Inc. 1997 Equity Incentive Plan.
- (5) Stock Option granted pursuant to Waste Management, Inc. 2000 Broad-Based Employee Plan. Stock option vests in 25% annual increments, commencing on the first anniversary of the date of grant.
- (6) Stock option granted pursuant to Waste Management, Inc. 2000 Stock Incentive Plan. Stock option vests in 25% annual increments, commencing on the first anniversary of the date of grant.
- (7) Phantom stock units accrued under the Waste Management, Inc. Retirement Savings Restoration Plan, a supplemental retirement savings plan. A phantom stock unit is equivalent to one share of Common Stock.
- (8) Stock option granted pursuant to Waste Management, Inc. 1993 Stock Incentive Plan. Stock option vests in 25% annual increments, commencing on the first anniversary of the date of grant.

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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