

GRAHAM MICHAEL J

Form 4

November 24, 2004

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
GRAHAM MICHAEL J

(Last) (First) (Middle)

3333 BEVERLY ROAD

(Street)

HOFFMAN ESTATES, IL 60179

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
SEARS ROEBUCK & CO [S]

3. Date of Earliest Transaction
(Month/Day/Year)
11/24/2004

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)

Vice President

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|--------|------------------|---|--|-----------------------------------|
| | | | Code | V | Amount | (A) or (D) Price | | | |
| Common Shares | 11/24/2004 | 11/24/2004 | M | | 6,666 | A \$ 33.69 | 11,666 | D | |
| Common Shares | 11/24/2004 | 11/24/2004 | S | | 5,066 | D \$ 52.94 | 6,600 | D | |
| Common Shares | 11/24/2004 | 11/24/2004 | S | | 700 | D \$ 52.97 | 5,900 | D | |
| Common Shares | 11/24/2004 | 11/24/2004 | S | | 900 | D \$ 52.95 | 5,000 | D | |
| Common Shares (401(k)) | | | | | | | 85.9171 | I | 401(k) Plan |

Plan) ⁽¹⁾

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)

| 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) | 8. I Der Sec (In |
|---|--|---|---|--------------------------------------|---|--|--------------------|---|--|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Option (Right to Buy) | \$ 33.69 | 11/24/2004 | 11/24/2004 | M | 6,666 | <u>(2)</u> | 06/30/2013 | Common Shares | 6,666 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|----------------|-------|
| | Director | 10% Owner | Officer | Other |
| GRAHAM MICHAEL J 3333 BEVERLY ROAD HOFFMAN ESTATES, IL 60179 | | | Vice President | |

Signatures

By: /s/ Ellis A. Regenbogen as
Attorney-in-Fact 11/24/2004

^{__}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) Initial reporting of 401(k) Plan holdings.

(2) This option grant vests in three equal annual installments beginning one year from the date of grant. The option expires 10 years from the date of grant, and contains reload features and the right to have shares withheld to satisfy tax withholding obligations.

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(3) Employee Stock Option grant in consideration of service as an employee.

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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