

ARMSTRONG WORLD INDUSTRIES INC
Form 4
August 11, 2009

FORM 4

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

OMB APPROVAL

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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 *
Armstrong World Industries, Inc.
Asbestos Personal Injury Settlement Trust

(Last) (First) (Middle)

818 N. WASHINGTON ST.

(Street)

WILMINGTON, DE 19801

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
ARMSTRONG WORLD INDUSTRIES INC [AWI]

3. Date of Earliest Transaction (Month/Day/Year)
08/10/2009

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director
____ Officer (give title below)
__X__ 10% Owner
____ Other (specify below)

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)
				(A) or (D)	Price		
			Code	V	Amount	(D)	
Common Stock	08/10/2009		S		7,000,000	D	
					\$ 22.31		
					29,981,480	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 Securities (Instr. 3 and 4)	
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						Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Forward Sale Contract (obligation to sell) (1) (2) (3)	(1)	08/10/2009		J(1)	1,039,777	(1)	(1)	Common Stock	1,039,777

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Armstrong World Industries, Inc. Asbestos Personal Injury Settlement Trust 818 N. WASHINGTON ST. WILMINGTON, DE 19801			X	

Signatures

/s/Edward E. Steiner, attorney-in-fact for Armstrong World Industries, Inc. Asbestos Personal Injury Settlement Trust 08/11/2009

__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) On August 10, 2009, the reporting person entered into a prepaid variable forward sale contract with TPG Partners V, L.P. and TPG Partners VI, L.P. (collectively, "TPG"). The contract obligates the reporting person to deliver to TPG 1,039,777 shares of AWI common stock (or cash as provided in the contract) on the maturity date of the contract. The maturity date is the 20th trading day beginning on November 4, 2013. In exchange for assuming this obligation, the reporting person will receive \$23,197,425 at closing of the contract.
- (2) The reporting person pledged 1,039,777 shares of AWI common stock (the "Pledged Shares") to secure its obligations under the contract. While the reporting person retained dividend and voting rights in the Pledged shares during the term of the pledge, the reporting person is obligated to pay TPG dividends received on such shares and is party to a shareholders agreement with TPG relating to such shares.
- (3) The settlement price will be based on the 20 day AWI common stock price preceding the settlement transaction date, and the contract can be settled in cash or in the release of sufficient Pledge Shares to satisfy the settlement payment (as determined at the settlement price).

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.