

LOCKHART MICHAEL D
Form 4
March 02, 2007

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 *
LOCKHART MICHAEL D

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
C/O ARMSTRONG WORLD INDUSTRIES, INC., P.O BOX 3001

(Street)

3. Date of Earliest Transaction (Month/Day/Year)
02/19/2007

Director 10% Owner
 Officer (give title below) Other (specify below)
Chairman of Bd, President & CEO

LANCASTER, PA 17604

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

(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 Indirect Beneficial Ownership (Instr. 4)
Performance restricted stock ⁽¹⁾	02/19/2007 ⁽²⁾		A	56,850	A \$ 0 131,850	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)	8. Price or Value of Underlying Securities (Instr. 3 and 4)
Stock Options (right to buy)	\$ 52.38 (3)	02/19/2007(2)		A	64,100	(4) (5)	common stock	64,100 \$

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LOCKHART MICHAEL D C/O ARMSTRONG WORLD INDUSTRIES, INC. P.O BOX 3001 LANCASTER, PA 17604	X		Chairman of Bd, President & CEO	

Signatures

/s/ Michele M. Nicholas, by Power of Attorney
Date: 03/02/2007

**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) The performance restricted share grant is divided into two awards of 18,950 shares each. 100% of the first award will be earned if the Company's three-year earnings performance achieves a Board established target. 100% of the second award will be earned if the Company's three-year cumulative free cash flow (excluding acquisition and divestiture events) achieves a Board established target. In each case fewer shares will be earned for lesser performance.
- (2) The Board authorized the awards on February 19, 2007. The award was communicated to and accepted by the officer, and became an enforceable right on February 28, 2007.
- (3) There were no stock sales on the grant date; the closing price on the preceding date of February 16, 2007 was used.
- (4) The stock options will vest and become exercisable in three installments at one, two and three years as follows: 23,360 shares on February 19, 2008; 21,090 shares on February 19, 2009 and 19,650 shares on February 19, 2010 (contingent upon the officer's employment on the scheduled vesting date).
- (5) No shares of stock may be acquired by exercise of an option after ten years from the date the option was granted except as provided in the event of the optionee's death.

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.