MICHAELS STORES INC

Form 4

November 02, 2006

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB

3235-0287 Number:

OMB APPROVAL

January 31, Expires: 2005

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Check this box

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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 See Instruction

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * **BOYER JEFFREY N**

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to

Issuer

MICHAELS STORES INC [MIK]

(Check all applicable)

(Last)

(First) (Middle) 3. Date of Earliest Transaction

Director

10% Owner Other (specify

8000 BENT BRANCH DRIVE

(Month/Day/Year)

X_ Officer (give title below)

10/31/2006

President and CFO

4. If Amendment, Date Original

(Instr. 8)

Applicable Line)

X Form filed by One Reporting Person

6. Individual or Joint/Group Filing(Check

Filed(Month/Day/Year)

Form filed by More than One Reporting

(T)

(Instr. 4)

Person

IRVING, TX 75063

(City) (State) (Zip)

(Street)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)

2. Transaction Date 2A. Deemed (Month/Day/Year)

Execution Date, if

(Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D)

5. Amount of Securities Beneficially

Owned

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial Ownership

(Instr. 4)

Following Reported (A)

Transaction(s)

(Instr. 3, 4 and 5)

(Instr. 3 and 4) Code V Amount (D) Price

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

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

1. Title of Derivative Conversion Security or Exercise

3. Transaction Date 3A. Deemed (Month/Day/Year)

Execution Date, if any

4. 5. Number of TransactionDerivative Code Securities

6. Date Exercisable and **Expiration Date** (Month/Day/Year)

7. Title and Amount of **Underlying Securities** (Instr. 3 and 4)

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(Instr. 3)	Price of Derivative Security		(Month/Day/Year)	(Instr. 8)	Dispo	ired (A) or osed of (D) : 3, 4, and				
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (Right to Buy) (1)	\$ 12.02	10/31/2006		D		100,000	(2)	02/06/2008	Common Stock	100,000
Stock Option (Right to Buy) (1)	\$ 17.655	10/31/2006		D		29,166	(3)	08/06/2008	Common Stock	29,166
Stock Option (Right to Buy) (1)	\$ 25.59	10/31/2006		D		50,000	<u>(4)</u>	08/05/2009	Common Stock	50,000
Stock Option (Right to Buy) (1)	\$ 37.96	10/31/2006		D		43,750	<u>(5)</u>	08/04/2010	Common Stock	43,750
Stock Option (Right to Buy) (1)	\$ 37.15	10/31/2006		D		25,180	<u>(6)</u>	04/06/2011	Common Stock	25,180

Reporting Owners

Reporting Owner Name / Address	Relationships							
1	Director	10% Owner	Officer	Other				
BOYER JEFFREY N								
8000 BENT BRANCH DRIVE			President and CFO					

Signatures

IRVING, TX 75063

/s/ Todd J. Thorson Todd J. Thorson, Attorney-in-Fact for Jeffrey N.
Boyer

11/02/2006

**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).

This report relates to the exempt disposition of issuer securities by the reporting person pursuant to the agreement and plan of merger, (1) dated as of June 30, 2006, among Bain Paste Mergerco, Inc., Blackstone Paste Mergerco, Inc., Bain Paste Finco, LLC, Blackstone Paste Finco, LLC and the issuer (the "Merger Agreement").

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- This option to purchase issuer common stock (which provides for vesting of one-third of the option on each of the first, second and third anniversary of the date of grant (2/07/2003)) was, in accordance with the Merger Agreement, canceled and converted into the right to receive a cash payment equal to the excess (if any) of the \$44.00 per share cash merger consideration over the exercise price per share of the option, multiplied by the number of shares subject to the option.
- This option to purchase issuer common stock (which provides for vesting of one-third of the option on each of the first, second and third anniversary of the date of grant (8/07/2003)) was, in accordance with the Merger Agreement, canceled and converted into the right to receive a cash payment equal to the excess (if any) of the \$44.00 per share cash merger consideration over the exercise price per share of the option, multiplied by the number of shares subject to the option.
- This option to purchase issuer common stock (which provides for vesting of approximately one-third of the option on each of the first, second and third anniversary of the date of grant (8/06/2004)) was, in accordance with the Merger Agreement, canceled and converted into the right to receive a cash payment equal to the excess (if any) of the \$44.00 per share cash merger consideration over the exercise price per share of the option, multiplied by the number of shares subject to the option.
- This option to purchase issuer common stock (which provides for vesting of approximately one-third of the option on each of the first, second and third anniversary of the date of grant (8/05/2005)) was, in accordance with the Merger Agreement, canceled and converted into the right to receive a cash payment equal to the excess (if any) of the \$44.00 per share cash merger consideration over the exercise price per share of the option, multiplied by the number of shares subject to the option.
- This option to purchase issuer common stock (which provides for vesting of approximately one-third of the option on each of the first, second and third anniversary of the date of grant (4/07/2006)) was, in accordance with the Merger Agreement, canceled and converted into the right to receive a cash payment equal to the excess (if any) of the \$44.00 per share cash merger consideration over the exercise price per share of the option, multiplied by the number of shares subject to the option.

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.