

FOOTSTAR INC

Form 4

February 28, 2006

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

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(Print or Type Responses)

1. Name and Address of Reporting Person *
SHEPARD JEFFREY A

(Last) (First) (Middle)

**C/O FOOTSTAR, INC., 933
MACARTHUR BOULEVARD**

(Street)

MAHWAH, NJ 07430

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
FOOTSTAR INC [FTSTQ.PK]

3. Date of Earliest Transaction
(Month/Day/Year)
02/26/2006

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)

CEO and 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 Stock	02/26/2006		M		10,987	A	\$ 0 181,978
Common Stock	02/26/2006		F		4,631	D	\$ 4.55 177,347
Common Stock	02/26/2006		M		588	A	\$ 0 177,935
Common Stock	02/26/2006		F		254	D	\$ 4.55 177,681

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. Principal Amount of Securities (Instr. 3 and 4)		
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Deferred Stock	(1)	02/26/2006		M		10,987		(2)	(2)	Common Stock	10,987	\$
Deferred Stock	(1)	02/26/2006		M		588		(3)	(3)	Common Stock	588	\$

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
SHEPARD JEFFREY A C/O FOOTSTAR, INC. 933 MACARTHUR BOULEVARD MAHWAH, NJ 07430	CEO and President

Signatures

/s/ Jeffrey A.
Shepard

02/28/2006

**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).

- (1) The deferred stock converts to Common Stock on a one-for-one basis.
- (2) Settlement of deferred stock units after five years from grant date under the 1996 Incentive Stock Plan (STEP Program).
- (3) Settlement of deferred stock units after five years from grant date under the 1996 Incentive Stock Plan (CEP Program). The remaining units will fully vest upon the employee's termination of employment other than for cause or retirement.

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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