

Jacobsen Jakup a Dul
Form 4
February 14, 2006

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

OMB APPROVAL

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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 *
Jacobsen Jakup a Dul

2. Issuer Name and Ticker or Trading Symbol
LINENS N THINGS INC [LIN]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction
(Month/Day/Year)
02/10/2006

___ Director ___X___ 10% Owner
___ Officer (give title below) ___ Other (specify below)

SMARATORGI 1,

(Street)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
___ Form filed by One Reporting Person
X Form filed by More than One Reporting Person

201 KOPAVOGI, K6 104

(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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | Code | V Amount (A) or (D) Price | | | |
| Common Stock | 02/10/2006 | | X | 6,149,400 (1) (2) | \$ 25.4576 (3) | 6,149,400 (1) (2) | I See footnotes (1) (2) |

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

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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) |
|---|--|--------------------------------------|--|--------------------------------|---|--|---|
| Equity Swap (obligation to Purchase) ⁽⁴⁾ | \$ 25.4576 ⁽³⁾ | 02/10/2006 | | X | 1 ⁽⁵⁾ | 02/10/2006 ⁽⁶⁾ 04/05/2006 | Common Stock 6,149,400 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| Jacobsen Jakup a Dul SMARATORGI 1 201 KOPAVOGI, K6 104 | | X | | |
| Lagerinn ehf SUNDABORG 7 101 REYKJAVIK, K6 104 | | X | | |
| TF Holding P/F KONGABRUGVIN POST BOX 329 TORSHAVN, H6 FO 110 | | X | | |

Signatures

/s/ Jakup a Dul
Jacobsen 02/14/2006

**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) Such shares of common stock (the "Shares") were purchased by Lagerinn ehf ("Lagerinn") from Kaupthing Bank hf. ("Kaupthing") pursuant to certain agreements, by and between Kaupthing and Lagerinn (the "Equity Swap Agreements"). Jacobsen may be deemed to beneficially own the Shares because of his direct ownership of all the shares of Lagerinn.
- (2)

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Lagerinn had agreed in principle with TF Holding P/F ("TF Holding") that Lagerinn would sell and TF Holding would purchase twenty-five percent (25%) of the Shares (the "TF Holding Shares"). In lieu of such agreement, TF Holding and Lagerinn have agreed in principle that, upon the eventual disposition of all the Shares held by Lagerinn, Lagerinn will pay to TF Holding, with respect to the TF Holding Shares, the difference between the amount Lagerinn receives upon disposition of the TF Holding Shares and Lagerinn's actual purchase price for those shares less a pro rata amount of Lagerinn's costs incurred for its purchases of the Shares (including advisor fees) (the "TF Holding Agreement"). The TF Holding Agreement in principle has not yet been reduced to writing. TF Holding hereby disclaims beneficial ownership of the remaining seventy-five percent (75%) of the Shares owned by Lagerinn as of the close of business on February 14, 2006.

This figure represents the average purchase price for each Share. Pursuant to the Equity Swap Agreements, Lagerinn shall pay to

- (3) Kaupthing (i) a fee equal to \$0.04 for each Share; (ii) a fee equal to 0.20% of the purchase price of the Shares; and (iii) interest on the purchase price of the Shares at 5.0863%.

The Shares underlying the derivative security listed on Table II (the "Derivative Security") were purchased by Kaupthing in accordance with the Equity Swap Agreements. Jacobsen may be deemed to have beneficially owned the Derivative Security because of his direct ownership of all the shares of Lagerinn. TF Holding may be deemed to have beneficially owned twenty-five percent (25%) of the Shares underlying the Derivative Security because of the TF Holding Agreement.

- (5) The number of Shares underlying the Derivative Security is listed in column 7 of Table II.

This date represents the date on which the Shares underlying the Derivative Security were purchased by Lagerinn from Kaupthing

- (6) pursuant to the Equity Swap Agreements. Lagerinn's right to purchase the Shares was exercisable immediately upon Kaupthing's purchase of the Shares. The Equity Swap Agreements were entered into on April 9, 2005, May 9, 2005 and July 7, 2005, respectively.

Remarks:

Exhibit 99.1 - Joint Filer Information

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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