

GOSTOMSKI MICHAEL M
Form 4
August 26, 2005

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 *
GOSTOMSKI MICHAEL M

2. Issuer Name and Ticker or Trading Symbol
FASTENAL CO [FAST]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
1666 VALLEY VIEW DRIVE
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
08/24/2005

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

WINONA, MN 55987

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)
			Code	V	Amount		
					(A) or (D)		
					(1) Price		
Common Stock	08/24/2005		J(1)(2)(3)		276,667 (1) (2) (3)	D	See Footnote (4)
Common Stock						I	See Footnote (5)
Common stock					192,490	I	
					340	D	

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form

SEC 1474 (9-02)

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 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)				
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Forward Sales Contract (Obligation to Sell)	(1) (2) (3)	08/24/2005		J(1)(2)(3)	1	08/24/2005	08/24/2005			Common Stock	310,000 (1) (2) (3)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
GOSTOMSKI MICHAEL M 1666 VALLEY VIEW DRIVE WINONA, MN 55987			X	

Signatures

Jennifer Mewaldt, as Attorney-in-Fact 08/26/2005

**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 October 24, 2002, the reporting person's revocable living trust entered into a previously reported prepaid forward sale contract (the "Contract") with a securities broker which covered a maximum of 310,000 shares and settled on August 24, 2005. Upon signing the Contract, the trust received an initial cash payment equal to \$27.15 per share subject to the Contract in exchange for the trust's obligation to sell and deliver some or all of the shares subject to the Contract on the expiration date of the Contract as follows: Upon the expiration of the Contract, one of three delivery scenarios would occur: (i) if the fair market value of the underlying shares on the expiration date was at or below the floor price of \$32.65 per share, the trust would deliver all of the underlying shares to the securities broker;
- (2) (ii) if the fair market value of the underlying shares on the expiration date was above the floor price but below the cap price of \$39.18 per share, the trust would deliver a number of underlying shares the value of which, based on the current market price on the expiration date, equals the total number of underlying shares multiplied by the floor price; or (iii) if the fair market value of the underlying shares on the

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expiration date was at or above the cap price, the trust would deliver a number of underlying shares the value of which, based on the current market price on the expiration date, equals the total number of underlying shares multiplied by the sum of (a) the floor price and

- (b) the difference between the current market price and the cap price. Alternatively, the trust was permitted, instead of delivering the required number of underlying shares on the expiration date, to make a cash payment to the broker equal to the current fair market value of the number of underlying securities that would have otherwise been delivered. On the settlement date the closing price per share of
- (3) Fastenal Company common stock was \$60.73 which was greater than the cap price. Accordingly, the Contract required the trust to deliver to the securities broker 276,667 shares of Fastenal Company common stock. The trust was not obligated to deliver 33,333 shares of Fastenal Company common stock, and therefore those shares were retained.
- (4) These shares are held by the reporting person's revocable living trust. The reporting person disclaims beneficial ownership of these shares.
- 192,150 shares of the issuer's common stock are held by the revocable living trust of the reporting person's spouse. An additional 340
- (5) shares of issuer's common stock are held by the reporting person's spouse. The reporting person disclaims beneficial ownership of all shares listed in this footnote.

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.