SEC Form 4

FORM 4

☐ Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person*	2. Issuer Name **and** Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)
Grand Jean Steven D	**J CREW GROUP INC** [JCG]	X Director / 10% Owner / Officer (give title below) / Other (specify below)

(Last)	(First)	(Middle)

C/O J.CREW GROUP, INC.

770 BROADWAY

(Street)

NEW YORK	NY	10003

(City)	(State)	(Zip)

3. Date of Earliest Transaction (Month/Day/Year)
07/03/2006

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

5. Relationship of Reporting Person(s) to Issuer (Check all applicable)

X Director   10% Owner

Officer (give title below)   Other (specify below)

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock, par value $.01	07/03/2006		C		84,115	A	(1)	108,312	D	

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 Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Right to receive common stock	$3.52	07/03/2006		C			84,115	(1)	(1)	Common Stock	84,115	$0	0	I	See Note(1)

Explanation of Responses:

1. Grand-Jean Capital Management holds a 2.5% membership interest in MDJC LLC ("MDJC"), which in turn owns a 50% membership interest in TPG-MD Investment, LLC ("TPG-MD"). Pursuant to a credit agreement with the issuer, TPG-MD acquired debt of the issuer (the "5.0% Notes Payable"), which Millard S. Drexler, the owner of a 97.5% membership interest in MDJC, acting through MDJC and TPG-MD, converted into shares of common stock of the issuer at a conversion price of $3.52 per share. Mr. Grand-Jean owns 100% of Grand-Jean Capital Management. Pursuant to this conversion, which took place on July 3, 2006, Mr. Grand-Jean received 84,115 shares of common stock of the issuer.

Remarks:

(2) Arlene S. Hong is signing on behalf of Steven Grand-Jean pursuant to an authorization and designation letter previously filed with the Securities and Exchange Commission.

/s/ Arlene S. Hong on behalf of Steven Grand-Jean (2)	07/06/2006
** Signature of Reporting Person	Date

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

* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.