

FRANKLIN COVEY CO
Form 4
July 07, 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 *
KNOWLEDGE CAPITAL
INVESTMENT GROUP

(Last) (First) (Middle)

3232 MCKINNEY
AVENUE, SUITE 890

(Street)

DALLAS, TX 75204

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
FRANKLIN COVEY CO [FC]

3. Date of Earliest Transaction
(Month/Day/Year)
07/05/2005

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___X___ 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 Ownership (Instr. 4)
				Code V Amount (A) or (D) Price			
Series A Preferred Stock	03/04/2005		J(1)	V 3,311,438 A \$ 3,311,438		D	
Series A Preferred Stock	07/05/2005		J(2)	1,200,000 D \$ 25 2,111,438		D	

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

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(9-02)

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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 Underlying Security (Instr. 3 and 4)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title
Series A Convertible Preferred Stock	\$ 14	03/04/2005		J ⁽¹⁾	V	827,859.668		<u>(3)</u>	<u>(4)</u>	Common Stock
Warrant	\$ 8	03/04/2005		J ⁽¹⁾	V	5,913,402		03/09/2006	03/08/2013	Common Stock

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

KNOWLEDGE CAPITAL INVESTMENT GROUP
 3232 MCKINNEY AVENUE
 SUITE 890
 DALLAS, TX 75204

X

Signatures

/s/ STEPHEN D. YOUNG
 attorney-in-fact

07/07/2005

**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).

Pursuant to a reclassification exempt under Rule 16b-7, each share of Series A Convertible Preferred Stock of Franklin Covey Co. (the "Issuer") was reclassified into four (4) shares of the Series A Preferred Stock (nonconvertible) of the Issuer and a Warrant to purchase shares of the Common Stock of the Issuer.

(2) The reported securities were called for redemption by the Issuer at a price equal to \$25.00 per share.

(3) At any time.

(4) N/A

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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