

FRANKLIN ELECTRONIC PUBLISHERS INC

Form 3

January 20, 2010

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

OMB APPROVAL

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**INITIAL STATEMENT OF 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 \*

Â Saunders Acquisition Corp

(Last)

(First)

(Middle)

2. Date of Event Requiring Statement

(Month/Day/Year)

12/04/2009

3. Issuer Name and Ticker or Trading Symbol

FRANKLIN ELECTRONIC PUBLISHERS INC [FEP]

4. Relationship of Reporting Person(s) to Issuer

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

2 BRIARWOOD COURT

(Street)

(Check all applicable)

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

6. Individual or Joint/Group

Filing(Check Applicable Line)

☒ Form filed by One Reporting Person  
\_\_\_\_ Form filed by More than One Reporting Person

PRINCETON

JUNCTION,Â NJÂ 08850

(City)

(State)

(Zip)

**Table I - Non-Derivative Securities Beneficially Owned**1. Title of Security  
(Instr. 4)2. Amount of Securities Beneficially Owned  
(Instr. 4)3. Ownership Form:  
Direct (D)  
or Indirect (I)  
(Instr. 5)4. Nature of Indirect Beneficial Ownership  
(Instr. 5)

Common Stock

2,580,412 <sup>(1)</sup> <sup>(2)</sup>

D

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

SEC 1473 (7-02)

**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 control number.**

**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**1. Title of Derivative Security  
(Instr. 4)2. Date Exercisable and Expiration Date  
(Month/Day/Year)

Date Exercisable

Expiration Date

3. Title and Amount of Securities Underlying Derivative Security  
(Instr. 4)

Title

Amount or Number of

4. Conversion or Exercise Price of Derivative Security

5. Ownership Form of Derivative Security:  
Direct (D)  
or Indirect6. Nature of Indirect Beneficial Ownership  
(Instr. 5)

Shares

(I)  
(Instr. 5)

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |         |       |
|--|---------------|-----------|---------|-------|
|  | Director      | 10% Owner | Officer | Other |
| Saunders Acquisition Corp<br>2 BRIARWOOD COURT<br>PRINCETON JUNCTION, NJ 08850 | Â             | Â X       | Â       | Â     |

## Signatures

/s/ Barry J. Lipsky, President of Saunders Acquisition Corp.

01/20/2010

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 5(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) Represents shares of the Issuer's common stock, par value \$0.01 per share (the "Common Stock"), acquired by the Reporting Person pursuant to those certain exchange agreements between the Reporting Person and Barry J. Lipsky, the President and Chief Executive Officer of the Issuer and President of the Reporting Person, Toshihide Hokari, Chief Operating Officer of the Issuer and Secretary of the Reporting Person, Frank A. Musto, Chief Financial Officer of the Issuer and Treasurer of the Reporting Person, Howard L. Morgan, the Chairman of the Board of Directors of the Issuer, James H. Simons, a director of the Issuer, and Marcy Lewis and Shining Sea Limited, who are shareholders of the Issuer (collectively, the "Saunders Group").

(2) In consideration of the contributions described in footnote 1 above, each member of the Saunders Group received a number of shares of the Reporting Person's Series A Preferred Stock, par value \$0.01 per share, equal to the number of shares of Common Stock contributed to the Reporting Person by such member of the Saunders Group.

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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