CAPITALSOURCE INC Form SC 13G/A February 06, 2009 CUSIP NO. 14055X102

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

SCHEDULE 13G

Under the Securities Exchange Act of 1934 (Amendment No. 4)*

CapitalSource Inc.

(Name of Issuer)

Common Stock, par value \$0.01 per share

(Title of Class of Securities)

14055X102

(CUSIP Number)

December 31, 2008 (Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- X Rule 13d-1(b)
- o Rule 13d-1(c)
- o Rule 13d-1(d)

^{*}The remainder of this cover page shall be filled out for a reporting person's initial filing on this

form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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CUSIP NO. 14055X102

| 1. | NAMES O | F REPORTING PERSONS. |
|--------|--------------|--|
| | Franklin Ro | esources, Inc. |
| 2. | CHECK TI | HE APPROPRIATE BOX IF A MEMBER OF A GROUP |
| | (a) (b) X | |
| 3. | SEC USE O | DNLY |
| 4. | CITIZENS | HIP OR PLACE OF ORGANIZATION |
| | Delaware | |
| NUMBER | OF SHARE | ES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH: |
| | 5. | SOLE VOTING POWER |
| | | (See Item 4) |
| | 6. | SHARED VOTING POWER |
| | | (See Item 4) |
| | 7. | SOLE DISPOSITIVE POWER |
| | | (See Item 4) |

SHARED DISPOSITIVE POWER

| | (See Item 4) |
|-----|--|
| 9. | AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON |
| | 371,030 |
| 10. | CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES o |
| 11. | PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9) |
| | 0.1% |
| 12. | TYPE OF REPORTING PERSON |
| | HC, CO (See Item 4) |
| | |

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|----------|--|--|-----|--------------|--|
| | | | | | |
| 1. | NAMES (| OF REPORTING PERSONS. | | | |
| | Charles B. | Johnson | | | |
| 2. | СНЕСК Т | THE APPROPRIATE BOX IF A MEMBER OF A GRO | UP | | |
| | (a) (b) X | | | | |
| 3. | SEC USE | ONLY | | | |
| 4. | CITIZENS | SHIP OR PLACE OF ORGANIZATION | | | |
| | USA | | | | |
| NUMBER | NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH: | | | | |
| | 5. | SOLE VOTING POWER | | | |
| | | (See Item 4) | | | |
| | 6. | SHARED VOTING POWER | | | |
| | | (See Item 4) | | | |
| | 7. | SOLE DISPOSITIVE POWER | | | |
| | | (See Item 4) | | | |

8. SHARED DISPOSITIVE POWER

| | (See Item 4) |
|-----|--|
| 9. | AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON |
| | 371,030 |
| 10. | CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES 0 |
| 11. | PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9) |
| | 0.1% |
| 12. | TYPE OF REPORTING PERSON |
| | HC, IN (See Item 4) |
| | |

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|----------|--------------|---|----------------|--------------|
| 1. | NAMES C | OF REPORTING PERSONS. | | |
| | Rupert H. | Johnson, Jr. | | |
| 2. | СНЕСК Т | HE APPROPRIATE BOX IF A MEMBER OF A GRO | UP | |
| | (a) (b) X | | | |
| 3. | SEC USE | ONLY | | |
| 4. | CITIZENS | SHIP OR PLACE OF ORGANIZATION | | |
| | USA | | | |
| NUMBER | OF SHAR | ES BENEFICIALLY OWNED BY EACH REPORTING | G PERSON WITH: | |
| | 5. | SOLE VOTING POWER | | |
| | | (See Item 4) | | |
| | 6. | SHARED VOTING POWER | | |
| | | (See Item 4) | | |
| | 7. | SOLE DISPOSITIVE POWER | | |
| | | (See Item 4) | | |
| | 8. | SHARED DISPOSITIVE POWER | | |

(See Item 4)

| 9. | AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON |
|-----|--|
| | 371,030 |
| 10. | CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES o |
| 11. | PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9) |
| | 0.1% |
| | |
| 12. | TYPE OF REPORTING PERSON |
| | HC, IN (See Item 4) |
| | |
| | |

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|----------|--------------------|---|-----|--------------|
| | | | | |
| | | | | |
| | | | | |
| Item 1. | | | | |
| | | | | |
| | | | | |
| (a) | Name of Issue | r | | |
| | | | | |
| | CapitalSource | Inc. | | |
| | | | | |
| | | | | |
| (b) | Address of Iss | uer's Principal Executive Offices | | |
| | | | | |
| | 4445 Willard | Avenue | | |
| | 12th Floor | | | |
| | Chevy Chase, | MD 20815 | | |
| | | | | |
| Item 2. | | | | |
| Item 2. | | | | |
| | | | | |
| (a) | Name of Perso | on Filing | | |
| | | | | |
| | (i): I | Franklin Resources, Inc. | | |
| | (-). | | | |
| | | | | |
| | (ii): | Charles B. Johnson | | |
| | | | | |
| | (iii): | Rupert H. Johnson, Jr. | | |
| | (). | 11,001,001,001 | | |
| | | | | |
| | | | | |
| (h) | Addman of Dui | ncipal Business Office or, if none, Residence | | |
| (b) | Address of Fil | ncipal Business Office of, it none, Residence | | |
| | | | | |
| | (i), (ii), and (ii | | | |
| | One Franklin | | | |
| | San Mateo, Ca | A 94403-1906 | | |
| | | | | |
| (c) | Citizenship | | | |

| | (i): Delaware |
|-----|--|
| | (ii) and (iii): USA |
| (d) | Title of Class of Securities |
| | Common Stock, par value \$0.01 per share |
| (e) | CUSIP Number |
| | 14055X102 |
| | |

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Item 3. If this statement is filed pursuant to §§240.13d-1(b) or 240.13d-2(b) or (c), check whether the person filing is a:

(a) o Broker or dealer registered under section 15 of the Act (15 U.S.C. 78o).

(b)