

DEX ONE Corp
Form SC 13D/A
June 14, 2010

CUSIP NO.

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

SCHEDULE 13D

Under the Securities Exchange Act of 1934
(Amendment No. 1)*

DEX ONE CORPORATION
(Name of Issuer)

Common Stock, \$.001 par value per share
(Title of Class of Securities)

25212W100
(CUSIP Number)

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Maria Gray

Vice President and Secretary

Franklin Resources, Inc.

One Franklin Parkway

San Mateo, CA 94403 1906

800 632 2350

(Name, Address and Telephone Number of Person Authorized to
Receive Notices and Communications)

June 8, 2010

(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d 1(e), 240.13d 1(f) or 240.13d 1(g), check the following box.[]

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d 7 for other parties to whom copies are to be sent.

*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 on 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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1. NAMES OF REPORTING PERSONS.

Franklin Resources, Inc.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b) X

3. SEC USE ONLY

4. SOURCE OF FUNDS

See Item 3

5. CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED

PURSUANT TO ITEMS 2(d) OR 2(e)[]

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

7. SOLE VOTING POWER

(See Item 5)

8. SHARED VOTING POWER

(See Item 5)

9. SOLE DISPOSITIVE POWER

(See Item 5)

10. SHARED DISPOSITIVE POWER

(See Item 5)

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

14,778,116

12. CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES []

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

29.5%

14. TYPE OF REPORTING PERSON

HC, CO (See Item 5)

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1. NAMES OF REPORTING PERSONS.

Charles B. Johnson

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b) X

3. SEC USE ONLY

4. SOURCE OF FUNDS

See Item 3

5. CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED

PURSUANT TO ITEMS 2(d) OR 2(e)[]

6. CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

7. SOLE VOTING POWER

(See Item 5)

8. SHARED VOTING POWER

(See Item 5)

9. SOLE DISPOSITIVE POWER

(See Item 5)

10. SHARED DISPOSITIVE POWER

(See Item 5)

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

14,778,116

12. CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES []

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

29.5%

14. TYPE OF REPORTING PERSON

HC,IN (See Item 5)

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1. NAMES OF REPORTING PERSONS.

Rupert H. Johnson, Jr.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b) X

3. SEC USE ONLY

4. SOURCE OF FUNDS

See Item 3

5. CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED

PURSUANT TO ITEMS 2(d) OR 2(e)[]

6. CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

7. SOLE VOTING POWER

(See Item 5)

8. SHARED VOTING POWER

(See Item 5)

9. SOLE DISPOSITIVE POWER

(See Item 5)

10. SHARED DISPOSITIVE POWER

(See Item 5)

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

14,778,116

12. CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES

CERTAIN SHARES []

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

29.5%

14. TYPE OF REPORTING PERSON

HC,IN (See Item 5)

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1. NAMES OF REPORTING PERSONS.

Franklin Advisers, Inc.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b) X

3. SEC USE ONLY

4. SOURCE OF FUNDS

See Item 3

5. CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED

PURSUANT TO ITEMS 2(d) OR 2(e)[]

6. CITIZENSHIP OR PLACE OF ORGANIZATION

California

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

7. SOLE VOTING POWER

14,626,124

8. SHARED VOTING POWER

0

9. SOLE DISPOSITIVE POWER

14,748,688

10. SHARED DISPOSITIVE POWER

0

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

14,748,688

12. CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES

CERTAIN SHARES []

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

29.5%

14. TYPE OF REPORTING PERSON

IA,CO (See Item 5)

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This Amendment No. 1 amends and supplements the Schedule 13D originally filed by the reporting persons with the Securities and Exchange Commission (the "SEC") on January 29, 2010 (the "Original Schedule 13D") (together with Amendment No. 1 to the Original Schedule 13D, collectively, the "Schedule 13D"). Unless otherwise indicated, each capitalized term used but not defined herein shall have the meaning assigned to such term in the Original Schedule 13D.

Item 1. Security and Issuer

This statement relates to the Common Stock, \$.001 par value per share (the "Common Stock"), of DEX ONE CORP., a Delaware corporation (the "Issuer"), whose principal executive offices are located at 1001 Winstead Drive, Cary, North Carolina 27513.

Item 2. Identity and Background

(a)-(c), (f) The persons filing this Statement and the citizenship of such filers are listed on the cover pages hereto. The directors and principal executive officers of Franklin Resources, Inc. ("FRI") and Franklin Advisers, Inc. ("FAV"), their present principal occupations, citizenship and business addresses, and the business addresses of the filers are listed on Exhibit A.

(d) During the last five years, none of the filers, and to the best knowledge of the filers, none of the persons listed on Exhibit A has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) During the last five years, none of the filers, and to the best knowledge of the filers, none of the persons listed on Exhibit A was a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Item 3. Source and Amount of Funds or Other Consideration

The Common Stock was issued in connection with the Issuer's emergence from Chapter 11 bankruptcy under a joint plan of reorganization of the Issuer and its subsidiaries effective as of January 29, 2010 (the "Plan"). The Plan is described in the Issuer's Current Report on Form 8-K filed on February 4, 2010. Unsecured debt beneficially owned by one or more open- or closed-end investment companies or other managed accounts that are clients (collectively, "Clients") of investment managers that are direct and indirect subsidiaries (collectively, the "Investment Management Subsidiaries") of FRI, including FAV, was exchanged for the Common Stock pursuant to the Plan. In addition, in connection with the Plan, certain of the Clients received the Issuer's Senior Subordinated Notes which are subject to the Indenture as defined and described below.

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Item 4. Purpose of Transaction

The Investment Management Subsidiaries acquired the Common Stock for the Clients for the purpose of investment. None of the Investment Management Subsidiaries, and none of any of the other reporting persons covered by this Schedule 13D, currently has any plans or proposals that relate to or would result in any of the actions described in paragraphs (a) through (j) of the instructions to Item 4 of Schedule 13D, or any present plans or intentions to acquire or dispose of any securities of the Issuer other than on behalf of the Clients.

Under that certain Restructuring Support Agreement dated as of May 28, 2009 (the "Noteholder Support Agreement"), among the Issuer, its subsidiaries and certain of the Issuer's noteholders, including FAV and certain of the Clients (the "Franklin Entities"), the Franklin Entities had the right to select three of the Issuer's directors in connection with the Plan. The Franklin Entities selected Richard L. Kuersteiner, who then served as a consultant to FRI and is now an employee of FRI. Mr. Kuersteiner has served in various capacities at FRI since 1990, including Director of Restructuring, Managing Corporate Counsel, Associate General Counsel, and has served as an officer of various Franklin Templeton funds. The Franklin Entities also supported two other directors selected by other parties to the Noteholder Support Agreement, Mark A. McEachen and Alan F. Schultz. Mr. McEachen and Mr. Schultz are not affiliated with any of FRI, the Investment Management Subsidiaries or the Clients. A copy of the form of Noteholder Support Agreement is attached to the Original Schedule 13D as Exhibit D and is incorporated herein by reference.

The Issuer and certain of the Clients entered into a Registration Rights Agreement pursuant which the Issuer agreed to cause shares of the Common Stock to be registered under Section 5 of the Securities Act of 1933, as amended, in accordance with the terms and conditions of that Agreement. The registration statement covering such Common Stock became effective on April 16, 2010. The Registration Rights Agreement is incorporated by reference herein as Exhibit E.

Also pursuant to the Plan, the Issuer and The Bank of New York Mellon entered into an Indenture (the "Indenture") in connection with the issuance of the Issuer's \$300,000,000 aggregate principal amount of Senior Subordinated Notes maturing on January 29, 2017. The terms of the Indenture, among others, require the Issuer to offer to repurchase the Senior Subordinated Notes at par after certain changes of control involving the Issuer. The Indenture provides that a change in control includes any person other than any Franklin Entity (as defined in the Indenture), becoming the ultimate beneficial owner, directly or indirectly, of 50% or more of the total voting power of the Issuer's voting stock

on a fully diluted basis. The Indenture is incorporated by reference herein as Exhibit F.

The Investment Management Subsidiaries, on behalf of the Clients, may in the future acquire additional shares of Common Stock or other securities of the Issuer, in the open market, in privately negotiated purchases or otherwise, and may also, depending upon then current circumstances, dispose of all or a portion of the Common Stock in one or more transactions. Additionally, the Investment Management Subsidiaries reserve the right on behalf of the Clients, to exercise any and all of their rights as stockholders of the Issuer in a manner consistent with their equity interests and reserve the right from time to time to formulate plans or proposals regarding the Issuer or any of its securities, including without limitation to carry out any of the actions or transactions described in paragraphs (a) through (j) of the instructions to Item 4 of Schedule 13D, to the extent deemed advisable by the Investment Management Subsidiaries.

Item 5. Interest in Securities of the Issuer

(a b) The 14,778,116 shares of Common Stock covered by this Schedule 13D, representing 29.5% of the outstanding Common Stock, are beneficially owned by the Clients. Investment management contracts grant to the Investment Management Subsidiaries all investment and/or voting power over the securities owned by the Clients, except as otherwise disclosed below. Therefore, for purposes of Rule 13d 3 under the Act, the Investment Management Subsidiaries may be deemed to be the beneficial owners of the Common Stock.

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Beneficial ownership by the Investment Management Subsidiaries and other affiliates of FRI is being reported in conformity with the guidelines articulated by the SEC staff in Release No. 34 39538 (January 12, 1998) relating to organizations, such as FRI, where related entities exercise voting and investment powers over the securities being reported independently from each other. The voting and investment powers held by Franklin Mutual Advisers, LLC (“FMA”), an indirect wholly owned investment management subsidiary of FRI, are exercised independently from FRI and from all other investment management subsidiaries of FRI (FRI, its affiliates and the investment management subsidiaries other than FMA are, collectively, “FRI affiliates”). Furthermore, internal policies and procedures of FMA and FRI establish informational barriers that prevent the flow between FMA and the FRI affiliates of information that relates to the voting and investment powers over the securities owned by their respective investment management clients. Consequently, FMA and the FRI affiliates report the securities over which they hold investment and voting power separately from each other for purposes of Section 13 of the Act.

The Principal Shareholders each own in excess of 10% of the outstanding Common Stock of FRI and are the principal stockholders of FRI. FRI and the Principal Shareholders may be deemed to be, for purposes of Rule 13d 3 under the Act, the beneficial owners of securities held by persons and entities for whom or for which FRI subsidiaries provide investment management services. The number of shares that may be deemed to be beneficially owned and the percentage of the class of which such shares are a part are reported in Items 11 and 13 of the cover pages for FRI and each of the Principal Shareholders. FRI, the Principal Shareholders and each of the Investment Management Subsidiaries disclaim any pecuniary interest in any of the Common Stock. In addition, the filing of this Schedule 13D on behalf of the Principal Shareholders, FRI and the FRI affiliates, as applicable, should not be construed as an admission that any of them is, and each disclaims that it is, the beneficial owner, as defined in Rule 13d 3, of any of the Common Stock.

FRI, the Principal Shareholders, and each of the Investment Management Subsidiaries believe that they are not a “group” within the meaning of Rule 13d 5 under the Act and that they are not otherwise required to attribute to each other the beneficial ownership of the Common Stock held by any of them or by any persons or entities for whom or for which the Investment Management Subsidiaries provide investment management services.

The number of shares of Common Stock as to which each reporting person on this Schedule 13D and other Investment Management Subsidiaries has:

- (i) Sole power to vote or to direct the vote of the Common Stock:

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	Franklin Resources, Inc.:	0	
	Charles B. Johnson:	0	
	Rupert H. Johnson, Jr.:	0	
	Franklin Advisers, Inc.:	14,626,124	
	Franklin Templeton Investments Corp:	3,254	
	Templeton Asset Management Ltd.:	6,143	
	Templeton Global Advisors Limited:	20,281	
(ii)	Shared power to vote or to direct the vote of the Common Stock:	0	
(iii)	Sole power to dispose or to direct the disposition of the Common Stock:		
	Franklin Resources, Inc.:	0	
	Charles B. Johnson:	0	
	Rupert H. Johnson, Jr.:	0	
	Franklin Advisers, Inc.:	14,748,688	
	Franklin Templeton Investments Corp:	3,254	
	Templeton Asset Management Ltd.:	6,143	
	Templeton Global Advisors Limited:	20,281	
(iv)	Shared power to dispose or to direct the disposition of the Common Stock:	0	