

CAPITOL FEDERAL FINANCIAL
 Form 4
 May 25, 2006

FORM 4

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

OMB APPROVAL

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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 *
TOWNSEND KENT G

2. Issuer Name and Ticker or Trading Symbol
CAPITOL FEDERAL FINANCIAL [cffn]

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

(Last) (First) (Middle)
700 KANSAS AVENUE
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
05/25/2006

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Exec. Vice President and CFO

TOPEKA, KS 66603
 (City) (State) (Zip)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 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		
CFFN Common Stock	05/25/2006		M		1,155 A \$ 9.22	35,065	D
CFFN Common Stock	05/25/2006		S		905 D \$ 32.473	34,160	D
CFFN Common Stock						25	I Custodian for son
CFFN Common						10,969	I ESOP

Stock

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

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(9-02)

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 Underlying Securities (Instr. 3 and 4)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
CFFN non-qualified stock option 04/18/2000	\$ 9.22	05/25/2006		M	1,155	<u>(1)</u> 04/18/2015	CFFN common stock	1,155	
CFFN incentive stock option 08/23/2005	\$ 33.88					<u>(2)</u> 08/23/2015	CFFN common stock	14,755	
CFFN non-qualified stock option 08/23/2005	\$ 33.88					<u>(3)</u> 08/23/2020	CFFN common stock	15,245	
CFFN incentive stock option 04/18/2000	\$ 9.22					<u>(4)</u> 04/18/2010	CFFN common stock	11,991	
CFFN phantom stock 2004	\$ 36.07					<u>(5)</u> 01/25/2007	CFFN common stock	157	
CFFN phantom stock 2006	\$ 32.94					<u>(5)</u> 01/25/2009	CFFN common stock	790	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
TOWNSEND KENT G 700 KANSAS AVENUE TOPEKA, KS 66603			Exec. Vice President and CFO	

Signatures

James D. Wempe, Power of Attorney
05/25/2006

__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).
- (1) A total of 1,155 options vested on each of the following dates April 18,2000, April 18, 2001, April 18, 2002, April 18, 2003 and April 18, 2004.
- (2) A total of 2,951 options will vest on each of the following dates; August 23, 2006, August 23, 2007, August 23, 2008, August 23, 2009 and August 23, 2010.
- (3) A total of 3,049 options will vest on each of the following dates; August 23, 2006, August 23, 2007, August 23, 2008, August 23, 2009 and August 23, 2010.
- (4) A total of 10,845 options vested on each of the following dates; April 18, 2000, April 18, 2001, April 18, 2002, April 18, 2003 and April 18, 2004.
- (5) Phantom stock units were acquired under the Company's Deferred Incentive Bonus Plan. The units are deemed sold and settled in cash in three years from date of acquisition.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.