

FLOWSERVE CORP  
Form 4  
July 18, 2006

**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 \*  
DAILEY MARK D

(Last) (First) (Middle)  
5215 N. O'CONNOR BLVD.,  
SUITE 2300  
(Street)

IRVING, TX 75039

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
FLOWSERVE CORP [FLS]

3. Date of Earliest Transaction  
(Month/Day/Year)  
07/14/2006

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
VP and Chief Compliance Office

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 Ownership (Instr. 4) |
|---|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|   |                                      |  |                                | (A) or (D)<br>Code V Amount (D) Price                             |   |  |                                   |
| Common Stock (\$1.25 par value per share) | 07/14/2006                           |  | F                              | 309 D \$ 53.28  | 27,382  | D  |                                   |
| Common Stock (\$1.25 par value per share) |                                      |  |                                |   | 10,580  | I  | Rabbi Trust                       |
| Common Stock                              |                                      |  |                                |   | 119.86  | I  | 401(k)                            |

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(\$1.25 par value per share)

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) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Stock Option (right-to-buy)                | \$ 22.9  |                                      |  |                                | (1)   | 07/15/2014   | Common Stock  | 6,000                         |
| Stock Option (right-to-buy)                | \$ 19.15   |                                      |  |                                | (2)   | 07/17/2013   | Common Stock  | 8,000                         |
| Stock Option (right-to-buy)                | \$ 24.84   |                                      |  |                                | (2)   | 07/17/2012   | Common Stock  | 8,000                         |
| Stock Option (right-to-buy)                | \$ 27.12   |                                      |  |                                | (2)   | 07/18/2011   | Common Stock  | 8,000                         |
| Stock Option (right-to-buy)                | \$ 17.81   |                                      |  |                                | (2)   | 08/22/2010   | Common Stock  | 7,400                         |
| Stock Option (right-to-buy)                | \$ 16.06   |                                      |  |                                | (2)   | 09/10/2009   | Common Stock  | 7,500                         |
| Stock Option (right-to-buy)                | \$ 30.95   |                                      |  |                                | (3)   | 07/13/2015   | Common Stock  | 16,500                        |
| Stock Option (right-to-buy)                | \$ 48.17   |                                      |  |                                | (4)   | 02/15/2016   | Common Stock  | 12,000                        |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |                                |       |
|---|---------------|-----------|--------------------------------|-------|
|   | Director      | 10% Owner | Officer                        | Other |
| DAILEY MARK D<br>5215 N. O'CONNOR BLVD., SUITE 2300<br>IRVING, TX 75039 |               |           | VP and Chief Compliance Office |       |

## Signatures

/s/ Tara D. Mackey, attorney  
in fact

07/18/2006

    \*\*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) The option shares vest and become exercisable in three equal annual installments on July 15, 2005; July 15, 2006 and July 15, 2007.
  - (2) The option shares are fully vested and exercisable.
  - (3) The option shares vest and become exercisable in three equal annual installments on July 14, 2006, July 14, 2007 and July 14, 2008.
  - (4) The option shares vest and become exercisable in three equal annual installments on February 16, 2007, February 16, 2008 and February 16, 2009.

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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