FRANKLIN RESOURCES INC

Form 4

August 02, 2006

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

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obligations may continue. See Instruction

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

1(b).

value \$.10

(Print or Type Responses) 1. Name and Address of Reporting Person * 5. Relationship of Reporting Person(s) to 2. Issuer Name and Ticker or Trading KRATTER LESLIE M Issuer Symbol FRANKLIN RESOURCES INC (Check all applicable) [BEN] 10% Owner (Last) (First) (Middle) 3. Date of Earliest Transaction Director X_ Officer (give title Other (specify (Month/Day/Year) below) C/O FRANKLIN RESOURCES. 07/31/2006 SVP & Assistant Secretary INC., ONE FRANKLIN **PARKWAY** (Street) 4. If Amendment, Date Original 6. Individual or Joint/Group Filing(Check Filed(Month/Day/Year) Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting SAN MATEO, CA 944031906 (City) (State) (Zip) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned 1.Title of 7. Nature of 2. Transaction Date 2A. Deemed 3. 4. Securities Acquired (A) 5. Amount of Transactiomr Disposed of (D) Ownership Indirect Security (Month/Day/Year) Execution Date, if Securities (Instr. 3) Code (Instr. 3, 4 and 5) Beneficially Form: Beneficial (Month/Day/Year) (Instr. 8) Owned Direct (D) Ownership or Indirect (Instr. 4) Following Reported (I) (A) Transaction(s) (Instr. 4) or (Instr. 3 and 4) Code V Amount (D) Price Common 48,998.3764 78.9615 D Stock, par 07/31/2006 D D (1)(2)(3)91.45 value \$.10 Common Stock, par $3.092 \frac{(4)}{}$ I By 401(k) value \$.10 Common By Stock, par 12,864 (5)

Spouse

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

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> 9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

 Title of 	2.	3. Transaction Date	3A. Deemed	4.	5.	Date Exerc	cisable and	7. Title	e and	8. Price of	9
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transacti	orNumber	Expiration Da	ate	Amou	nt of	Derivative	J
Security	or Exercise		any	Code	of	(Month/Day/	Year)	Under	lying	Security	,
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Derivative	e		Securi	ties	(Instr. 5)]
	Derivative				Securities			(Instr.	3 and 4)		(
	Security				Acquired						J
					(A) or						J
					Disposed						7
					of (D)						(
					(Instr. 3,						
					4, and 5)						
									Amount		
									or		
						Date Expiration		Number			
						Exercisable Date		11116	of		
				Code V	(A) (D)				Shares		
				Code v	(A) (D)				Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships
reporting o wher runner runners	

Director 10% Owner Officer Other

KRATTER LESLIE M C/O FRANKLIN RESOURCES, INC. ONE FRANKLIN PARKWAY SAN MATEO, CA 944031906

SVP & Assistant Secretary

Signatures

By: BARBARA J. GREEN, ATTORNEY-IN-FACT

08/02/2006

**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) Of the amount of securities beneficially owned, 7,236 shares represent unvested awards of restricted stock shares.
- (2) Also includes shares acquired pursuant to Franklin Resources, Inc.'s Employee Stock Investment Plan ("ESIP").
- (3) Shares were sold to Franklin Resources, Inc. in order to make a tax payment associated with the acquisition of ESIP shares.
- (4) Reporting person holds shares in Franklin Templeton Profit Sharing 401(k) Plan. Information is based on a plan statement as of June 15, 2006.

(5)

Reporting Owners 2

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Shares are held by a member of Mr. Kratter's immediate family. Mr. Kratter disclaims beneficial ownership of such shares under Section 16 of the Securities Exchange Act of 1934.

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.