

FRANKLIN RESOURCES INC

Form 4

October 03, 2006

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
KRATTER LESLIE M

(Last) (First) (Middle)

**C/O FRANKLIN RESOURCES,
INC., ONE FRANKLIN
PARKWAY**

(Street)

SAN MATEO, CA 944031906

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
**FRANKLIN RESOURCES INC
[BEN]**

3. Date of Earliest Transaction
(Month/Day/Year)
09/29/2006

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
____X____ Officer (give title ____ Other (specify
below) below)
SVP & Assistant Secretary

6. Individual or Joint/Group Filing(Check
Applicable Line)
____X____ 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)
Common Stock, par value \$.10	09/29/2006		F	1,318 (1)	D \$ 105.75	41,590.5175 (2)	D
Common Stock, par value \$.10					3.096 (3)	I	By 401(k)
Common Stock, par value \$.10					12,864 (4)	I	By 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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SEC 1474
(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. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction (Instr. 6)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
KRATTER LESLIE M C/O FRANKLIN RESOURCES, INC. ONE FRANKLIN PARKWAY SAN MATEO, CA 944031906	SVP & Assistant Secretary

Signatures

/s/ KRATTER,
LESLIE M. 10/03/2006

____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) Shares were sold to Franklin Resources, Inc. in connection with the vesting of a prior award under the 2002 Universal Stock Incentive Plan in order to make a tax payment.
- (2) Of the amount of securities beneficially owned, 4,559 shares represent unvested awards of restricted stock shares.
- (3) Reporting person holds shares in Franklin Templeton Profit Sharing 401(k) Plan. Information is based on a plan statement as of September 15, 2006.
- (4)

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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.

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