

KRATTER LESLIE M
Form 4
September 16, 2005

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 *
KRATTER LESLIE M

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction
(Month/Day/Year)
09/14/2005

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

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

(Street)

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

SAN MATEO, CA 944031906

(City) (State) (Zip)

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 Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock, par value \$.10	09/14/2005		M		25,743	A	\$ 36.3
					84,929.3231	D	(1)
Common Stock, par value \$.10	09/14/2005		S		25,743	D	\$ 81.1036
Common Stock, par value \$.10	09/14/2005		M		2,101	A	\$ 47.57
					61,287.3231	D	

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Common Stock, par value \$.10 12,864 ⁽²⁾ I By Spouse

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

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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)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 36.3 ⁽³⁾	09/14/2005		M	25,743 ^{(3) (4)}	09/30/2002 11/19/2011	Common Stock, par value \$.10 25,743 ⁽³⁾
Employee Stock Option (Right to Buy)	\$ 47.57 ⁽³⁾	09/14/2005		M	2,101 ^{(3) (5)}	09/30/2004 11/11/2013	Common Stock, par value \$.10 2,101 ⁽³⁾

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

Sr. Vice President

Signatures

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

09/16/2005

__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, 9,001 shares represent unvested awards of restricted stock shares.
- (2) 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.
- (3) Reflects adjustment in connection with the special cash dividend paid by Franklin Resources, Inc. on April 15, 2005.
- (4) This report reflects the exercise of options originally granted on November 19, 2001.
- (5) This report reflects the exercise of options originally granted on November 12, 2003.

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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