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:

3235-0287

0.5

January 31, Expires: 2005

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obligations

may continue.

See Instruction

Check this box

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).

(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 LUSK JOHN M Issuer Symbol FRANKLIN RESOURCES INC (Check all applicable) [BEN] (Last) (First) (Middle) 3. Date of Earliest Transaction Director 10% Owner X_ Officer (give title Other (specify (Month/Day/Year) below) C/O FRANKLIN RESOURCES. 07/31/2006 **EVP-Portfolio Operations** 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 2. Transaction Date 2A. Deemed 4. Securities Acquired (A) 5. Amount of 7. Nature of Indirect Security (Month/Day/Year) Execution Date, if Transaction Disposed of (D) Securities Ownership (Instr. 3) Code (Instr. 3, 4 and 5) Beneficially Form: Beneficial (Month/Day/Year) (Instr. 8) Owned Direct (D) Ownership or Indirect Following (Instr. 4) Reported (I) (A) Transaction(s) (Instr. 4) (Instr. 3 and 4) Code V (D) Price Amount Common 18,050.1986 44.8309 Stock, par 07/31/2006 D D D (1) (2) (3) 91.45 value \$.10 Common Stock, par 397.514 (4) Ι By 401(k) value \$.10

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

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displays a currently valid OMB control number.

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

1. Title of	2.	3. Transaction Date	3A. Deemed	4.	5.	6. Date Exerc	cisable and	7. Titl	e and	8. Price of	9. Nu
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	TransactionNumber		Expiration D	ate	Amou		Derivative	Deriv
Security	or Exercise		any	Code	of	(Month/Day/	Year)	Under	lying	Security	Secui
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8) Derivative		;		Securi	ities	(Instr. 5)	Bene
	Derivative			Securities				(Instr.	3 and 4)		Own
	Security				Acquired						Follo
	·				(A) or						Repo
					Disposed						Trans
					of (D)						(Instr
					(Instr. 3,						· ·
					4, and 5)						
									Amount		
							Expiration	TT: 1	or		
							Date	Title			
									of		
				Code V	(A) (D)				Shares		

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

LUSK JOHN M

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

EVP-Portfolio Operations

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, 11,550 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,

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.

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