

FRANKLIN RESOURCES INC  
 Form 4  
 July 24, 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 \*  
**WOODWORTH LOUIS E**

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)  
**07/20/2006**

Director  10% Owner  
 Officer (give title below)  Other (specify below)

**1505 7TH AVENUE WEST**

(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

**SEATTLE, WA 98119**

(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 Beneficial Ownership (Instr. 4)
Common Stock, par value \$ .10	07/20/2006		M	671.4326 A	1,075,922.4326	D	
Common Stock, par value \$ .10	07/20/2006		D	671.4326 D	\$ 85.41 1,075,251	D	
Common Stock, par value \$ .10					468,088	I	By IRA



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- (1) Not Applicable
- (2) Shares are held by a member of Mr. Woodworth's family. Mr. Woodworth disclaims beneficial ownership of such shares.
- (3) Exercisable and expiration dates assume the director's separation from service from Franklin Resources, Inc. and its subsidiaries occurs in the January following the director's 75th birthday. See footnote below.

Represents a hypothetical investment account calculation of deferred Franklin Resources, Inc.'s director's fees, under the 2006 Directors Deferred Compensation Plan, based upon the performance of Franklin Resources, Inc.'s stock (including reinvested dividends) payable in cash in substantially equal quarterly installments over ten years beginning the April 20 following the director's separation from service

- (4) from Franklin Resources, Inc. and its subsidiaries and continuing on each July 20, October 20, January 20 and April 20 thereafter, except that if any such date is a Saturday, Sunday or holiday, then the quarterly installment shall be paid on the next business day. The reporting person may transfer the hypothetical investment account amount into an alternative investment account(s) not based on the performance of Franklin Resources, Inc. stock effective as of the first day of any calendar quarter.

- Represents a hypothetical investment account calculation of deferred Franklin Resources, Inc.'s director's fees based upon the performance of Issuer's stock payable in cash in forty substantially equal quarterly installments beginning on October 20, 2005 and continuing on each January 20, April 20, July 20 and October 20 thereafter, except that if any such date is a Saturday, Sunday or holiday, then the quarterly installment shall be paid on the next business day.
- (5)
  - (6) Each hypothetical unit is the economic equivalent of one share of the Issuer's stock.

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.