

FRANKLIN RESOURCES INC  
 Form 4  
 September 15, 2006

**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 \*  
**GIBSON HOLLY 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)  
**09/13/2006**

\_\_\_ Director \_\_\_ 10% Owner  
 Officer (give title below) \_\_\_ Other (specify below)  
 Vice President, Corp Comm

**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 Beneficial Ownership (Instr. 4)	
				(A) or (D)	Price			
				Code	V	Amount		
Common Stock, par value \$.10	09/13/2006		M		2,276	A	\$ 47.57	9,564.751 <sup>(1)</sup> <u>(2)</u> D
Common Stock, par value \$.10	09/13/2006		S		2,276	D	\$ 105.1285	7,288.751 <sup>(1)</sup> <u>(2)</u> D
Common Stock, par value \$.10								278.492 <sup>(3)</sup> I By 401(k)



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- (3) Reporting person holds shares in Franklin Templeton Profit Sharing 401(k) Plan. Information is based on a plan statement as of June 15, 2006.
- (4) Reflects adjustment in connection with the special cash dividend paid by Franklin Resources, Inc. on April 15, 2005.
- (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. 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.