

FRANKLIN RESOURCES INC
 Form 4
 October 01, 2007

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 *
 JOHNSON CHARLES B

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)
 09/27/2007

Director 10% Owner
 Officer (give title below) Other (specify below)
 Chairman of the Board

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| Common Stock, par value \$.10 | 09/27/2007 | | M | (A) Amount \$ 22,714 (1) | 36,073,594 | D | |
| Common Stock, par value \$.10 | | | | | 6,764.239 (2) | I | By 401(k) |
| Common Stock, par value \$.10 | | | | | 60 | I | By Corporation |

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| | | | |
|-------------------------------|-----------|---|-------------------------|
| Common Stock, par value \$.10 | 3,363,675 | I | By IRA |
| Common Stock, par value \$.10 | 2,400,000 | I | By Limited Partnership |
| Common Stock, par value \$.10 | 272,300 | I | By Trust held 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 Security (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| Employee Stock Option (Right to Buy) | \$ 31.93 ⁽³⁾ | 09/27/2007 | | M | 22,714 ⁽³⁾ | 09/29/2000 ⁽⁴⁾ 09/28/2007 | Common Stock, par value \$.10 22,714 ⁽³⁾ |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-----------------------|-------|
| | Director | 10% Owner | Officer | Other |
| JOHNSON CHARLES B C/O FRANKLIN RESOURCES, INC. ONE FRANKLIN PARKWAY SAN MATEO, CA 944031906 | X | X | Chairman of the Board | |

Signatures

/s/ JOHNSON,
CHARLES B.

10/01/2007

__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) This report reflects the exercise of options originally granted on November 17, 1999.
- (2) Reporting person holds shares in Franklin Templeton Profit Sharing 401(k) Plan. Information is based on a plan statement as of September 15, 2007.
- (3) Reflects adjustment in connection with the special cash dividend paid by Franklin Resources, Inc. on April 15, 2005.
- (4) The option became exercisable in three equal vesting installments, on September 29, 2000, September 28, 2001, and September 30, 2002.

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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