

FRANKLIN FINANCIAL SERVICES CORP /PA/
Form SC 13G
June 20, 2018

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13G

(Rule 13d-102)

**INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO RULE 13d-1(b), (c), AND (d) AND AMENDMENTS THERETO FILED
PURSUANT TO RULE 13d-2(b)**

Franklin Financial Services Corporation
(Name of Issuer)

Common Stock
(Title of Class of Securities)

353525108
(CUSIP Number)

June 1, 2018
(Date of Event Which Requires Filing of This Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

Rule 13d-1(b)

Rule 13d-1(c)

Rule 13d-1(d)

The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to *the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the *Notes*).

(Continued on following pages)

CUSIP NO.K53525108 13G Page 2 of 9 Pages

NAMES OF REPORTING PERSONS

1

M3 FUNDS, LLC

CHECK THE APPROPRIATE BOX IF A
MEMBER OF A GROUP

2

(a)

(b)

SEC USE ONLY

3

CITIZENSHIP OR PLACE OF
ORGANIZATION

4

STATE OF DELAWARE, UNITED
STATES OF AMERICA

SOLE VOTING POWER

5

N/A

NUMBER OF SHARED VOTING POWER

SHARES 6

BENEFICIALLY 229,249 shares of Common Stock
OWNED BY SOLE DISPOSITIVE POWER

EACH 7

REPORTING N/A
PERSON SHARED DISPOSITIVE POWER
WITH

8

229,249 shares of Common Stock

9

AGGREGATE AMOUNT
BENEFICIALLY OWNED BY EACH
REPORTING PERSON

229,249 shares of Common Stock

CHECK BOX IF THE AGGREGATE
AMOUNT IN ROW 9 EXCLUDES

10

CERTAIN SHARES

[]

PERCENT OF CLASS REPRESENTED
BY AMOUNT IN ROW 9

11

5.25% of the outstanding shares of
Common Stock

TYPE OF REPORTING PERSON

12

OO (Limited Liability Company)

CUSIP NO.K53525108 **13G** Page 3 of 9 Pages

NAMES OF REPORTING PERSONS

1

M3 PARTNERS, LP

CHECK THE APPROPRIATE BOX IF A
MEMBER OF A GROUP

2

(a)

(b)

SEC USE ONLY

3

CITIZENSHIP OR PLACE OF
ORGANIZATION

4

STATE OF DELAWARE, UNITED
STATES OF AMERICA

SOLE VOTING POWER

5

N/A

NUMBER OF

SHARED VOTING POWER

SHARES

6

BENEFICIALLY

229,249 shares of Common Stock

OWNED BY

SOLE DISPOSITIVE POWER

EACH

7

REPORTING

N/A

PERSON

SHARED DISPOSITIVE POWER

WITH

8

229,249 shares of Common Stock

9

AGGREGATE AMOUNT
BENEFICIALLY OWNED BY EACH
REPORTING PERSON

229,249 shares of Common Stock

CHECK BOX IF THE AGGREGATE
AMOUNT IN ROW 9 EXCLUDES

10

CERTAIN SHARES

[]

PERCENT OF CLASS REPRESENTED
BY AMOUNT IN ROW 9

11

5.25% of the outstanding shares of
Common Stock

TYPE OF REPORTING PERSON

12

PN (Limited Partnership)

CUSIP NO.K53525108 13G Page 4 of 9 Pages

NAMES OF REPORTING PERSONS

1

M3F, INC.

CHECK THE APPROPRIATE BOX IF A
MEMBER OF A GROUP

2

(a)

(b)

SEC USE ONLY

3

CITIZENSHIP OR PLACE OF
ORGANIZATION

4

STATE OF UTAH, UNITED STATES OF
AMERICA

SOLE VOTING POWER

5

N/A

NUMBER OF

SHARED VOTING POWER

SHARES

6

BENEFICIALLY

229,249 shares of Common Stock

OWNED BY

SOLE DISPOSITIVE POWER

EACH

7

N/A

REPORTING
PERSON WITH

SHARED DISPOSITIVE POWER

8

229,249 shares of Common Stock

9

AGGREGATE AMOUNT
BENEFICIALLY OWNED BY EACH
REPORTING PERSON

229,249 shares of Common Stock

CHECK BOX IF THE AGGREGATE
AMOUNT IN ROW 9 EXCLUDES

10

CERTAIN SHARES

[]

PERCENT OF CLASS REPRESENTED
BY AMOUNT IN ROW 9

11

5.25% of the outstanding shares of
Common Stock

TYPE OF REPORTING PERSON

12

CO, IA

CUSIP NO.K53525108 13G Page 5 of 9 Pages

NAMES OF REPORTING PERSONS

1

Jason A. Stock

CHECK THE APPROPRIATE BOX IF A
MEMBER OF A GROUP

2

(a)

(b)

SEC USE ONLY

3

CITIZENSHIP OR PLACE OF
ORGANIZATION

4

UNITED STATES OF AMERICA
SOLE VOTING POWER

5

N/A

NUMBER OF

SHARED VOTING POWER

SHARES

6

BENEFICIALLY

229,249 shares of Common Stock

OWNED BY

SOLE DISPOSITIVE POWER

EACH

7

N/A

REPORTING
PERSON WITH

SHARED DISPOSITIVE POWER

8

229,249 shares of Common Stock

9

AGGREGATE AMOUNT
BENEFICIALLY OWNED BY EACH

REPORTING PERSON

229,249 shares of Common Stock

CHECK BOX IF THE AGGREGATE
AMOUNT IN ROW 9 EXCLUDES

10

CERTAIN SHARES

[]

PERCENT OF CLASS REPRESENTED
BY AMOUNT IN ROW 9

11

5.25% of the outstanding Common Stock

TYPE OF REPORTING PERSON

12

IN

CUSIP NO.K53525108 13G Page 6 of 9 Pages

NAMES OF REPORTING PERSONS

1

William C. Waller

CHECK THE APPROPRIATE BOX IF A
MEMBER OF A GROUP

2

(a)

(b)

SEC USE ONLY

3

CITIZENSHIP OR PLACE OF
ORGANIZATION

4

UNITED STATES OF AMERICA
SOLE VOTING POWER

5

N/A

SHARED VOTING POWER

NUMBER OF

SHARES

6

229,249 shares of Common Stock

BENEFICIALLY

SOLE DISPOSITIVE POWER

OWNED BY

7

EACH

N/A

REPORTING

SHARED DISPOSITIVE POWER

PERSON WITH

8

229,249 shares of Common Stock

9

AGGREGATE AMOUNT
BENEFICIALLY OWNED BY EACH

REPORTING PERSON

229,249 shares of Common Stock

CHECK BOX IF THE AGGREGATE
AMOUNT IN ROW 9 EXCLUDES

10

CERTAIN SHARES

[]

PERCENT OF CLASS REPRESENTED
BY AMOUNT IN ROW 9

11

5.25% of the outstanding Common Stock

TYPE OF REPORTING PERSON

12

IN

Name of Issuer:

Item 1. (a)

Franklin Financial Services Corporation (the "Issuer")

Address of Issuer's Principal Executive Offices:

(b)

20 South Main Street

Chambersburg, PA 17201

Name of Persons Filing:

M3 Funds, LLC

Item 2. (a) M3 Partners, LP

M3F, Inc.

Jason A. Stock

William C. Waller

Address of Principal Business Office or, if None, Residence:

For all persons filing:

(b)

10 Exchange Place, Suite 510

Salt Lake City, UT 84111

(c) Citizenship:

M3 Funds, LLC is a Delaware limited liability company

M3 Partners, LP is a Delaware limited partnership

M3F, Inc. is a Utah corporation

Mr. Stock and Mr. Waller are United States citizens

Title of Class of Securities:

(d)

Common Stock

CUSIP Number:

(e)

353525108

Item 3. **If This Statement is Filed Pursuant to Rule 13d-1(b), or 13d-2(b) or (c), Check Whether the Person Filing is a:**

Not applicable. Filed pursuant to Rule 13d-1(c).

Item 4. Ownership.

| | M3 Funds, LLC | M3 Partners, LP | M3F, Inc. | Jason A. Stock | William C. Waller |
|---|--------------------------|----------------------------|----------------------|---------------------------|------------------------------|
| (a) Amount Beneficially Owned: | 229,249 | 229,249 | 229,249 | 229,249 | 229,249 |
| (b) Percent of Class: | 5.25% | 5.25% | 5.25% | 5.25% | 5.25% |
| (c) Number of Shares to Which Reporting Person Has: | | | | | |
| (i) Sole Voting Power: | N/A | N/A | N/A | N/A | N/A |
| (ii) Shared Voting Power: | 229,249 | 229,249 | 229,249 | 229,249 | 229,249 |
| (iii) Sole Dispositive Power: | N/A | N/A | N/A | N/A | N/A |
| (iv) Shared Dispositive Power: | 229,249 | 229,249 | 229,249 | 229,249 | 229,249 |

The reported shares are the Issuer's common stock.

All of the reported shares are owned directly by M3 Partners, L.P. ("M3 Partners"), whose general partner is M3 Funds, LLC (the "General Partner") and whose investment adviser is M3F, Inc. (the "Investment Adviser"). The General Partner and the Investment Adviser could each be deemed to be indirect beneficial owners of the reported shares, and could be deemed to share such beneficial ownership with M3 Partners.

Jason A. Stock and William C. Waller are the managers of the General Partner and the managing directors of the Investment Adviser, and could be deemed to share such indirect beneficial ownership with the General Partner, the Investment Adviser and M3 Partners.

Item 5. Ownership of Five Percent or Less of a Class.

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following. []

Item 6. Ownership of More than Five Percent on Behalf of Another Person.

Not applicable.

Item **Identification and Classification of the Subsidiary That Acquired the Security Being Reported on by the**
7. **Parent Holding Company or Control Person.**

Not applicable.

Item 8. Identification and Classification of Members of the Group.

Not applicable.

Item 9. Notice of Dissolution of Group.

Not applicable.

Item 10.

Certification.

By signing below, each of the undersigned certifies that, to the best of his or its knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

Exhibits

Exhibit 1

Joint Filing Agreement dated June 19, 2018, among M3 Partners, LP, M3 Funds, LLC, M3F, Inc., Jason A. Stock and William C. Waller.

Signature

After reasonable inquiry and to the best of each of the undersigned's knowledge and belief, each of the undersigned certifies that the information set forth in this Statement is true, complete and correct.

Date: June 19, 2018

M3 PARTNERS, LP

By: M3 Funds, LLC, General Partner

By: /s/ Jason A. Stock

Name: Jason A. Stock

Title: Manager

Date: June 19, 2018

M3 FUNDS, LLC

By: /s/ Jason A. Stock

Name: Jason A. Stock

Title: Manager

Date: June 19, 2018

M3F, INC.

By: /s/ Jason A. Stock

Name: Jason A. Stock

Title: Managing Director

Date: June 19, 2018

/s/ Jason A. Stock

Jason A. Stock

Date: June 19, 2018

/s/ William C. Waller

William C. Waller