

Franklin Alpha LLC

Firm Brochure - Form ADV Part 2A

This brochure provides information about the qualifications and business practices of Franklin Alpha LLC. If you have any questions about the contents of this brochure, please contact us at (206) 548-1031 or by email at: robert@franklinalpha.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Franklin Alpha LLC is also available on the SEC's website at www.adviserinfo.sec.gov. Franklin Alpha LLC's CRD number is: 292962.

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Registration does not imply a certain level of skill or training.

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Item 2: Material Changes

Franklin Alpha LLC has the following material changes to report. Material changes relate to Franklin Alpha LLC's policies, practices or conflicts of interests.

- The firm has updated the fee schedule.

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Item 4: Advisory Business

A. Description of the Advisory Firm

Franklin Alpha LLC (hereinafter “Franklin Alpha”) is a Limited Liability Company organized in the State of Delaware. The firm was formed in January 2018, and the principal owners are Keith Robert Jenkins and Contrapoint Holdings LLC.

B. Types of Advisory Services

Robo-Advisory Portfolio Management Services

Franklin Alpha provides “robo-advisory” portfolio management services via an online interface. This entails the use of algorithm-based portfolio management advice, rather than in-person investment advice. These automated investment solutions are customized to each client and based on individual characteristics, such as the client’s age, risk tolerance, income, and current assets, among others.

Services Limited to Specific Types of Investments

Franklin Alpha generally limits its investment advice to mutual funds, equities and ETFs. Franklin Alpha may use other securities as well to help diversify a portfolio when applicable.

C. Client Tailored Services and Client Imposed Restrictions

Franklin Alpha provides online “robo-advisory” portfolio management. Client accounts are generally invested into a target allocation depending on the client’s individual profile. This automated approach factors in client financial situation and risk tolerance, although the algorithms used to provide advisory services are designed to be utilized by Franklin Alpha across multiple clients. Clients may not impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

D. Wrap Fee Programs

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees. Franklin Alpha does not participate in any wrap fee programs.

E. Assets Under Management

Franklin Alpha has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$0	\$0	February 2018

Item 5: Fees and Compensation

A. Fee Schedule

Robo-Advisory Portfolio Management Services Fees

Franklin Alpha provides robo-advisory portfolio management services via an online interface.

Total Assets Under Management	Annual Fees
All Assets	2.00%

Total Assets Under Management	Annual Fees
Robo-Advisory	0.6%

These fees are negotiable and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract.

Unless otherwise noted, Franklin Alpha uses an average of the daily balance in the client's account throughout the billing period, after taking into account deposits and withdrawals, for purposes of determining the market value of the assets upon which the advisory fee is based.

Clients may terminate the agreement without penalty, for full refund of Franklin Alpha's fees, within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract with thirty days' written notice.

B. Payment of Fees

Payment of Robo-Advisory Portfolio Management Fees

Robo-advisory portfolio management fees are withdrawn directly from the client's accounts with client's written authorization. Fees are paid monthly in arrears.

C. Client Responsibility For Third Party Fees

Clients are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by Franklin Alpha. Please see Item 12 of this brochure regarding broker-dealer/custodian.

D. Prepayment of Fees

Prepayment of Robo-Advisory Portfolio Management Fees

Franklin Alpha collects its fees in arrears. It does not collect fees in advance.

E. Outside Compensation For the Sale of Securities to Clients

Robert Lee Boggess is a registered representative of a broker-dealer and an insurance agent and in these roles, accepts compensation for the sale of investment products to Franklin Alpha clients.

1. This is a Conflict of Interest

Supervised persons may accept compensation for the sale of investment products, including asset based sales charges or service fees from the sale of mutual funds to Franklin Alpha's clients. This presents a conflict of interest and gives the supervised person an incentive to recommend products based on the compensation received rather than on the client's needs. When recommending the sale of investment products for which the supervised persons receives compensation, Franklin Alpha will document the conflict of interest in the client file and inform the client of the conflict of interest.

2. Clients Have the Option to Purchase Recommended Products From Other Brokers

Clients always have the option to purchase Franklin Alpha recommended products through other brokers or agents that are not affiliated with Franklin Alpha.

3. Commissions are not Franklin Alpha's primary source of compensation for advisory services

Commissions are not Franklin Alpha's primary source of compensation for advisory services.

4. Advisory Fees in Addition to Commissions or Markups

Advisory fees that are charged to clients are not reduced to offset the commissions or markups on investment products recommended to clients.

Item 6: Performance-Based Fees and Side-By-Side Management

Franklin Alpha does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7: Types of Clients

Franklin Alpha generally provides advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Other Investment Advisers

There is no account minimum for any of Franklin Alpha's services.

Item 8: Methods of Analysis, Investment Strategies, & Risk of Loss

A. Methods of Analysis and Investment Strategies

Methods of Analysis

Franklin Alpha's methods of analysis include Fundamental analysis, Modern portfolio theory, Quantitative analysis and Technical analysis.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Modern portfolio theory is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

Quantitative analysis deals with measurable factors as distinguished from qualitative considerations such as the character of management or the state of employee morale, such as the value of assets, the cost of capital, historical projections of sales, and so on.

Technical analysis involves the analysis of past market data; primarily price and volume.

Investment Strategies

Franklin Alpha uses long term trading.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

B. Material Risks Involved

Methods of Analysis

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Modern portfolio theory assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

Quantitative analysis Investment strategies using quantitative models may perform differently than expected as a result of, among other things, the factors used in the models, the weight placed on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models.

Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

Investment Strategies

Long term trading is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

C. Risks of Specific Securities Utilized

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below are not guaranteed or insured by the FDIC or any other government agency.

Mutual Funds: Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond “fixed income” nature (lower risk) or stock “equity” nature.

Equity investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

Exchange Traded Funds (ETFs): An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance.

Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Item 9: Disciplinary Information

A. Criminal or Civil Actions

There are no criminal or civil actions to report.

B. Administrative Proceedings

There are no administrative proceedings to report.

C. Self-regulatory Organization (SRO) Proceedings

There are no self-regulatory organization proceedings to report.

Item 10: Other Financial Industry Activities and Affiliations

A. Registration as a Broker/Dealer or Broker/Dealer Representative

As a registered representative of Great Point Capital LLC, Robert Lee Boggess accepts compensation for the sale of securities.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither Franklin Alpha nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

Robert Lee Boggess is a registered representative of Great Point Capital LLC and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. Franklin Alpha always acts in the best interest of the client, including with respect to the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of Franklin Alpha in such individual's capacity as a registered representative.

Robert Lee Boggess is an independent licensed insurance agent, and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. Franklin Alpha always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of Franklin Alpha in connection with such individual's activities outside of Franklin Alpha.

Robert Lee Boggess is a real estate broker or dealer. From time to time, he will offer clients advice or products from this activity. Clients should be aware that these services pay a commission and involve a possible conflict of interest, as commissionable products can conflict with the fiduciary duties of a registered investment adviser. Franklin Alpha LLC always acts in the best interest of the client; including in the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of Franklin Alpha LLC in their capacity as a real estate dealer or broker.

D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections

Franklin Alpha does not utilize nor select third-party investment advisers.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

A. Code of Ethics

Franklin Alpha has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Franklin Alpha's Code of Ethics is available free upon request to any client or prospective client.

B. Recommendations Involving Material Financial Interests

Franklin Alpha does not recommend that clients buy or sell any security in which a related person to Franklin Alpha or Franklin Alpha has a material financial interest.

C. Investing Personal Money in the Same Securities as Clients

From time to time, representatives of Franklin Alpha may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of Franklin Alpha to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. Franklin Alpha will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

D. Trading Securities At/Around the Same Time as Clients' Securities

From time to time, representatives of Franklin Alpha may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of Franklin Alpha to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, Franklin Alpha will never engage in trading that operates to the client's disadvantage if

representatives of Franklin Alpha buy or sell securities at or around the same time as clients.

Item 12: Brokerage Practices

A. Factors Used to Select Custodians and/or Broker/Dealers

Custodians/broker-dealers will be recommended based on Franklin Alpha's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent, and Franklin Alpha may also consider the market expertise and research access provided by the broker-dealer/custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers that may aid in Franklin Alpha's research efforts. Franklin Alpha will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

Franklin Alpha will require clients to use TD Ameritrade Institutional, a division of TD Ameritrade, Inc. Member FINRA/SIPC.

1. Research and Other Soft-Dollar Benefits

While Franklin Alpha has no formal soft dollars program in which soft dollars are used to pay for third party services, Franklin Alpha may receive research, products, or other services from custodians and broker-dealers in connection with client securities transactions ("soft dollar benefits"). Franklin Alpha may enter into soft-dollar arrangements consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended. There can be no assurance that any particular client will benefit from soft dollar research, whether or not the client's transactions paid for it, and Franklin Alpha does not seek to allocate benefits to client accounts proportionate to any soft dollar credits generated by the accounts. Franklin Alpha benefits by not having to produce or pay for the research, products or services, and Franklin Alpha will have an incentive to recommend a broker-dealer based on receiving research or services. Clients should be aware that Franklin Alpha's acceptance of soft dollar benefits may result in higher commissions charged to the client.

2. Brokerage for Client Referrals

Franklin Alpha receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

3. Clients Directing Which Broker/Dealer/Custodian to Use

Franklin Alpha will require clients to use a specific broker-dealer to execute transactions. Not all advisers require clients to use a particular broker-dealer.

B. Aggregating (Block) Trading for Multiple Client Accounts

Franklin Alpha does not aggregate or bunch the securities to be purchased or sold for multiple clients. This may result in less favorable prices, particularly for illiquid securities or during volatile market conditions.

Item 13: Review of Accounts

A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

Robo-advisory portfolio management accounts are not reviewed by Franklin Alpha, save for automated allocation revisions. Clients are encouraged to update Acorns of any change in their objectives, risk tolerance, or other pertinent information.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

Robo-advisory portfolio management accounts do not undergo non-periodic review by Franklin Alpha, allocations will change in accordance with the portfolio management software utilized by Franklin Alpha and changes to the client's profile.

C. Content and Frequency of Regular Reports Provided to Clients

Robo-advisory portfolio management clients will receive at least monthly a written report that details the client's account including assets held and asset value, which report will come from the custodian [and at least monthly a written report from Franklin Alpha].

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

Franklin Alpha receives compensation via its arrangement with its underlying subadvisers.

B. Compensation to Non – Advisory Personnel for Client Referrals

Franklin Alpha does not compensate non-advisory personnel (solicitors) for client referrals.

Item 15: Custody

When advisory fees are deducted directly from client accounts at client's custodian, Franklin Alpha will be deemed to have limited custody of client's assets and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

Item 16: Investment Discretion

Franklin Alpha provides discretionary investment advisory services to clients. The advisory contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, Franklin Alpha generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share.

Item 17: Voting Client Securities (Proxy Voting)

Franklin Alpha will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

Item 18: Financial Information

A. Balance Sheet

Franklin Alpha neither requires nor solicits prepayment of more than \$3,600 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither Franklin Alpha nor its management has any financial condition that is likely to reasonably impair Franklin Alpha's ability to meet contractual commitments to clients.

C. Bankruptcy Petitions in Previous Ten Years

Franklin Alpha has not been the subject of a bankruptcy petition in the last ten years.