

# James R. Martin Consulting, Inc. DBA JRM Capital Management CRS Form

1111 Main Street, Suite 612, Vancouver, WA 98660

[www.jrmcapitalmanagement.com](http://www.jrmcapitalmanagement.com)

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## **Introduction**

James R. Martin Consulting, Inc. DBA JRM Capital Management (JRM) is located in Vancouver, WA and we are an SEC registered investment advisor. Brokerage and investment advisory services and fees differ and it is important for you to understand the differences. You can visit [www.investor.gov/CRS](http://www.investor.gov/CRS) which is a SEC sponsored website that provides educational information about investment advisors, broker-dealers and investing.

## **Relationships and Services** *“What investment services and advice can you provide to me?”*

We offer services to retail investors which is defined as a natural person or the legal representative of such natural person, who seeks or receives services primarily for personal, family, or household purposes.

Each client is worked with individually and we tailor our advisory services to the individual needs of our clients. JRM works with the client to determine the client's investment objectives, risk profile and to agree on a written investment objectives statement. Our investment recommendations include mutual funds and some ETFs. JRM evaluates the client's existing investments with respect to the client's investment objective statement and works with the client to develop a plan to transition from the client's existing portfolio to the client's desired portfolio.

All client accounts are reviewed and reported to clients individually at least once per quarter and performance is reported at that time. These quarterly reviews help make sure the overall asset allocation strategy is appropriate along with keeping the accounts with the best funds and our current thinking. We manage accounts on a discretionary basis, which means you are giving us the authorization to make changes and trades in accordance with your investment objectives without your prior approval of each specific transaction (non-discretionary basis is not available, however restrictions can be imposed). We hold review meetings with the client as often as the client desires or JRM deems necessary. For a limited number of clients we do offer investing in alternative investments, but the client will need to be an accredited investor. Occasionally JRM participates in financial planning on questions a client might have. There are not any account minimums for opening or maintaining an account with JRM, though some mutual funds we use do have fund minimums and sometimes on smaller accounts diversification is harder to achieve because of that.

### **Conversation Starters**

- Given my financial situation, should I choose an investment advisory service? Why or why not?
- How will you choose investments to recommend to me?
- What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

## **Fees, Costs, Conflicts, and Standard of Conduct** *“What fees will I pay?”*

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. **Please reference pages four and five of our ADV Part 2 for a more detailed explanation of our current fee schedule.**

JRM charges the same asset-based fee regardless of what type of investment or plan/account the client is in. For example if the topic of if a rollover from their employer sponsored retirement plan is appropriate we would say it is strictly in the best interest of the client because we have access to better investment product, etc. not because we get an increase in any fees. Our management fee stays the same regardless of what account or where the funds are. We will provide educational information and let the client decide if a rollover is right for them.

JRM fees are billed in advance at the beginning of each quarter based upon the amount of the client's assets under management as of the last business day of the previous quarter. Assets under management are retrieved from the client's online access if the account is a retirement account and from the client's brokerage statement if the account is any other account. All accounts for members of the client's family (husband, wife and children) or related businesses (non-fiduciary status accounts) may be assessed fees based on the total assets of all accounts. Cash balances are sometimes used for strategic purposes and therefore will be included in assets under management and will be assessed the management fee assigned.

### **Conversation Starters**

- Help me understand how these fees and costs might affect my investments.

Our current fee schedule is listed in our brochure and is based on a tiered schedule starting at 1%. Some of our clients may be grandfathered under a lower fee structure and we may render some services pro bono or at material discounts. It is at JRM's discretion what management fee a client will be charged. Clients may terminate the investment advisory relationship at any time without penalty.

All fees paid to JRM for investment advisory services are separate from the fees charged by mutual funds to their shareholders and fees charged by sub-advisers for services. These fees are described in each fund's prospectus or disclosure documents of sub-advisers. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. All clients are invested in no load mutual funds or funds that do not have 12(b)(1) fees. JRM does not receive any compensation related to brokerage or trading activity, nor any 12(B)(1) fees that may be generated incidental to funds used. The client should review both the fees and expenses charged by the mutual funds and sub-advisors and the fees charged by JRM to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided by JRM.

All client accounts (except for company retirement plans and alternative assets) are custodied at TD Ameritrade Institutional or Charles Schwab Institutional. There are not any maintenance fees charged by these institutions for maintaining a client's account, but they do charge a transaction fee (negotiated by JRM) for each trade placed by JRM as well as fees for wire transfers and returned checks. The fees these institutions charge can change at any time and are not controlled by JRM. However periodically we do an analysis on all transaction costs to make sure these two institutions are still competitive and a good fit for our clients.

### **What are your legal obligations to me when acting as my investment advisor? How else does your firm make money and what conflicts of interest do you have?**

When we act as your investment advisor, we are required to act in your best interest and not put our interest ahead of yours. At the same time, there are some conflicts of interest. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means.

- JRM charges an asset-based fee which could be described as a conflict of interest, because the more assets there are in the client's account the more the client will pay in fees and we may therefore have an incentive to encourage the client to increase the assets in their account. Our quarterly fee is assessed regardless of whether any changes are made within accounts. With an asset-based fee the account value may go up and while the management fee percentage may stay the same, the total compensation you pay goes up proportionately. Same if your account value goes down you still pay a management fee proportional to your assets under management.
- We receive products and services from our custodians that benefit us, but may not benefit a client directly. Some examples include software and other technology that provide access to client account data, facilitating trade execution, providing research, pricing information and other market data. They may also provide consulting, publications, industry conferences, information on technology and regulatory compliance information.

#### **Conversation Starters**

- How might your conflicts of interest affect me and how will you address them?

### **How Do Your Financial Professionals Make Money? "How do you get compensated?"**

We are all employees and owners of JRM. We all are paid a salary and distribution of profits to owners are made when appropriate.

### **Do You or Your Financial Professionals Have Legal or Disciplinary History?**

No. Visit [investor.gov/CRS](http://investor.gov/CRS) for a free and simple tool to research JRM Capital Management and or its financial professionals.

#### **Conversation Starters**

- As a financial professional do you have any disciplinary history? If so for what type of conduct?

### **Additional Information**

More information about us can be found on the SEC website [www.sec.gov](http://www.sec.gov) or you can request a copy of the firms brochure, brochure supplement or CRS by contacting Jill Foreman at 360-567-1822 or by email at [jill@jrmcapitalmanagement.com](mailto:jill@jrmcapitalmanagement.com)

#### **Conversation Starters**

- Who is my primary contact person? Is he or she a representative of an investment adviser or a broker dealer? Who can I talk to if I have concerns about how this person is treating me?