

# JB Capital, LLC

## Form ADV Part 3 – Client Relationship Summary

Date: 06/15/2020

### Introduction

JB Capital, LLC is an investment adviser registered with the Securities and Exchange Commission. We feel it is important for you, the *retail investor*, to understand how advisory and brokerage services and fees differ in order to determine which type of account is right for you. There are free and simple tools available to research firms and financial professionals at [www.investor.gov/CRS](http://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

### Relationships and Services

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

Our firm offers investment advisory services to *retail investors*. We are a retirement and investment firm helping retirees and pre-retirees develop investment, income, tax and estate strategies. We provide you with financial planning and asset management services based upon an assessment of your financial situation, objectives and risk tolerance. As part of our asset management strategy, we may select a third-party adviser to help you achieve your financial objectives. As part of our standard services, we provide continuous monitoring of client accounts. Our accounts are managed on a discretionary basis which means we don't need to call you when buying or selling in your account. You will sign an investment management agreement giving us this authority. This agreement will remain in place until you or we terminate the relationship. We limit the types of investments that are recommended since not every type of investment vehicle is needed to create an appropriate portfolio. Our firm does not have a minimum account size requirement. Please also see our Form ADV Part 2A (“Brochure”) at <https://adviserinfo.sec.gov/firm/summary/171168>, specifically Items 4 & 7.

*Questions to ask us: 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?”**

Fees for our asset management services are charged monthly and are based on the amount of assets we manage for you. These fees will be deducted from your account and paid directly to our firm by the qualified custodian(s) of your account. You pay our fees even if you do not have any transactions and the advisory fee paid to us generally does not vary based on the type of investments selected. JB Capital may recommend that all or a portion of your account be managed by a third-party money manager. These managers share a portion of the advisory fee with our firm when we refer you to them. Also, clients may engage us to provide a limited one-time financial planning and consulting service for which we will charge a fixed fee. Please also see Items 4 through 7 of our Brochure (<https://adviserinfo.sec.gov/firm/summary/171168>).

Some investments (e.g., mutual funds) impose additional fees (e.g., sales charges, 12(b)1) that reduce the value of your investment over time. You may also pay fees to your account custodian. Additionally, you may pay transaction fees when we buy and sell an investment for your account. 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 also see Items 5 of our Brochure (<https://adviserinfo.sec.gov/firm/summary/171168>) for additional details.

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***Question to ask us:*** Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

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

We are fiduciaries. When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. 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: 1. We have a conflict of interest because the more assets you have in your advisory account, the more you will pay us and thus we have an incentive to increase those assets in order to increase our fee, 2. We have a conflict of interest by only offering those third-party money managers that have agreed to pay a portion of their advisory fee to JB Capital. There may be other third-party money managers that may be suitable for a client that are less costly. 3. We have a conflict of interest because our related insurance company, JN Financial, and our advisers receive compensation on insurance products you purchase. Insurance commissions are separate and in addition to the advisory fees charged by JB Capital.

***Question to ask us:*** How might your conflicts of interest affect me, and how will you address them?

**“How do your financial professionals make money?”**

Our financial professionals share in the advisory fees we receive from you. Some also earn a base salary. Our financial professionals are licensed insurance agents for JN Financial and have the ability to receive commissions from the sale of insurance products to you. Please also see Item 10 of our Brochure (<https://adviserinfo.sec.gov/firm/summary/171168>) for additional details.

### Disciplinary History

**“Do you or your financial professionals have legal or disciplinary history?”**

Yes. Visit <https://www.investor.gov/CRS> for a free, simple search tool to research us and our financial professionals.

***Questions to ask us:*** As a financial professional, do you have any disciplinary history? For what type of conduct?

### Additional Information

For additional information on our advisory services, you may access our Form ADV filings and the Client Relationship Summary on our website at: <https://johnsonbrunetti.com/>. If you have any questions, need additional up-to-date information, or want another copy of this Client Relationship Summary, you may contact us at 860-372-4800.

***Questions to ask us:*** 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?