

FJ Capital Management LLC Client Relationship Summary

March 7, 2024

Introduction

FJ Capital Management, LLC (“FJ” or “Firm”) is registered with the Securities and Exchange Commission as an investment adviser based in McLean, VA.

Brokerage and investment advisory services and fees differ, and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

What investment services and advice can you provide me?

FJ offers investment advisory services to retail investors. FJ will meet with you to identify and discuss your financial goals, financial needs, and the level of investment risk that you are willing to bear. Each investment account which FJ advises or sub-advises on your behalf will be governed by an investment management agreement (“IMA”). This IMA will govern the terms and conditions for which we will invest on your behalf. If changes are needed to the IMA, we will inform you in writing of proposed changes and discuss each of the changes with you at your convenience. FJ will then build a portfolio of investments including stocks, exchange traded funds, bonds, private fund vehicles, and other investments that can help you meet those goals and financial needs.

If you provide FJ with discretionary authority, FJ will make investment decisions for your account and execute trades on your behalf in accordance with the IMA. FJ also offers non-discretionary services, meaning that FJ will discuss its investment recommendations with you, but you will make the ultimate decisions regarding the purchase or sale of securities.

As part of the standard services FJ provides, FJ monitors the investments in your account on an ongoing basis, and specifically reviews your account on a quarterly basis to make sure the investments FJ recommends to you are meeting your financial goals. Additional information can be found by reading Items 4, 5, 8 and 12 of FJ’s [Form ADV 2A](#).

Ask us:

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

What fees will I pay?

FJ’s annual management fee is generally up to 1.5% of a client’s assets under management but may vary based on AUM and the activities in the account. FJ management fees are paid quarterly, in advance, and may be wired by you from an account. In the case of a discretionary accounts, fees may be debited from your account or billed to you. FJ also charges an annual performance-based fee, which ranges from 8 to 20% of portfolio appreciation as agreed to in the IMA. FJ performance fees are paid annually in arrears and may be wired by you from your account. In the case of discretionary accounts, fees may be debited from your account or billed to you. Because FJ is paid based on the assets in its clients’ accounts, there is an inherent incentive for FJ to encourage a client to increase the assets under management in their account to earn higher fees.

Description of Other Fees and Costs: You may be charged additional fees and/or expenses by third parties that include, but are not limited to, custodial fees, brokerage commissions, transaction fees, and other fees as outlined and agreed to in the IMA or between FJ and you. Private funds which FJ recommends to you charge their own management fees and performance fees. All of these fees are paid by you in addition to the management fees and performance fees you pay to FJ on these investments. FJ does not receive any portion of these commissions, fees, or costs.

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. Additional information is available by reading Items 5, 12 and 15 of our [Form ADV 2A](#).

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?

When FJ acts as your investment adviser, FJ has to act in your best interest, and not put their interest ahead of yours. At the same time, the way FJ makes money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice FJ provides you. Here are some examples to help you understand what that means:

In certain instances, members of FJ may co-invest in portfolio companies or funds alongside our clients. We may also serve on Boards or Advisory Committees for certain companies and funds. To address these and other potential conflicts, FJ has developed policies and procedures to monitor client portfolios. For additional information about our conflicts of interest, please read Items 5, 11, 12 and 14 of FJ's [Form ADV 2A](#).

Ask Us: How might your conflicts of interest affect me and how will you address them?

How do your financial professionals make money?

The compensation of FJ's financial professionals is determined at their discretion and is based on contracting with new clients and increasing assets under management, overall performance of the firm, and other factors.

Ask Us: As a financial professional, do you have any disciplinary history? For what type of conduct?

Do you or your financial professionals have legal or disciplinary history?

No, FJ and their financial professionals do not have any legal or disciplinary history. Additional information can be found in Item 11 in their [Form ADV Part 1A](#). Please visit Investor.gov/CRS for a free and simple search tool to research FJ and their financial professionals.

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?

Please contact us at (703) 331-5500 or ir@fjcapital.com for additional information about FJ's investment advisory services or to request a copy of this relationship summary.
