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## **Firm Brochure (Part 2A Form ADV)**

### **February 21, 2015**

This Brochure provides information about the qualifications and business practices of JB Investment Management, LLC. If you have any questions about the contents of this Brochure, please contact us at (262) 439-2100 or [jbryden@jbinvest.com](mailto:jbryden@jbinvest.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

JB Investment Management, LLC is a registered investment adviser. Registration of an investment adviser with the SEC does not imply a certain level of skill or training.

Additional information about JB Investment Management, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Material Changes

There have been no material changes made to this Brochure since the last annual update dated February 21, 2014. We will ensure that clients receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

A copy of this Brochure may be requested, without charge, by contacting Jeffrey L. Bryden, President & Chief Investment Officer at 262-439-2100 or [jbryden@jbinvest.com](mailto:jbryden@jbinvest.com).

Additional information about JB Investment Management, LLC is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with JB Investment Management, LLC who are registered, or are required to be registered, as investment adviser representatives of JB Investment Management, LLC.

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Jeffrey L. Bryden	
Jonathan G. Rigano	

## **Item 4 – Advisory Business**

### **A. Firm Description**

JB Investment Management, LLC began providing investment management services on May 5, 2008. An SEC-registered investment adviser, the firm provides investment supervisory services to a wide variety of clients. The firm is 100% employee owned with Jeffrey L. Bryden, CFA as the principal owner.

### **B. Investment Advisory Services Offered**

The firm provides Core Fixed Income, Tax-Advantaged Fixed Income, Treasury Inflation-Protected Fixed Income, Liability-Driven Fixed Income and Equity investment management services. Primarily a fixed income manager, the firm provides both index-based and custom portfolio management strategies. The equity approach is implemented utilizing a passive, index-based approach.

### **C. Investment Management Process**

JB Investment Management employs a multifaceted Fixed Income Process.

#### **Research and Identification**

The research process is quantitatively-driven. In our view, the primary advantage of a quantitative approach is that it provides our portfolio management team with the tools and insight to control and minimize tracking error (or, the deviation between the performances of a security and its benchmark), which minimizes volatility in the portfolio.

#### **Portfolio Construction**

JB Investment Management relies upon the collective experience of our portfolio management team, as well as leading-edge analytical modeling software, to create our customized portfolios.

Our investment team focuses first on individual bond selections, then analyzes the related risk/return impact the bond's inclusion would have on the portfolio. Client portfolios are further optimized by using current, real-time, market-based inputs alongside security and sector allocations. These allocations vary, based upon both the security's risk/return attributes and existing market opportunities or inefficiencies.

#### **Risk Management**

Our risk management process is a core component to our long-term portfolio management process. Due to the mathematical certainties which are embedded in bond cash flows, there is a degree of safety inherent to a thoughtfully-constructed

fixed income portfolio. We employ a nationally recognized portfolio management system to further mitigate risk by identifying fundamental attribution mismatches between the assets and benchmark indices.

JB Investment Management's Equity process is a passive, index-based approach that employs the use of Exchange-Traded Funds ("ETFs"). Our equity strategy relies on the substitution of the inconsistent returns inherent in traditional active equity portfolio management with less volatile, index-based returns. This approach offers considerable diversification and provides a wide range of risk and volatility profiles.

#### **D. Assets under Management**

Both total and discretionary assets under management are \$615.0 million as of December 31, 2014.

### **Item 5 – Fees and Compensation**

#### **A. Standard Fee Arrangement and Schedules**

JB Investment Management provides investment supervisory services to various categories of institutional clients and individuals. Our services are implemented on a discretionary basis, managed by us, through separate investments in investment grade fixed income securities and index-based equities. Account supervision is guided by the stated objectives of the client (i.e., income, maximum capital appreciation, growth, etc.), and all managed accounts are maintained with an independent custodian.

For investment supervisory services, compensation is derived as fee income based upon the percentage of assets under management. The compensation method is explained to and agreed upon by clients in advance before any services are rendered. Asset based management fees will be charged quarterly, in arrears, based on the total market value of the client's assets at the end of each calendar quarter. The compensation for our services, which include developing and implementing an investment policy and objectives, formulating a quantitatively driven asset allocation analysis, recommendations, and monitoring a client's investment results, is as follows:

#### **ANNUAL FEE SCHEDULES**

##### **Institutional Core Fixed Income:**

First \$25 million	.35%
Next \$25 million	.25%
Over \$50 million	.15%

**Tax-Advantaged Fixed Income:**

First \$25 million	.30%
Next \$25 million	.20%
Over \$50 million	.10%

**TIPS Indexed Fixed Income:**

First \$25 million	.18%
Next \$25 million	.12%
Over \$50 million	.08%

**Liability- Driven Fixed Income:**

First \$25 million	.20%
Next \$25 million	.15%
Over \$50 million	.10%

**Passive Index-Based Equity Management:**

First \$5 million	.50%
Next \$25 million	.35%
Over \$30 million	.20%

At its discretion, JB Investment Management reserves the right to negotiate the fee schedule for accounts depending on the size, type of account and the services required. In some cases, negotiation of fees may result in different fees being charged for similar services and may be less than the stated fee schedule.

**B. Fee Payment Options**

Investment advisory services begin with the effective date of the investment advisory agreement (the "Agreement"), which is the date the client signs the agreement. For that calendar quarter, fees will be adjusted pro rata based upon the number of calendar days in the calendar quarter that the Agreement was effective. Fees will generally be deducted directly from the client's brokerage account pursuant to a written agreement. Alternatively, at the client's request, we will invoice the client directly for payment of fees. We reserve the right to adjust the fee schedule for accounts depending on the size and type of account and the services required. In some cases, negotiation of fees may result in different fees being charged for similar services and may be less than the stated fee schedule. We will not be compensated on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of the client.

Clients should be aware of their responsibility to verify the accuracy of the fee calculation submitted to the custodian by us, as the custodian will not determine whether the fee has been properly calculated. Such fee calculation will be included

in the account statements prepared by the custodian and sent to clients. Clients are also urged to compare the account statements received from their custodian with the portfolio appraisals prepared by us. Either the client or we may terminate the Agreement at any time. Notice of termination must be given to the other party in writing. The client is responsible to pay for services rendered until the termination of the agreement. The client can cancel the Agreement without penalty within the first five days after the signing of the Agreement.

### **C. Additional Fees or Expenses**

We receive only our quarterly investment management fee as described in Item 5.A. above for our advisory services. Additionally, the fees charged by us are exclusive of all custodial and transaction costs paid to custodians, brokers or any other third parties. Clients should review all fees charged by JB Investment Management, custodians and brokers and others to fully understand the total amount of fees incurred. Other fees a client may incur in connection with an account include custodian fees, brokerage and other transactions costs if applicable. Please refer to Item 12 Brokerage Practices for further information.

### **D. Sub-Advisory Relationships**

We have entered into arrangements with unaffiliated investment managers whereby we provide investment sub-advisory services on a discretionary basis to the investment managers. Each investment manager has retained us through a separate investment advisory agreement. Compensation for our sub-advisory services are comprised of a portion of the fee received by the investment manager and may be paid either in advance or in arrears depending on the agreement between the investment manager and its underlying client. The amount of the fee is negotiated on a case by case basis and we take into consideration the level of assets to be managed and the account servicing required to determine these fees.

In these sub-advisor relationships, if fees are paid in advance and if the advisory contract is terminated before the end of the billing period a client is due a refund. The investment manager calculates the pro-rata refund and returns the unearned portion of the fee to the client. The investment manager, in turn, requires a refund of our portion of the sub-advisory fee calculated in the same manner. The investment manager obtains our refunded amount directly.

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

JB Investment Management does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of the client).



## **Item 7 – Types of Clients**

JB Investment Management provides investment advice to pension plans, corporations, insurance companies, Taft-Hartley funds, charitable organizations, high net-worth clients, individuals and unaffiliated investment managers.

Generally, the minimum dollar value of assets required to set up an investment advisory account is \$1.0 million for fixed income and \$500,000 for equity. However, we have discretion to waive minimum requirements.

## **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

### **A. Investment Approach and Analysis**

Our fixed income approach is based on a disciplined, quantitative methodology. This framework allows us to effectively evaluate and manage each portfolio's principal risk characteristics. Each portfolio is designed, structured and managed corresponding to the client's, or the investment consultant's on behalf of the client, selected performance benchmark index and detailed investment objectives and guidelines. Types of investments included in the fixed income approach include, but are not limited to, US dollar denominated debt securities, U.S. government securities, treasury inflation-protected securities (TIPS), corporate debt securities, mortgage-related securities, asset-backed securities, municipal securities, preferred stock, mutual funds, and exchange-traded funds (ETFs).

Our equity approach emphasizes passive, index-based allocations across broadly defined market segments to significantly diversify equity exposures. Types of investments included in the equity approach include, but are not limited to, US dollar denominated equity securities, preferred stock, mutual funds, and ETFs.

Clients should understand and acknowledge that investing involves risks, including the possible loss of principal.

### **B. Investment Strategy Material Risks**

#### **1. Core Investment-Grade Fixed Income Strategies**

The primary goal of our Core Investment-Grade Fixed Income Strategies are to match or exceed the return of a fixed income benchmark. The benchmark must be both appropriate and representative of the client's individual investment objective.

We apply a consistent investment philosophy, strategy and process when establishing and managing our client's portfolios. Individual client objectives and guidelines help us make the determination of the most appropriate

benchmark. Our investment team ensures there is a suitable match between the client objectives, their portfolio and the benchmark index.

Material risks inherent in our Core Investment-Grade Fixed Income Strategies include the possibility that securities held in the portfolio may fail to make a scheduled interest or principal payment, market conditions could cause certain securities to become temporarily illiquid or unable to sell, and market prices of select securities may significantly drop in value.

## **2. Tax-Advantaged Fixed Income Strategies**

Our Tax-Advantaged Fixed Income Strategies objective is to blend the most efficient combination of fixed income assets together in order to maximize after-tax income consistent with the client's income requirements and their risk/volatility guidelines. A customized approach is required to derive tax advantages from fixed income investing. Our investment team is well-aware of the importance of keeping focused on the client's individual objectives when structuring and managing a tax-advantaged bond portfolio. Attention to the variables influencing the after-tax income and long-term returns ensure that the portfolio's assets are optimally invested.

Material risks inherent in our Tax-Advantaged Fixed Income Strategies include the possibility that securities held in the portfolio may fail to make a scheduled interest or principal payment, market conditions could cause certain securities to become temporarily illiquid or unable to sell, market prices of select securities may significantly drop in value, or a change in Federal tax rates could cause the securities to be adjusted to lower valuations.

## **3. Treasury Inflation-Protected "Real Return" (TIPS) Strategies**

JB Investment Management's Treasury Inflation-Protected "Real Return" (TIPS) Strategies offers investors a way to ensure steady-state "real" return, irrespective of the inflationary environment. "Real" return strategies provide investors an inflation protected rate of return. Often the "real" return is expressed as a return in excess of inflation, commonly the consumer price index (CPI-U). We provide an Indexed-based product and strategy to provide a complete and thorough exposure to the U.S. TIPS market. Barclays and Citigroup, recognized as a worldwide leaders and providers of Fixed Income Indices, provide the rules-based, market value-weighted index that we use to track the TIPS market.

Material risks inherent in our Treasury Inflation-Protected "Real Return" (TIPS) Strategies include market prices of select securities may significantly drop in value due to changes in "real rates" or changes in inflation expectations.

#### **4. Liability-Driven Investment Strategies**

Our Liability-Driven Investment (LDI) Strategies offer an effective approach and efficient solution for risk-based fund management. We develop a highly customized asset/liability solution focused solely on each client's unique funding requirements. Our portfolio management team conducts an in-depth analysis of the underlying liabilities and creates a portfolio optimized for each client's needs. JB Investment Management's mandate is to leverage the best available technologies with our proprietary quantitative models to ensure that each client's portfolio achieves its investment objective: an effective, optimal, and consistent funding of their liabilities.

Material risks inherent in our Liability-Driven Investment Strategies include the possibility that securities held in the portfolio may fail to make a scheduled interest or principal payment, market conditions could cause securities to become temporarily illiquid or unable to sell, and market prices of select securities may significantly drop in value.

#### **5. Equity Strategies**

JB Investment Management's equity strategies are based on a passive index-based approach. We have adopted this approach utilizing the cost, liquidity and diversification advantages of ETFs. ETFs provide an opportunity for investment portfolios to efficiently obtain stock market exposure with securities that trade like stocks and are designed to track the performance of an index or basket of stocks. This approach provides significant diversification and an effective means for managing risk.

Material risks inherent in our Equity Strategies include market prices of securities may significantly drop in value.

### **C. Securities Risks**

#### **1. Fixed Income Securities Risk**

Debt securities, such as notes and bonds, are subject to credit risk and interest rate risk. Credit risk is the possibility that an issuer of an instrument will be unable to make interest payments or repay principal when due. Changes in the financial strength of an issuer or changes in the credit rating of a security may affect its value. Interest rate risk is the risk that interest rates may increase, which tends to reduce the resale value of certain debt securities.

#### **2. Municipal Securities Risk**

Municipal securities are subject to various risks based on factors such as economic and regulatory developments, changes or proposed changes in the

federal and state tax structure, deregulation, court rulings and other factors. Repayment of municipal securities depends on the ability of the issuer or project backing such securities to generate taxes or revenues. There is a risk that the interest on an otherwise tax-exempt municipal security may be subject to federal income tax.

### **3. Government Securities Risk**

U.S. Government securities are subject to interest rate and inflation risks. Not all U.S. Government securities are backed by the full faith and credit of the U.S. Government. Certain securities issued by agencies and instrumentalities of the U.S. Government are only insured or guaranteed by the issuing agency or instrumentality, which must rely on its own resources to repay the debt. As a result, there is risk that these entities will default on a financial obligation.

### **4. Treasury Inflation-Protected Securities (TIPS) Risk**

Inflation-protected bonds typically have lower yields than conventional fixed-rate bonds. While TIPS may provide investors with a hedge against inflation, in the event of deflation, in which prices decline over time, the principal and income of inflation-protected bonds would likely decline in value.

### **5. Mortgage and Asset-Backed Securities Risk**

Mortgage-backed securities represent direct or indirect participation in, or are collateralized by and payable from, mortgage loans secured by real property. The value of these securities may change more drastically than traditional debt securities due to the fact that they pay both principal and interest that can fluctuate during periods of changing interest rates. Asset-backed securities represent fractional interests in, or are secured by and payable from, pools of assets such as motor vehicle installment sales contracts, installment loan contracts, leases of various types of real and personal property and receivables from revolving credit agreements. Asset-backed securities have structures and characteristics similar to those of mortgage-backed securities; accordingly, they are subject to many of the same risks.

### **6. Equity Securities Risk**

Common stocks and other equity securities increase or decrease in value based on the earnings of a company together with general industry or financial market conditions. The value of a company's share price may decline as a result of poor decisions made by management, lower demand for the company's services or products or if the company's revenues fall short of

expectations. There are also risks associated with the stock market overall. The stock market may experience periods of turbulence and instability.

## **7. Preferred Stock Risk**

Preferred stock is a class of a capital stock that typically pays dividends at a specified rate. Preferred stock is generally senior to common stock, but subordinate to debt securities, with respect to the payment of dividends and on liquidation of the issuer. The market value of preferred stock generally decreases when interest rates rise (interest rate risk) and is also affected by the issuer's ability to make payments on the preferred stock (credit risk).

## **8. Mutual Funds Risk**

Mutual funds are subject to investment advisory, transactional, operating and other expenses. Each mutual fund is subject to specific risks, depending on its investments. The value of mutual funds' investments and the net asset value of the funds' shares will fluctuate in response to changes in market and economic conditions, as well as the financial condition and prospects of companies and other investments in which the funds invest. The performance of each fund will depend on whether the fund's investment adviser is successful in pursuing the fund's investment strategy.

## **9. Exchange-Traded Funds (ETFs) Risk**

An investment in an ETF generally presents the same primary risks as an investment in a conventional mutual fund (i.e., one that is not exchange traded) that has the same investment objective, strategies and policies. The price of an ETF can fluctuate within a wide range, and an ETF will lose value if the prices of the underlying investments owned by the ETF go down. Like mutual funds, ETFs are subject to investment advisory, transactional, operating and other expenses.

You may experience a loss of value in your investments. Past performance does not guarantee future results, and there is no guarantee that a client's investment objectives will be achieved.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts relating to any legal or disciplinary events that would be material to your evaluation of JB Investment Management, or the integrity the firm's management. There have been no such legal or disciplinary events involving JB Investment Management or any of our employees.

## **Item 10 – Other Financial Industry Activities and Affiliations**

JB Investment Management is an independent, employee-owned investment adviser. We are not affiliated with any other financial services firms.

JB Investment Management has entered into arrangements with unaffiliated investment managers whereby we provide investment sub-advisory services on a discretionary basis to the investment managers. We provide the same investment products and strategies for the clients provided through these arrangements as our own clients. We do not believe these activities create any material conflicts of interest with our clients since all portfolio strategies are managed by the same investment team with the same objectives and resources.

We have managers that are on the Board of Directors and/or act as Chairman for Investment Committees for several charitable and/or non-profit organizations. In these positions our managers could work with pension or investment consultants that our firm also has a relationship with. In some situations, our firm acts as an investment manager for the same charitable or non-profit organization. These potential conflicts of interest are fully disclosed to the charitable or non-profit organization prior to acceptance of any position. Also, our managers are directed by our Code of Ethics to receive prior approval by the President of the firm before accepting any outside charitable or business activity and to recuse themselves from all decisions that could create a direct conflict of interest.

## **Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### **A. Firm Code of Ethics**

JB Investment Management has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at the firm must acknowledge the terms of the Code of Ethics annually, or as amended.

Clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Jeffrey L. Bryden.

### **B. Employee and Related Person Trading Constraints**

The firm anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which the firm has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which the firm, its affiliates

and/or clients, directly or indirectly, may have a position of interest. JB Investment Management's employees and persons associated with the firm are required to follow the firm's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, and employees of the firm and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for JB Investment Management's clients. The Code of Ethics is designed to assure that personal securities transactions, activities and interests of the firm will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code of Ethics certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of the firm's clients. In addition, the Code of Ethics requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics to reasonably prevent conflicts between JB Investment Management and its clients.

### **C. Employee and Related Person Trading Activity**

Employee accounts that are managed by the firm participate in trading activity with client accounts. The potential for conflicts of interest for trading in non-exempt securities is dealt with through the monitoring of all trading activity and having the employee's trade entered at the same time as the client's trade or following the completion of the client's trade.

We are not obligated to acquire for any account any security that we or our officers, partners, members or employees may acquire for their own accounts or for the account of any other client, if in our absolute discretion it is not practical or desirable to acquire a position in such security.

## **Item 12 – Brokerage Practices**

### **A. Selection of Broker-Dealer for Client Transactions**

When a client agrees to discretionary management, we will be responsible for selecting the amount of securities to be bought and sold. The only limitations on the investment authority will be those limitations imposed in writing by the client.

In the course of providing our services, we will execute trades for our clients through broker-dealers. When a client has given us broker discretion, there is no restriction on the brokers we may select to execute client transactions. Our general guiding principle is to trade through broker-dealers who offer the best overall execution under the particular circumstances. With respect to execution, we

consider a number of factors, including if the broker has custody of client assets, the actual handling of the order, the ability of the broker-dealer to settle the trade promptly and accurately, the financial standing of the broker-dealer, the ability of the broker-dealer to position securities to facilitate execution, our past experience with similar trades, and other factors which may be unique to a particular order. Based on these judgmental factors, we may trade through broker-dealers that charge fees that are higher than the lowest available fees.

In addition, broker-dealer fees may vary and be greater than those typical for similar investments if we determine that the execution and other services rendered by a particular broker merit greater than typical fees. Also, in certain instances we may execute over-the-counter securities transactions on an agency basis, which may result in advisory clients incurring two transaction costs for a single trade: a commission paid to the executing broker-dealer plus the market makers mark-up or mark-down.

## **B. Research and Soft Dollar Benefits**

JB Investment Management does not participate or engage in any soft dollar brokerage arrangements.

## **C. Directed Brokerage**

A client may direct us in writing to use a particular broker-dealer to execute all transactions for the client's account. When a client selects the broker to be used for their account, the commission rates are decided upon between the client and his broker. In addition, we do not have any responsibility for obtaining for the client from any such broker the best prices or particular commission rates, and the client may not obtain commission rates as low as it might otherwise obtain if we had discretion to select broker-dealers other than those chosen by the client.

Clients that restrict JB Investment Management to using a particular broker-dealer (or direct us to use a particular broker-dealer) for executing their transactions generally will be unable to participate in aggregated orders and will be precluded from receiving the benefits, if any, of an aggregation which other clients may receive. JB Investment Management will generally execute aggregated orders for non-directed clients before executing orders for clients that direct brokerage.

## **D. Trade Aggregation Practice**

Orders for the same security entered on behalf of more than one client may be aggregated (bunched) subject to the aggregation being in the best interests of all participating clients. Subsequent orders for the same security entered during the same trading day may be aggregated with any previously unfilled orders; filled orders shall be allocated separately from subsequent orders. Accounts owned by an employee or access person may participate in aggregated orders under the same



conditions as set forth above. Transactions are usually aggregated to seek a lower commission, lower costs, or a more advantageous net price.

### **Item 13 – Review of Accounts**

All client accounts are reviewed on a continuous basis, but no less frequently than semi-monthly, by the Investment Policy Committee, which is comprised of Jeffrey L. Bryden, Managing Member, President and Chief Investment Officer, Jonathan G. Rigano, Vice President, Chief Compliance Officer and Portfolio Manager, and Gail L. Betzhold, Director of Administration. These reviews are designed to monitor clients' success in relation to overall financial goals, as well as to analyze client transactions, positions and investment levels. Particular attention is given to the specific structure of the fixed income portfolio against a benchmark, while also evaluating credit risk and structure risk, as well as market outlook, price levels and asset allocation policy ranges. Equity allocations are reviewed and maintained within acceptable ranges and in line with client agreed upon sector exposures. The client portfolios to which we provide discretionary investment advice are furnished with quarterly portfolio appraisals that detail all securities holdings, including the cost basis and current market value. For clients that request performance details, we provide a report that tracks the client's portfolio performance against the appropriate benchmarks. Client meetings are scheduled at the client's request. Clients also receive account statements from their custodian at least quarterly.

### **Item 14 – Client Referrals and Other Compensation**

From time to time, we may compensate employees or other unaffiliated individuals who solicit clients for the investment advisory services provided by us. Any such referral arrangements and payments are made in accordance with Rule 206(4)-3 under the Investment Advisers Act of 1940, as amended, and any other applicable state securities laws.

As part of the institutional programs offered by Charles Schwab & Co. ("Schwab") (as described in Item 15), we receive benefits that we would not receive if we did not provide investment advice to clients. While there is no direct affiliation or fee sharing arrangement between Schwab and our firm, economic benefits are received by us which would not be received if we did not have an established relationship with Schwab. The firm's receipt of such economic benefits may rise to a potential conflict of interest by creating an incentive in recommending that clients establish a relationship with Schwab. However, JB Investment Management will only make such recommendation to clients if it is in the client's best interest.

### **Item 15 – Custody**

JB Investment Management does not act as custodian of client assets. Absent an existing custodial relationship, we will assist the client with developing a

relationship with brokers/custodians with whom we have developed a relationship, including the Institutional Division of Schwab.

We will make recommendations based on the needs of the client and the services provided by the brokers/custodians such as ability to execute trades, margin rates, on-line access to accounts, transaction charges, consolidated reporting, duplicate monthly statements and access to mutual funds (including lower sales charges than for direct purchases and lower minimum purchase amounts).

As part of the institutional programs offered by Schwab, we receive benefits that we would not receive if we did not provide investment advice to clients. While there is no direct affiliation or fee sharing arrangement between Schwab and our firm, economic benefits are received by us which would not be received if we did not have an established relationship with Schwab. Our benefits do not depend on the amount of transactions directed by us to Schwab. These benefits may include: a dedicated trading desk that services our clients, a dedicated service group and an account services manager dedicated to our accounts, access to a real time order matching system, ability to aggregate client trades, electronic download of trades, portfolio management software, access to an electronic interface, duplicate and batched client statements, confirmations and year-end summaries, the ability to have advisory fees directly debited from client accounts (in accordance with federal and state requirements), a quarterly newsletter, access to mutual funds, ability to have loads waived for our clients who invest in certain loaded funds when certain conditions are met and maintained, and the ability to have custody fees waived.

Clients should receive at least quarterly, statements from the broker-dealer, bank or other qualified custodian that holds and maintains the client's investment assets. **JB Investment Management urges each client to carefully review such statements and compare such official custodial records to the account statements that we may provide you.** Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## **Item 16 – Investment Discretion**

Each client executes a limited power of attorney providing for discretionary management, whereby we will be responsible for selecting the specific securities, the amount, and the timing of when to buy and/or sell. The only limitations on the discretionary investment authority will be those limitations imposed in writing by the client.

Investment guidelines and restrictions must be provided to JB Investment Management in writing.

## **Item 17 – Voting Client Securities**

Notwithstanding our discretionary authority to make investment decisions on behalf of clients, it is our policy to not exercise proxy voting authority over securities held in client accounts, unless specifically required to do so by the client. Unless required to do so by the client, the obligation to vote client proxies shall rest with the client. We shall not be deemed to have proxy voting authority solely as a result of providing advice or information about a particular proxy vote to a client. Should we inadvertently receive proxy information for a security held in the account of a client that does not require us to vote, we will make a good faith effort to forward such information on to the client in a timely manner, but will not take any further action with respect to the voting of such proxy. Upon termination of its investment advisory agreement with a client, we shall make a good faith and reasonable attempt to forward proxy information inadvertently received by us on behalf of the former client to the forwarding address provided by the former client to us.

## **Item 18 – Financial Information**

JB Investment Management does not have any financial condition that would impair our ability to meet contractual commitments to clients. A balance sheet is not required to be provided because we do not require prepayment of more than \$1,200 in fees per client, six or more months in advance.

## **Item 19 – Privacy Policy**

This notice is being provided to you in accordance with the Securities and Exchange Commission’s rule regarding the privacy of consumer financial information (“Regulation S-P”). Please take the time to read and understand the privacy policies and procedures that we have implemented to safeguard your non-public personal information.<sup>1</sup>

### **INFORMATION WE COLLECT**

JB Investment Management, LLC must collect certain personally identifiable financial information about its customers to provide financial services and products. The personally identifiable financial information that we gather during the normal course of doing business with you may include:

1. information we receive from you on applications or other forms;
2. information about your transactions with us, our affiliates, or others;
3. information collected through an Internet “cookie” (an information collecting device from a web server); and

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<sup>1</sup> Non-Public personal information means personally identifiable financial information and any list, description or other grouping of consumers that is derived using any personally identifiable financial information that is not publicly available.

4. information we receive from a consumer reporting agency.

## **INFORMATION WE DISCLOSE**

We do not disclose any non-public personal information about our customers or former customers to anyone, except as permitted or required by law, or as necessary to provide services to you. In accordance with Sections 248.13 through 248.15 of Regulation S-P, we may disclose all of the information we collect, as described above, to certain non-affiliated third parties such as, but not limited to, attorneys, accountants, auditors and persons or entities that are assessing our compliance with industry standards. We enter into contractual agreements with all nonaffiliated third parties that prohibit such third parties from disclosing or using the information other than to carry out the purposes for which we disclose the information.

## **CONFIDENTIALITY AND SECURITY**

We restrict access to non-public personal information about you to those employees who need to know that information to provide financial products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal standards to guard your nonpublic personal information.



**JB Investment Management, LLC  
13890 Bishops Drive, #350  
Brookfield, WI 53005**

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**Phone: (262) 439-2100  
www.jbinvest.com**

**Brochure Supplement (Part 2B Form ADV)  
Jeffrey L. Bryden  
February 21, 2015**

**This brochure supplement provides information about Jeffrey L. Bryden that supplements the JB Investment Management, LLC brochure. You should have received a copy of the brochure. Please contact Gail L. Betzhold, Director of Administration, at [gbetzhold@jbinvest.com](mailto:gbetzhold@jbinvest.com) or the phone number referenced above if you did not receive JB Investment Management, LLC's brochure or if you have any questions about the contents of this supplement.**

**Additional information about Jeffrey L. Bryden is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Jeffrey L. Bryden, CFA**

### **Item 2 – Educational Background and Business Experience**

**Year of Birth: 1956**

#### **Formal Education after High School:**

- Ball State University, 1978 – BS Finance & Economics
- Mr. Bryden received his Chartered Financial Analyst® designation in 1982.

Qualification as a CFA® charterholder requires:

- a bachelor's degree from an accredited institution or equivalent education or work experience;
- successful completion of all three exam levels of the CFA program;
- 48 months of acceptable professional work experience in the investment decision-making process;
- fulfillment of local society requirements, which vary by society; and
- entry into a Member's Agreement, a Professional Conduct Statement and any additional documentation requested by CFA Institute.

CFA® and Chartered Financial Analyst® are registered trademarks owned by the CFA Institute.

#### **Business Experience for the Preceding Five Years:**

- May 2008 to Present  
JB Investment Management, LLC  
– Managing Member/President/Chief Investment Officer

### **Item 3 – Disciplinary Information**

There are no legal or disciplinary events relating to Mr. Bryden that would be material to a client's evaluation of Mr. Bryden.

### **Item 4 – Other Business Activities**

Mr. Bryden is not involved in any other investment-related business or occupation or any other business or occupation for compensation.

### **Item 5 – Additional Compensation**

Mr. Bryden does not receive any economic benefits for providing advisory services, such as sales awards or bonuses for client referrals, from any person that is not a client.

## **Item 6 – Supervision**

Mr. Bryden, as the President of JB Investment Management, is the principal executive officer in JB Investment Management's supervisory structure. Accordingly, Mr. Bryden has direct or indirect supervisory authority over all of the firm's investment advisory personnel, including himself. Mr. Bryden can be reached at (262) 439-2100. Although Mr. Bryden does not have a direct supervisor, his activities are monitored by Jonathan G. Rigano, the firm's Chief Compliance Officer. In addition, JB Investment Management's Investment Policy Committee and the Investment Strategy Committee review all investment advice and client portfolios.



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Phone: (262) 439-2100  
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**Brochure Supplement (Part 2B Form ADV)**  
**Jonathan G. Rigano**  
February 21, 2015

This brochure supplement provides information about Jonathan G. Rigano that supplements the JB Investment Management, LLC brochure. You should have received a copy of the brochure. Please contact Gail L. Betzhold, Director of Administration, at [gbetzhold@jbinvest.com](mailto:gbetzhold@jbinvest.com) or the phone number referenced above if you did not receive JB Investment Management, LLC's brochure or if you have any questions about the contents of this supplement.

Additional information about Jonathan G. Rigano is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



## **Jonathan G. Rigano, CFA**

### **Item 2 – Educational Background and Business Experience:**

**Year of Birth: 1975**

#### **Formal Education after High School:**

- UW Milwaukee, 1999 – MS Financial Analysis
- UW Milwaukee, 1997 – Bachelor of Business Administration
- Mr. Rigano received his Chartered Financial Analyst® designation in 2006.

Qualification as a CFA® charterholder requires:

- a bachelor's degree from an accredited institution or equivalent education or work experience;
- successful completion of all three exam levels of the CFA program;
- 48 months of acceptable professional work experience in the investment decision-making process;
- fulfillment of local society requirements, which vary by society; and
- entry into a Member's Agreement, a Professional Conduct Statement and any additional documentation requested by CFA Institute.

CFA® and Chartered Financial Analyst® are registered trademarks owned by the CFA Institute.

#### **Business Experience for the Preceding Five Years:**

- May 2008 to Present  
JB Investment Management, LLC  
– Vice President/Chief Compliance Officer/Portfolio Manager

### **Item 3 – Disciplinary Information**

There are no legal or disciplinary events relating to Mr. Rigano that would be material to a client's evaluation of Mr. Rigano.

### **Item 4 – Other Business Activities**

Mr. Rigano is not involved in any other investment-related business or occupation or any other business or occupation for compensation.

### **Item 5 – Additional Compensation**

Mr. Rigano does not receive any economic benefits for providing advisory services, such as sales awards or bonuses for client referrals, from any person that is not a client.

## **Item 6 – Supervision**

Jeffrey L. Bryden, President of JB Investment Management has responsibility for supervision of Mr. Rigano. Mr. Bryden can be reached at (262) 439-2100. In addition, JB Investment Management's Investment Policy Committee and the Investment Strategy Committee review all investment advice and client portfolios.