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DBA JRM Capital Management

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March 15, 2024

This brochure provides information about the qualifications and business practices of James R. Martin Consulting, Inc. DBA JRM Capital Management. If you have any questions about the contents of this brochure, please contact us at 360-567-1822 and/or [jill@jrmcapitalmanagment.com](mailto:jill@jrmcapitalmanagment.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.

James R. Martin Consulting, Inc. DBA JRM Capital Management is a registered investment adviser. Registration of an Investment Adviser does not imply a certain level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about James R. Martin Consulting, Inc. DBA JRM Capital Management 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 James R. Martin Consulting, Inc. DBA JRM Capital Management who are registered, or are required to be registered, as investment adviser representatives of James R. Martin Consulting, Inc. DBA JRM Capital Management.

## **ITEM 2-Material Changes**

- None to report

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#### **Item 4-Advisory Business**

James R. Martin Consulting, Inc. DBA JRM Capital Management (JRM) is owned by James R. Martin, Jill A. Foreman and Daniel L Koerner and has been in business since 1991. JRM is a level fee for service investment advisor/consultant acting in a fiduciary capacity with respect to the client. JRM assists clients in developing their overall asset allocation strategy to meet their investment objectives. On a discretionary basis, JRM selects mutual funds and ETF's for each asset class balancing between fixed income and equities, domestic and international, growth and value, small, mid and large cap.

From time to time larger clients desire to have a portion of their assets in alternative investments – generally for clients with assets greater than \$10,000,000. Discussion are held with those clients related to risks, liquidity, tax reporting, expected returns, diversification, cash flow (capital calls and distributions) and minimum investment amounts. Normally clients have to be an accredited investor for this purpose. Products used for this purpose are ones that Mr. Martin has extensive experience with. When these types of investments fit a particular client, such investments are made as separate Limited Partner interests or as a member of an L.L.C. Investments of this sort are never allocated across clients. Each client must qualify on an individual basis as a L.P or a member. Amounts reported to clients are taken from the amount shown in the most recent financial statements for the LP or LLC. JRM fees, if any, are calculated on these amounts.

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 design a written investment objectives statement. 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. JRM continuously monitors the client's portfolio and the overall asset allocation strategy and holds review meetings with the client as often as the client desires or JRM deems necessary. Occasionally JRM participates in financial planning on questions a client might have.

If the client already owns individual bonds or equity securities, JRM monitors these securities and generally recommends sale of such securities for diversification across the products described above. JRM does not provide advice on the merits of purchasing, selling or holding these securities apart from the possible tax consequences to the client (all tax questions should be discussed with the client's own accountant as JRM is not a tax advisor).

JRM answers client inquiries regarding their accounts on an ongoing basis and reports account performance to the client on a quarterly basis. Periodically and at least annually, JRM reviews the client's investment objectives and risk profile to determine if reallocation of funds is appropriate with respect to the client's written investment objectives statement.

JRM does not participate in a wrap fee program, which is an advisory program under which a specified fee or fees not based directly upon transactions in a client's account is charged for investment advisory services and the execution of client transactions

As of December 31, 2023 James R. Martin Consulting, Inc. DBA JRM Capital Management manages approximately \$417 million on a discretionary basis.

#### **Item 5- Fees and Compensation**

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 (i.e. 401K, 403(b), TSP, etc) 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. If the client is new, the first calculation of fees are pro rated as of the day the first trades were made in the client's account(s). The client can either choose to be billed or have their fees automatically deducted from their accounts, if we deduct fees we do it once a quarter.

The fees listed below are JRM's standard fees and are sometimes used as guidelines in determining a client's fee arrangement. 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.

<b>Amount of Assets</b>	<b>Annual Percentage</b>
First \$1 million	1%
Next \$2.5 million	.75%
Next \$2.5 million	.50%
Next \$5 million	.40%
Next \$5 million	.30%
Next \$10 million	.25%
Next \$10 million	.20%
Over \$35 million	.10%

Clients may terminate the investment advisory relationship at any time without penalty. If termination occurs before the end of the billing quarter, JRM will pro-rate the amount paid by the client for the quarter and make a refund to the client based upon the number of days remaining in the quarter after the date of termination or the liquidation of client's account(s), as applicable. Such refund will be paid within thirty (30) days after the termination or liquidation date. JRM reserves the right to offset the amount of such refund by any outstanding fees owed by the client to JRM.

If a client passes away during the quarter that they have already pre paid for our services we will either help distribute assets to heirs and keep the remaining fee for payment of services or refund the remaining amount and delink ourselves from the accounts. The fee arrangement will be agreed upon by the executor and JRM.

All fees paid to JRM for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders and fees charged by sub-advisers for services. These fees and expenses 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.

All client accounts (except for company retirement plans and alternative assets) are custodied at Charles Schwab Institutional. There are not any maintenance fees charged by Charles Schwab Institutional for maintaining a client's account(s), but they do charge a transaction fee (negotiated by JRM) for most trades placed by JRM as well as fees for wire transfers and returned checks. The fees charged can change at any time and are not controlled by JRM. However periodically we do an analysis on transaction costs to make sure they are still competitive and a good fit for our clients, more information on brokerage practices can be found in Item 12, pg. 7

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 could invest in mutual funds or with some sub-advisers directly, without the services of JRM. In that case, the client would not receive the services provided by JRM which are designed, among other things to assist the client in determining which investments are most appropriate for the client's financial condition and objectives. Accordingly, 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.

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

James R. Martin Consulting Inc. DBA JRM Capital Management does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

#### **Item 7-Types of Clients**

James R. Martin Consulting, Inc. DBA JRM Capital Management provides portfolio management services to individuals, high net worth individuals, ERISA plans, charitable institutions, and foundations. 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.

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

JRM's security analysis is based on a number of factors including those derived from commercially available software technology, securities rating services, general market and financial information, due diligence reviews and specific investment analysis that clients may request. JRM's main sources of information include Morningstar, commercially available investment services, financial newspapers, periodicals, issuer-prepared information and insight gained through Mr. Martin's and Mr. Koerner's roles on investment committees for a variety of non profits.

The investments recommended are primarily mutual funds (equities and bond) and ETFs and from time to time larger clients will have asset allocations in the alternative asset class. JRM recommends private equity or other investments (generally in fund of funds form) to these clients. JRM does not receive any special compensation related to such investments. Investing in mutual funds, ETFs and private investments have many different types of risks and all investing involves risk of loss that clients should be prepared to bear.

#### **Item 9-Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of James R. Martin Consulting, Inc. DBA JRM Capital Management or the integrity of JRM's management. JRM nor do any of the employees have information that is applicable to this item.

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

In addition to their roles at JRM Mr. Martin and Mr. Koerner serve on investment committees for various non profits.

No one at James R. Martin Consulting, Inc. DBA JRM Capital Management is actively involved in the following:

1. Broker-dealer, municipal securities dealer, or government securities dealer or broker
2. Investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund)
3. Other investment adviser or financial planner
4. Futures commission merchant, commodity pool operator, or commodity trading advisor
5. Banking or thrift institution
6. Accountant or accounting firm

7. Lawyer or law firm
8. Insurance company or agency
9. Pension consultant
10. Real estate broker or dealer
11. Sponsor or syndicator of limited partnerships.

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

In keeping with the SECs Code of Ethics rule, JRM developed a Code of Ethics. This Code of Ethics is based on the principle that all employees of JRM and any affiliated person(s) have a duty to act with integrity, dignity, competence, and in an ethical manner when dealing with the public, clients, employers, employees, and fellow peers. These person(s) need to remember to place the interests of clients ahead of their own and JRM's. This Code of Ethics applies to all "Access Persons" (people who have access to confidential client information) and all violations of policies and procedures that a person observes or suspects are to be reported to the Chief Compliance Officer (Mrs. Foreman). Access Persons must avoid activities, interests, and relationships that might interfere with making decisions in the best interests of JRM's clients.

A copy of this Code of Ethics will be provided to clients upon request. The Code of Ethics is monitored by JRM's Chief Compliance Officer (Mrs. Foreman) and reviewed annually.

It should be noted that for some clients from time to time JRM may choose to provide charitable donations that the client might be personally or professionally involved in. It is at JRM's discretion if, when or the amount that may be donated.

The employees of JRM and family members of employees may invest personally in mutual funds JRM recommends. JRM does not receive any special compensation or pricing associated with these recommendations.

It is JRM's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. JRM will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

#### **Item 12-Brokerage Practices**

Schwab Institutional (SI) brokerage program will be recommended to advisory clients as custodian and for the execution of transactions. JRM periodically reviews this program to ensure that its recommendations are consistent with its fiduciary duty. This trading platform is necessary to JRM's service arrangements and capabilities. There may be situations where JRM will not accept clients who direct the use of other brokers. If a client insists on using another custodian the clients must select a custodian and direct JRM to use such custodian as the broker dealer for transactions. In directing the use of a different broker or dealer, it should be understood that JRM does not have authority to negotiate transactions and commission costs among other brokers or obtain volume discounts through other brokers, and best execution may not be achieved (in other words it might cost the client more money in fees). Not all investment advisers require clients to direct the use of specific brokers. JRM does, however, seek to negotiate discounted transaction rates for its clients if possible.

When trading client accounts, errors may periodically occur. If a trading error occurs it is JRM's policy to reimburse the client for transaction costs associated with correcting the trading error. Charles Schwab & Co., Inc. implements an internal policy in which it maintains trade error gains incurred in client accounts and will cover client losses up to \$100 per error caused by JRM.

SI provides JRM with access to institutional trading and custody services, which are typically not available to retail investors. These services generally are available to independent investment advisors on an unsolicited basis at no charge. SI requires JRM to maintain client assets totaling at least \$10 million in accounts at SI. Otherwise, SI charges JRM a fee for these services. The services include brokerage, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. There is no direct link between JRM's participation/access and the investment advice it gives its clients.

SI also makes available to JRM other products and services that benefit JRM but may not benefit its clients' accounts. Some of these other products and services assist JRM in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of JRM's fees from its clients' accounts, and assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of JRM's client accounts. SI also makes available to JRM other services intended to help JRM manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing.

JRM does not enter into any commitments with brokers for transaction levels in exchange for any services or products from brokers.

JRM does not aggregate the purchase or sale of mutual funds or ETFs as these transactions are charged a negotiated fee per trade per client.

### **Item 13-Review of Accounts**

The frequency of review depends on the client's situation and is individually determined. All client accounts are reviewed on a quarterly basis. Client accounts are reviewed on a rotating basis; therefore, JRM may alter asset allocations or change investment funds among client accounts but not implement such changes uniformly at the same time among client accounts. In other words, implementation may occur at different times among client accounts as accounts are separately reviewed. All clients receive paper quarterly reports summarizing their asset allocation and performance of investments (where applicable) on a one, three, five and ten year basis. Individual fund performance is summarized from Morningstar and overall client performance is run through Schwab Portfolio Center software. Clients also receive a brief market commentary prepared by James Martin and Daniel Koerner.

Accounts are reviewed by either James R. Martin-Chief Investment Officer or Dan Koerner, CFA-Investment Officer and meetings are held with Mr. Martin, Mr. Koerner and Mrs. Foreman as needed. From time to time accounts are reviewed on an interim basis as market conditions or circumstances warrant.

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

James R. Martin Consulting, Inc. DBA JRM Capital Management values client referrals, and does not directly or indirectly compensate anyone for a referral. JRM does not receive client referrals from SI as an incentive to refer clients.



### **Item 15- Custody**

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

JRM does not have custody of client assets, they are held at Charles Schwab Institutional. JRM does however; with the client's permission have the authority to deduct management fees.

### **Item 16-Investment Discretion**

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). This authority is given by the clients when they sign our investment advisory agreement as well as when they set up their accounts at SI (clients must initial this authority on paperwork). In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account. Mr. Martin and Mr. Koerner have discretion to select mutual funds and ETFs to fulfill asset allocation objectives.

**401(k) Plans:** At the Client's request, JRM will identify appropriate funds within a 401(k) plan in which the Client is a participant which complement the Client's overall asset allocation in order to develop a cohesive asset allocation. Further, the Client may provide JRM with the Client's log in and password so that JRM may identify fund choices and make changes to the fund line-up as needed. Reviewing fund choices and making changes to the fund line-up are the only tasks JRM will undertake with regard to the Client's 401(k) plan and are provided solely to develop a cohesive asset allocation strategy. If the Client chooses not to provide JRM with access to the Client's 401(k) plan account, it will be the Client's responsibility to keep JRM up to date on the Client's fund choices and to make changes as necessary.

JRM clients are allowed to impose, add or modify any reasonable restrictions on investing in certain securities or types of securities at anytime. Investment guidelines and restrictions must be provided to JRM in writing.

### **Item 17-Voting Client Securities**

JRM does not vote client proxies instead clients will receive proxy material directly from the custodian holding the client's account. Under circumstances where JRM receives proxy material on behalf of the client involving any security held in the client's account, JRM will promptly forward such materials to the client's attention. It is the client's responsibility to vote his/her proxy(ies).

### **Item 18-Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about James R. Martin Consulting, Inc. DBA JRM Capital Management financial condition. James R. Martin Consulting, Inc. DBA JRM Capital Management has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.