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**March 27, 2024**

JMS Capital Group Wealth Services LLC (hereafter referred to as "JMS") is pleased to provide a copy of our current Form ADV, Part 2A. This disclosure brochure describes our firm's advisory services, which includes, but is not limited to, our investment professionals, fees and potential conflicts. We will inform you of revisions based on the nature of the information as follows:

1. **Annual Update:** We are required to update certain information at least annually, within 90 days of our firm's fiscal year end of December 31st. We will provide you with a quarterly offer to deliver the full revised Brochure.
2. **Material Changes:** Should a material change in our operations occur, depending on its nature, we will promptly communicate this change to clients. "Material changes" requiring prompt notification will include changes of ownership or control; location; disciplinary proceedings; significant changes to our advisory services or advisory affiliates – any information that is critical to a client's full understanding of who we are, how to find us, and how we do business.

**This brochure provides information about the qualifications and business practices of JMS. If you have any questions about the contents of this brochure, please contact us at 412.415.1177 or [info@jmscapitalgroup.com](mailto:info@jmscapitalgroup.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.**

**Additional information about JMS can be found on our Form ADV, Part I which is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique CRD number 281325. Registration with the SEC does not imply a certain level of skill or training.**

### **Material Changes**

There have been no material changes for our firm since our last Amendment dated March 27, 2020.

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## **Advisory Business**

JMS is a SEC-registered investment adviser with its principal place of business located in Sewickley, PA. JMS began conducting business in 2015.

Listed below are the firm's principal shareholders:

- JMS is a wholly owned subsidiary of JMS Capital Group LLC.
- John M. Schneider is the sole owner of JMS Capital Group LLC.

### **INDIVIDUAL PORTFOLIO MANAGEMENT**

We also provide several types of advisory services separately or in combination. Our primary clients for these services will be pension, profit sharing and 401(k) plans, individuals and trusts, estates and charitable organizations.

Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment strategy and create and manage a portfolio based on that strategy. During our data gathering process, we determine the client's individual objectives, time horizons, risk tolerance and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

We manage these advisory accounts on a discretionary or non-discretionary basis. Account supervision is guided by the client's stated goals, objectives, risk tolerance, as well as tax considerations. Investment Objective and Risk Tolerance are reviewed on a periodic basis. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our first priority is protecting clients' money by staying within the spectrum of acceptable risk based on each client's specified risk tolerance – and doing so through highly personalized service. As a registered investment advisor subject to Section 206 of the Advisers Act, JMS acts as a fiduciary related to the conduct of its investment management and advisory services. As such JMS has an obligation to act in the best interest of its clients guided by the core fiduciary duties of loyalty and care.

JMS will adhere and comply with the following Impartial Conduct Standards;

- (1) When providing investment advice to an Investor, JMS will provide investment advice that is, at the time of the recommendation, in the Best Interest of the Investor. Such advice shall reflect the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, based on the investment objectives, risk tolerance, financial circumstances, and needs of the Investor, without regard to the financial or other interests of JMS or any affiliate, related entity, or other party;
- (2) The recommended transaction will not cause JMS or their affiliates or related entities to receive, directly or indirectly, compensation for their services that is in excess of "reasonable compensation" as that term is defined in ERISA section 408(b)(2) and Code section 4975(d)(2).
- (3) Statements by JMS to the Investor about the recommended transactions, fees and compensation, conflicts of interest, and any other matters relevant to a Investor's investment decisions, will not be materially misleading at the time they are made.

The designated Impartial Conduct Standards officer for JMS is Melissa Corso. Ms. Corso will be responsible for addressing material conflicts of interest and monitoring JMS's adherence to the Impartial Conducts Standards.

Our investment recommendations are not limited to any specific product or service offered and will generally include advice regarding the following securities:

Exchange-listed securities	Securities traded over-the-counter
Foreign issuers	Corporate debt securities (other than commercial paper)
Private equity	Municipal securities
Variable life insurance	Variable annuities
Mutual fund shares	United States governmental securities / Certificates of deposit
Options contracts on securities	Interests in partnerships investing in real estate

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

## FINANCIAL PLANNING

We provide financial planning services. Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, all questions, information and analysis are considered as they impact and are impacted by the entire financial and life situation of the client. In general, the financial plan can address any or all of the following areas:

- **PERSONAL:** We review family records, budgeting, personal liability, estate information and financial goals.
- **TAX & CASH FLOW:** We analyze the client's income tax and spending for past, current and future years; then illustrate the impact of various investments on the client's current income tax and future tax liability.
- **INVESTMENTS:** We analyze investment alternatives and their effect on the client's portfolio.
- **INSURANCE:** We review existing policies to ensure proper coverage for life, health, disability and long-term care.
- **RETIREMENT:** We analyze current strategies and investment plans to help the client achieve his or her retirement goals.
- **DEATH & DISABILITY:** We review the client's cash needs at death, income needs of surviving dependents, estate planning and disability income.
- **ESTATE:** We assist the client in assessing and developing long-term strategies, including as appropriate, living trusts, wills, review estate tax and powers of attorney.

We gather required information through in-depth personal interviews. This information includes the client's current financial status, tax status, future goals, returns, objectives and attitudes towards risk. We carefully review documents supplied by the client, including a questionnaire completed by the client, and prepare a recommendation.. Should the client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney, accountant, insurance agent and/or financial advisor. Implementation of the financial plan recommendation is entirely at the client's discretion.

We also provide general non-securities advice on topics that may include tax and budgetary planning, estate, retirement and/or business planning. Typically the financial plan is presented to the client within three months of the contract date, provided that all information needed to prepare the financial plan has been promptly provided.

Financial Planning recommendations are not limited to any specific product or service.

## PENSION CONSULTING SERVICES

Pension Consulting Services are comprised of four distinct services. Clients may choose to use any or all of these services.

*Investment Policy Statement Preparation (hereinafter referred to as "IPS"):* We will meet with the client (plan sponsor, individual, trustee, etc) to determine an appropriate investment strategy that reflects stated investment objectives for management of the overall plan. Our firm can then prepare a written IPS detailing those needs and goals, including an encompassing policy under which these goals are to be achieved. The IPS also lists the criteria for selection of investment vehicles as well as the procedures and timing interval for monitoring of investment performance.

*Selection of Investment Vehicles:* We will then review various mutual funds (both index and managed) to determine which investments are appropriate to implement the client's goals and/or IPS. We can assist the client in constructing appropriate asset allocation models. The number of investments to be recommended will be determined by the client and/or based on the IPS.

*Monitoring of Investment Performance:* We monitor client investments continually, based on the procedures and timing intervals delineated in the Investment Policy Statement. We supervise the client's portfolio and will make recommendations to the client as market factors and the client's needs dictate.

*Employee Communications:* For pension, profit sharing and 401(k) plan clients with individual plan participants exercising control over assets in their own account ("self-directed plans"), we can also provide educational support and investment workshops designed for the plan participants when the plan sponsor engages our firm to provide these services. The nature of the topics to be covered will be determined by us and the client under the guidelines established in ERISA Section 404(c). The educational support and investment workshops will NOT provide plan participants with individualized, tailored investment advice or individualized, tailored asset allocation recommendations.

## AMOUNT OF MANAGED ASSETS

As of December 31, 2023, we actively managed approximately \$144,000,000 of clients' assets.

## Fees and Compensation

### INDIVIDUAL PORTFOLIO MANAGEMENT FEES

JMS is compensated for providing individual portfolio advisory services based upon a percentage of assets under management. All fees are due quarterly, in advance. Most client fees are deducted directly from their accounts, although clients may opt to be billed directly. A service agreement may be canceled at any time, by either party, for any reason upon receipt of written notice. As disclosed above, certain fees are paid in advance of services provided, though JMS retains the right to collect advisory fees in arrears in certain situations, such as accounts opened after the start of the quarter or on significant cash flows into an account. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, we will prorate the reimbursement according to the number of days remaining in the billing period.

We may group certain related client accounts for the purposes of determining an annualized fee. Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

JMS utilizes one standard annualized fee schedule for individual portfolio advisory services and it is charged as a percentage of assets under management.

- 1.25% on the first \$500,000 (0.3125% quarterly or 1.25% annually)
- 1.00% on the next \$500,000 (0.25% quarterly or 1.00% annually)
- .75% on the next \$500,000 (0.1875% quarterly or 0.75% annually)
- and .65% on amounts greater than \$1,500,000. (0.1625% quarterly or 0.65% annually)

Client facts, length of service, needs and/or other circumstances can be considered in determining the fee schedule. These include, but are not limited to, the complexity of the client, assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client.

Although JMS has established the aforementioned fee schedule, we retain the discretion to negotiate alternative fees on a client-by-client basis.

### FINANCIAL PLANNING FEES

A JMS Financial Planning fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client. For the majority of clients, Financial Planning Services are included with Investment Supervisory Services and therefore not charged separately. Our Financial Planning fees are calculated and charged on a fixed fee basis (typically ranging from \$500 to \$5,000) depending on the specific arrangement reached with the client.

### PENSION CONSULTING FEES

A JMS Pension Consulting fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client. We charge an annual fee which ranges from .20% to 1.25% of plan assets depending on the services provided. Client fees may be collected in arrears or in advance and may be invoiced directly to the client or deducted directly from plan assets.

### TRUSTEE FEES

As a matter of policy and practice, JMS prohibits any employee, officer and/or the firm from acting as a trustee or executor for any advisory client trust or estate.

### BROKERAGE COMMISSIONS AND OTHER FEES

**Other Advisor Fees:** All fees paid to JMS for investment advisory services are separate and distinct from the fees and expenses charged by other advisors (including mutual funds and/or ETFs). These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

**Custodian Fees:** In addition to our advisory fees, clients are also responsible for any fees and expenses charged by Custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed. Please refer to the "Brokerage Practices" section of this Form ADV for additional information.

**ERISA Accounts:** JMS is deemed to be a fiduciary to advisory clients that are employee benefit plans pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, our firm is subject to specific duties and obligations under ERISA and the Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, JMS only charges fees for investment advisory advice and does not collect remuneration from broker / dealers, service providers, etc.

**Limited Prepayment of Fees:** Under no circumstances do we require or solicit payment of fees in excess of \$1,200 more than six months in advance of services rendered.

**Separately Managed Accounts (SMAs):** JMS clients that utilize SMAs will pay a pre-defined management fee to both JMS and the underlying SMA, detailed in separate advisory agreements.

## **Performance-Based Fees and Side-By-Side Management**

JMS does not charge performance-based fees.

## **Types of Clients**

JMS has no minimum threshold for opening or maintaining an account. JMS may provide advisory services to the following types of clients:

Individuals (other than high net worth individuals)  
Pension and profit sharing plans (other than plan participants)  
Corporations or other businesses not listed above

High net worth individuals  
Charitable organizations  
State or municipal government entities.

## **Methods of Analysis, Investment Strategies and Risk of Loss**

### **METHODS OF ANALYSIS**

We use the following methods of analysis to determine if and when to buy or sell specific securities. This research provides a foundation for us when formulating our investment advice and/or managing client assets.

**Fundamental Analysis:** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is under priced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

**Technical and Cyclical Analysis:** We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement. In cyclical analysis, a type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security. Technical and cyclical analyses do not consider the underlying financial condition of a company or market. This presents a risk in that a poorly managed or financially unsound company may underperform regardless of market movement.

**Asset Allocation:** Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of equities, fixed income and cash suitable to the client's investment goals and risk tolerance. Additionally, we incorporate an analysis of current market data and valuations of various market sectors and asset categories to identify investment opportunities as well as pitfalls.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer

be appropriate for the client's goals.

**Mutual Fund and/or ETF Analysis:** We look at the experience and track record of the manager of the security in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the security in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio. Foreign securities may also expose a portfolio to potential loss due to currency risk.

**Leveraged ETFs:** In addition to the previous methods of analysis discussed, we monitor for added expenses associated with holding leveraged ETFs over time, as well as monitor the security's underlying benchmark/index to determine how well the leveraged ETF is tracking against it. Furthermore, a periodic review of alternative methods of achieving the same desired result is undertaken to justify the strategy.

**Risks for ALL Forms of Analysis:** Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

## INVESTMENT STRATEGIES

We use the following strategies in managing client accounts, provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, time horizons, among other considerations.

**Long-term purchases:** We purchase securities with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the short-term projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our projections are incorrect, a security may decline sharply in value before we make the decision to sell.

**Short-term Purchases:** When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

**Equities:** The prices of equities fluctuate on a daily basis and at any given time and an investor has no assurance that they will be able to recoup their investment. Equity securities are subject to market risk, that is, as perceptions of a company's business prospects change, the actions of both buyers and sellers are affected. A dividend-paying stock may decrease or even cease to pay a dividend based on overall profitability. In the event of bankruptcy, common stockholders have a residual claim on company assets upon dissolution and therefore are the final class of investor to receive payment on their initial investment.

**Fixed Income and/or Bonds:** Fixed income and/or bond investments are subject to both interest rate risk and credit risk. When interest rates rise, bond prices fall and vice versa. All bonds carry credit or default risk although U.S. Treasury securities are generally considered free of default risk. Foreign sovereign bonds are subject to additional risks including but not limited to political and regulatory risk, economic, and currency risk and therefore may experience greater levels of volatility than their domestic counterparts. High yield bonds are speculative in nature and therefore carry a high level of default risk; they also tend to be more illiquid than bonds that carry higher credit ratings. High yield bonds are also more sensitive to changes in interest rates and are more vulnerable during periods of economic uncertainty.

**Options:** We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An investor who sells (or writes) an option contract is obligated to buy or sell an asset at a specific price on or before a certain date. Clients who use this strategy are required to complete Options Trading Agreements prior to execution. The additional risks associated with options investing (including loss of investment) are reviewed in detail with clients at that time.

**Mutual Funds:** Mutual funds generally offer multiple share classes available for investment based upon certain eligibility and/or purchase requirements. For instance, in addition to retail share classes (typically referred to as class A, class B and class C shares), funds may also offer institutional share classes or other share classes that are specifically designed for purchase by investors who meet certain specified eligibility criteria, including, for example, whether an account meets certain minimum dollar amount. Institutional share classes usually have a lower expense ratio than other share classes. When recommending investments in mutual funds, it is JMS's policy to review and consider available share classes. The Firm's policy is to select the most appropriate share classes based on various factors including but not limited to: minimum investment requirements, trading restrictions, internal expense structure, transaction charges, availability and other factors. When considering all the appropriate factors the Firm can select a share class other than the 'lowest cost' share class. In order to select the most appropriate share class, the Firm considers retail, institutional or other share classes of the same mutual fund. Regardless of such considerations, clients should not assume that they will be invested in the share class with the lowest possible expense ratio. Clients should ask their adviser whether a lower cost share class is available instead of those selected by the Firm. JMS periodically reviews the mutual funds held in client accounts to select the most appropriate share classes in light of its duty to obtain best execution.

**Private Equity:** We may employ private equity as an investment strategy. Private equity investment has historically offered long-term returns in excess of public equity markets. These investment strategies can use private information to reach investment decisions and can retain entrepreneurs and attract skilled managers through equity participation to drive investment returns. Private equity investment can offer exposure to venture capital, buyout capital, mezzanine debt and other opportunities. The historical returns above public equities come at a cost often referred to as the "liquidity premium". Investing in private companies can require a longer-term focus and commitment to keeping capital invested. Access to private equity often comes through structures that limit liquidity and, therefore, investment is limited to investors that clear defined asset thresholds.

**Rolling Retirement Plan Assets to an IRA:** Effective December 20, 2021 (or such later date as the US Department of Labor ("DOL") Field Assistance Bulletin 2018-02 ceases to be in effect), for purposes of complying with the DOL's Prohibited Transaction Exemption 2020-02 ("PTE 2020-02") where applicable, we are providing the following acknowledgment to you.

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

JMS may recommend to clients that they rollover their Retirement Assets into an IRA or Roth IRA account that is managed by JMS according to their individual investment objectives and risk tolerance via one of its composites or customized recommendations. Investors considering rolling over assets from a qualified employer-sponsored Retirement Plan IRA should review and consider the advantages and disadvantages of an IRA rollover from their Retirement Plan.

A plan participant leaving an employer typically has four options (and may engage in a combination of these options):

- (1) Leave the money in the former employer's plan, if permitted;
- (2) Rollover the assets to a new employer's plan (if available and rollovers are permitted);
- (3) Rollover Retirement Plan assets to an IRA; or,
- (4) Cash out the Retirement Plan assets and pay the required taxes on the distribution.

When contemplating a rollover, at a minimum, Retirement Investors should consider the following factors: fees and expenses, available investment options, management and/or advisory services to be provided, availability of penalty-free withdrawals, protection from creditors and legal judgments, required minimum distributions, and the ability to transact in employer stock. JMS encourages you to discuss your options and review the above listed considerations with an accountant, third-party administrator, investment advisor to your Employer Plan (if available), or legal counsel, to the extent you consider necessary.

By recommending that you rollover your Retirement Plan assets to an IRA, even if there are no costs associated with the IRA rollover itself, JMS will be entitled to earn an asset-based fees for the management of the IRA account. Opening a new IRA as a brokerage account will also result in additional charges such as commission charges and fees charged by the underlying investment (mutual fund, ETF, annuity, or other investment.) Custodial and trading fees may also apply. In contrast, leaving assets in your Retirement Plan or rolling the assets to a plan

sponsored by your new employer likely results in little or no compensation to JMS. Therefore, JMS has an incentive to encourage investors to rollover Retirement Plan assets into an IRA managed by JMS. Investing in an IRA with JMS will typically be more expensive than a Retirement Plan. Additional resources about IRA Rollovers are available to investors through FINRA's web site at [www.finra.org](http://www.finra.org).

**Separately Managed Accounts (SMAs):** SMA programs offer clients the opportunity to select professional investment management firms (also called money managers) to individually manage or provide model portfolio recommendations within their designated accounts (that is, once selected, the money manager will invest the assets in the account on a discretionary basis according to the client's stated investment discipline without soliciting their consent prior to effecting in portfolio transactions). SMA accounts offer clients an investment solution that allows the money manager to tactically allocate a percentage of the account's assets into predefined investment disciplines or market sectors.

**Wealth Accumulation:** Utilizing this strategy, we invest in global equities to provide exposure to traditional segments of the market such as U.S. Large, Mid, and Small Cap, International Developed Markets and Emerging Markets. The goal is provide long-term growth potential in excess of inflation and additional liquidity and income through dividends to the overall portfolio.

**Wealth Preservation / Absolute Return:** Utilizing this strategy, we attempt to produce returns with low correlation to core equity and core fixed income, reduce long-term portfolio risk with a lesser effect on long-term portfolio returns and mitigate the effects of severe draw downs, particularly in core equities. The goal is to generate positive returns in excess of cash yields over a full market cycle, regardless of market directionality and balancing the portfolio with low volatility, liquid assets.

### **RISK OF LOSS**

**Risk of Loss:** Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us throughout our relationship to help us understand your tolerance for risk, as these may change over time.

**Risk of Leveraged Funds:** JMS may purchase mutual funds or exchange traded funds that use leverage or borrowed dollars. The use of leverage creates the risk of magnified capital losses. It may increase (or decrease) a fund's return when the fund earns a greater (or lesser) return on leveraged investments than the cost of the leverage. The effect of leverage on a fund's return may be magnified by market movements or changes in the cost of leveraging. Changes in interest rates and related economic factors could cause the relationship between the cost of leveraging and the yield on leveraged investments to change in a manner that is unfavorable for a fund. In an extreme case, a fund's current investment income may not be sufficient to meet the interest expense of leveraging, and it may be necessary for the fund to liquidate certain of its investments at an inopportune time. Leverage may exaggerate the effect of a change in the value of a fund's portfolio securities, causing the fund to be more volatile than if leverage was not used.

**Public Health Risk:** Certain countries have been susceptible to epidemics, such as severe acute respiratory syndrome, avian flu, H1N1/09 flu, and, most recently, COVID-19. The outbreak of an infectious disease or any other serious public health concern, together with any resulting restrictions on travel or quarantines imposed, has a negative impact on the economy, and business activity in any of the countries in which the Adviser may invest and thereby adversely affect the performance of the client account.

### **Disciplinary Information**

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. Our firm and our management personnel have no reportable disciplinary events to disclose.

### **Other Financial Industry Activities and Affiliations – Potential Conflicts of Interest**

Clients should be aware that the receipt of additional compensation by JMS, its management persons, employees and related parties creates a conflict of interest that may impair the objectivity of our firm and these individuals when making advisory recommendations. JMS endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps to address this conflict:

- we disclose to clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees;
- we disclose to clients that they are not obligated to purchase recommended investment products from our employees;
- we collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;



- our firm's management conducts regular reviews of client accounts and activities to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
- we require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
- we periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and
- we educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

While JMS and these individuals endeavor at all times to put the interest of the clients first as part of our fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest and may affect the judgment of these individuals when making recommendations. Disclosures of our potential conflicts are as follows:

**Insurance Agents:** Management and other personnel of our firm are agents for various insurance companies. As such, these individuals may receive separate, yet customary commission compensation resulting from implementing product transactions on behalf of advisory clients. Clients, however, are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

**Other pooled investment vehicle(s):** The owner of JMS is a managing member of limited liability companies (LLCs) and general partner to limited partnerships (LPs) formed for investment purposes. We do not solicit our advisory clients to invest in such LPs, however they may already hold such assets from a previous relationship with our former Broker/Dealer, PWA Securities. Our firm does not receive investment advisory compensation in relation to these investments, but does have a conflict of interest in these client investments. Investors in these partnerships may pay management or other fees to the general partner. These fees are determined prior to investment and disclosed in the partnership documents. General partners or other related persons may also be compensated in other ways in connection with the partnerships. Related persons of our firm may spend as much as 25% of their time on these related activities.

Because investment in these types of entities may involve certain additional degrees of risk, they were only recommended to accredited investors when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

A list of these affiliated entities is specifically disclosed on Schedule D of Form ADV, Part I.

**Real Estate Broker:** Management and other personnel of JMS are also officers or employees of PWA Real Estate, LLC, dba JMS Capital Group Real Estate LLC, a licensed Real Estate Broker. In their separate capacities, these individuals are licensed as real estate brokers. As such, they can earn separate, yet typical compensation for the sale or rental of real estate properties.

JMS may recommend PWA Real Estate, LLC to advisory clients in need of such services. The services provided by PWA Real Estate, LLC are separate and distinct from our advisory services, and are provided for separate and typical compensation. There are no referral fee arrangements between our firms for these recommendations. No JMS client is obligated to use PWA Real Estate, LLC for any services.

## **Code of Ethics**

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws. A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to [info@jmscapitalgroup.com](mailto:info@jmscapitalgroup.com), or by calling us at 412.415.1177.

JMS and our personnel owe a duty of loyalty, fairness and good faith towards our clients and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code. Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

JMS's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. All employees are reminded that such information may not be used in a personal or professional capacity.

The owner of JMS is a managing member of limited liability companies and general partners to limited partnerships formed for investment purposes. As appropriate, our advisory clients may be solicited to invest in such "Affiliated Partnerships". JMS and our members, officers and

employees will devote as much time as we deem necessary and appropriate to manage the Affiliated Partnerships. JMS and our affiliates are not restricted from forming additional Affiliated Partnerships, entering into other investment advisory relationships or engaging in other business activities, even though such activities may involve substantial time and resources of our firm and our affiliates. Potentially, such activities could be viewed as creating a conflict of interest in that the time and effort of our management personnel and employees will not be devoted exclusively to the business of the Investment Adviser, but could be allocated between other business activities and those of our affiliates.

Investment in Affiliated Partnerships may be recommended to advisory clients if suitable. The Affiliated Partnerships are not required to register as an investment company under the Investment Company Act of 1940 in reliance upon an exemption available to funds whose securities are not publicly offered. The Affiliated Partnerships are managed in accordance with the terms and conditions of the Affiliated Partnerships' offering and organizational documents.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees 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.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients.

We may aggregate our employee trades with client transactions where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. In the rare instances where there is a partial fill of a particular batched order, we will allocate the transaction in accordance with our random allocation method in order to not favor any one account over another. All client and employee accounts will be allocated using the same method.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

- No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
- No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
- It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction being implemented for an advisory account when such transaction would produce a benefit to the employee by its relationship to the advisory client transaction.
- Our firm requires prior approval for any IPO or private placement investments by related persons of the firm.
- We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee.
- We have established procedures for the maintenance of all required books and records.
- All clients are fully informed that related persons may receive separate commission compensation when effecting transactions during the implementation process.
- Clients can decline to implement any advice rendered.
- All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
- We require delivery of the Code of Ethics to each supervised person of our firm and acknowledgement of its receipt.
- We have established policies requiring the reporting of Code of Ethics violations to our senior management.
- Any individual who violates any of the above restrictions may be subject to termination.

## **Brokerage Practices**

**Broker-Dealers and Custodians:** JMS may recommend that clients establish accounts with certain broker-dealers / Custodians. JMS's policy is to seek the best price and most favorable execution of client transactions considering all circumstances. In most cases, JMS has complete discretionary authority to determine the securities to be bought or sold, including the amount of such securities, consistent with the terms of the Agreement signed by each client.

Subject to this overall policy, in selecting brokers for client transactions, JMS considers a wide range of factors including, among other things: (i) transaction execution services along with asset custody services; (ii) capability to execute (buy/sell), clear and settle trades; (iii) capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.); (iv) breadth of available investment products (stocks, bonds, mutual funds, ETFs, etc.); (v) availability of investment research and tools to assist in making investment decisions; (vi) quality of services; (vii) competitiveness of fees for all services and willingness to negotiate them; (ix) reputation, financial strength and stability; (x) prior services provided to JMS and the firm's clients; (xi) availability of products and services that further benefit JMS, as described in Section – Client Referrals and Other Compensation on Page 12. JMS reviews these factors on an ongoing basis, conducts at least annually a review of the firm's brokerage practices and documents its best execution testing with respect to all broker-dealers / custodians utilized for client transactions during the year. Additionally, overall responsiveness of the custodian to client and firm requests and inquiries is monitored. Proven commitment by brokers/custodians to maintaining and advancing available technology is also considered. JMS does not always place brokerage transactions on the basis of the lowest possible commission rate available for a particular transaction. JMS does its due diligence to determine that the commissions paid are reasonable in relation to the value of the brokerage and other services provided.

JMS strives to execute each securities transaction in such a manner that the client's total cost or proceeds in each transaction is the most favorable when compared to other available providers and their services. JMS will block, batch, bunch or aggregate client orders whenever possible. In most cases, JMS will execute client transactions using the broker-dealer/custodian chosen by the client at the time of account opening. On occasion, however, JMS may determine that for certain types of securities, it is beneficial to execute transactions through another broker-dealer/custodian.

Clients have the option to purchase investment products that we recommend through other brokers. To the extent that brokerage transactions are placed with a particular broker-dealer, as directed by a client, JMS's ability to negotiate commissions, aggregate orders and seek execution of transactions as efficiently as possible and at the best price, may be limited or eliminated. Clients that direct JMS to use a particular broker-dealer may pay higher commissions than those who do not. To date, JMS has not entered into any client-directed brokerage arrangements.

JMS does not generally maintain custody of clients' assets, although it may be given standing authorization to send assets to a 3<sup>rd</sup> party on behalf of client. Clients' assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. JMS usually recommends that clients establish custodial relationships and corresponding brokerage accounts with Charles Schwab, but also recommends clients to custodians for specific accounts that may be better suited with a different custodian for a variety of reasons. Factors which JMS considers in recommending any custodian include their respective financial strength, reputation, execution, pricing, research and service. While JMS may recommend particular custodians, all clients enter into a separate custodial agreement with their chosen custodian. Additionally, JMS may also be designated as an authorized provider on other custodial platforms in order to provide services to certain clients who come to JMS with existing brokerage/custodial relationships.

JMS is independently owned and operated and is not affiliated with Charles Schwab or any other financial services firm. JMS does not receive any formal soft dollar benefits from Charles Schwab or any other custodian; however, the firm may have access to certain products and services and receive certain benefits (as described below and in Section – Client Referrals and Other Compensation on Page 12) as a result of the firm's recommendations of their services.

### **Charles Schwab**

JMS usually recommends that clients establish custodial relationships and corresponding brokerage accounts with Charles Schwab. They provides JMS with access to its institutional trading and custody services. In addition, Charles Schwab provides trading, custody, reporting and related services which are typically not available to retail investors. Charles Schwab also makes available various support services, some of which help JMS manage clients' accounts while others help JMS grow its business.

Charles Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are generally available only to institutional investors or would require a significantly higher minimum initial investment. For JMS's client accounts maintained in its custody, Charles Schwab does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Charles Schwab or that settle into Charles Schwab accounts.

Charles Schwab also makes available to JMS other products and services that benefit the firm but may not directly benefit clients' accounts. Many of these other products and services are used to service all or some substantial number of JMS's accounts, including accounts not maintained at Charles Schwab. Such services includes: research (both Charles Schwab's own research and that of third parties), software and other technology that provide access to client account data such as trade confirmations and account statements; trade execution and allocation of aggregated trade orders for multiple client accounts; pricing and other market data; facilitation of payment of JMS's fees from client accounts; and assistance with back-office functions, recordkeeping and client reporting.

Charles Schwab also offers other services intended to help JMS manage and further develop its business enterprise. These services

include educational conferences and events; technology, compliance, legal and business consulting; publications and conferences on practice management and business succession; and access to employee benefits providers, human capital consultants and insurance providers. In some cases, Charles Schwab may make these services available itself. In other cases, Charles Schwab will arrange for third party vendors for the types of services rendered to JMS. Charles Schwab may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to JMS. Charles Schwab may also provide other benefits such as occasional business entertainment to firm personnel. In evaluating whether to recommend that clients custody their assets at Charles Schwab, JMS may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers which creates a potential conflict of interest.

#### **American Funds**

Among other factors mentioned previously, American Funds is recommended primarily to our clients for custody of 529 college savings accounts. The transaction fees charged by American Funds may be higher or lower than those charged by other custodians. JMS receives from American Funds, without cost, marketing literature, and online systems support

#### **Empower / Great West**

Among other factors mentioned previously, Empower is recommended to our clients for custody of retirement plans. The commissions and/or transaction fees charged by Empower may be higher or lower than those charged by other custodians. JMS receives from Empower, without cost, marketing literature, and online systems support.

#### **Jefferson National / Nationwide**

Among other factors mentioned previously, Jefferson National / Nationwide is recommended to our clients for custody of variable annuity contracts. The commissions and/or transaction fees charged by Jefferson National may be higher or lower than those charged by other custodians. JMS receives from Nationwide, without cost, marketing literature, and online systems support.

#### **Millennium Trust / Integra Financial**

Millennium was recently purchased by Integra and is in the process of updating its branding. Among other factors mentioned previously, Millennium Trust is recommended to our clients for their ability to open self-directed Individual Retirement Accounts (IRAs). The commissions and/or transaction fees charged by Millennium may be higher or lower than those charged by other custodians. JMS receives from Millennium, without cost, online systems support.

As part of its fiduciary duties to clients, JMS endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits received from any custodian create a potential conflict of interest and may indirectly influence JMS's choice for custody and brokerage services. No commissions or fees of any kind will be paid by a custodian with respect to transactions on behalf of clients or for management of client assets.

JMS does not engage in Principal Trading or Agency Cross Transactions.

**Soft Dollar Arrangements:** JMS does not have any soft-dollar arrangements and does not receive any soft-dollar benefits.

**Brokerage for Client Referrals:** JMS does not recommend broker-dealers to clients based on our interest in receiving client referrals.

**Directed Brokerage:** JMS does not require or permit clients to direct brokerage.

### **Review of Accounts**

**Reviews:** JMS's financial advisors review client accounts on an ongoing basis. Individual client reviews may also be conducted by Financial Consultants on an "as needed" or "as requested" basis as dictated by the client.

Prior to each review, the client's overall portfolio structure and asset allocation is examined to ensure that it is consistent with the client's stated objective, time horizon and risk tolerance. Each investment position is also reviewed to ensure that it continues to be an appropriate investment for the portfolio. On a more frequent basis, various triggering factors can occur which necessitate review of client accounts by the financial advisors and/or the Investment Policy Committee. These factors include significant changes in stock market prices, bond market prices and other capital market movements as well as changes in interest rates, inflation rates, GDP growth and international currency movements.

The Investment Policy Committee is made up of JMS's financial advisors and research staff, as well as the Chief Compliance Officer. The Committee provides general oversight of the financial advisors and makes investment determinations and decisions for client accounts, as well as review client account performance and suitability.

**Reports:** Clients receive written monthly statements (or quarterly if there is no monthly activity) and confirmations of transactions directly from the Custodian detailing account holdings and all activity within the account, including all contributions, withdrawals and purchase/sell transactions. As needed or requested, clients also may receive detailed portfolio reports from JMS, which may include positions, prices, shares, market values, percentages of portfolio, performance summaries and/or performance history for various timeframes and/or since inception.

## **Client Referrals and Other Compensation**

We receive an economic benefit from our Custodians in the form of support products and services made available to us. These products and services, and how they benefit us, and the related conflicts of interest are described above. This availability is not based on our giving particular investment advice, such as buying particular securities for our clients. JMS does not pay any compensation for client referrals. It is our policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

Additionally, JMS may access research at a discounted rate from mutual fund companies. This creates a potential conflict of interest in that JMS may consider this benefit when recommending mutual funds to clients.

## **Custody**

JMS does not maintain custody of client funds and/or securities, except to the extent that the firm directly debits investment management fees from client accounts, as well as processes 3<sup>rd</sup> party client-requested withdrawals from qualified custodians.

As part of this billing process, the client's Custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the Custodian is required to send to the client a statement showing all transactions – including advisory fees deducted – within the account during the reporting period. Because the Custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

## **Investment Discretion**

In most instances, clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell; and/or
- determine the amount of the security to buy or sell.

Clients give us discretionary authority when they sign / execute a discretionary Agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations at any time by once again providing us with written instructions.

## **Voting Client Securities**

As a matter of firm policy, we do NOT vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.

Clients will receive their proxies or other solicitations directly from their Custodian or transfer agents. We may provide clients with consulting assistance regarding proxy issues, if they contact us with questions at our principal place of business.

## **Financial Information**

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement. We are also required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. JMS has no such financial circumstances to report. JMS has not been the subject of a bankruptcy petition.