

Disclosure Brochure

August 29, 2016

Jacobs Broel Asset Management, LLC

a Registered Investment Adviser

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This brochure provides information about the qualifications and business practices of Jacobs Broel Asset Management, LLC (CRD #155998) (hereinafter “Jacobs Broel” or “the Firm”). If you have any questions about the contents of this brochure, please contact the Firm’s Chief Compliance Officer at (425) 372-7481. 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 Jacobs Broel Asset Management, LLC is available on the SEC’s website at www.adviserinfo.sec.gov.

Jacobs Broel Asset Management, LLC is a state registered investment adviser. Registration does not imply any level of skill or training.

Item 2. Material Changes

This section of the brochure discusses only the material changes that have occurred since Jacobs Broel's last annual update dated March 23, 2016. With this filing, the Firm is applying for registration as a state-registered investment adviser. Throughout this brochure, Firm has updated language to reflect that the Firm is no longer providing investment management services.

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Item 4. Advisory Business

Jacobs Broel has been in business since January 20, 2011. Peter Jacobs and Jesse Broel are the principal owners of Jacobs Broel. As of the date of this filing, the Firm does not have assets under management.

Jacobs Broel is an investment adviser providing institutional consulting services. Prior to engaging Jacobs Broel to provide any of the foregoing investment advisory services, the client is required to enter into one or more written agreements with Jacobs Broel setting forth the terms and conditions under which the Firm renders its services (collectively the “*Agreement*”). Neither Jacobs Broel nor the client may assign the *Agreement* without the prior written consent of the other party. Transactions that do not result in a change of actual control or management of Jacobs Broel are not considered assignments.

Institutional Consulting Services

Jacobs Broel provides research and analysis to various institutions as part of its institutional consulting services. Jacobs Broel's institutional consulting services are specialized engagements individually negotiated with each institution based upon their specific needs. Jacobs Broel's institutional consulting services are generally investment-related. Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by Jacobs Broel under an institutional consulting engagement. Jacobs Broel charges a fixed fee for these services and does not render such services to non-institutional investment advisory clients.

Item 5. Fees and Compensation

Jacobs Broel offers its services on a fixed fee basis.

Institutional Consulting Services Fee

In the event the client determines to engage Jacobs Broel to provide institutional consulting services, Jacobs Broel does so on a fixed fee basis, which considers, among other things, the number of hours to be spent on the project and the experience level of the person performing such services. Generally, Jacobs Broel does not anticipate that the hourly rate used to determine the fixed fee will exceed \$100 per hour.

Generally, Jacobs Broel charges its fees for institutional consulting services monthly, in advance. Where applicable, the monthly fee for the initial month of service will be prorated and the monthly fee for the final month of service will be prorated and refunded, as necessary. The firm may also charge additional fees based on a number of potential factors, including whether the institutional consulting services include rebranding rights and other miscellaneous support.

Generally, after the initial term of the *Agreement*, the *Agreement* may be terminated with written notice pursuant to the notice period set forth in the *Agreement*. The *Agreement* may be terminated with notice within 5 business days of execution without penalty.

Upon charging its fees, the firm provides written billing information setting forth the fees, the formula used to calculate the fees (if any), and the time period covered by the fees.

Item 6. Performance-Based Fees and Side-by-Side Management

Jacobs Broel does not provide any services for performance based fees. Performance based fees are those based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7. Types of Clients

Jacobs Broel provides its services to investment advisers, broker-dealers, corporations, and other business entities.

Minimum Account Requirements

Jacobs Broel does not impose a stated minimum fee or minimum portfolio value for starting and maintaining an investment management relationship.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis and Investment Strategies

Targeting capital growth, Jacobs Broel recommends securities of varying capitalizations that offer long-term investment value. The process and approach is deeply rooted in the value-contrarian investment philosophy which focuses on identifying companies that have good long-term fundamentals, yet whose stocks are out of favor with the majority of investors. Jacobs Broel's primary methods of analysis are fundamental and technical analysis.

Fundamental analysis involves the fundamental financial condition and competitive position of a company. Jacobs Broel will analyze the financial condition, capabilities of management, earnings, new products and services, as well as the company's markets and position amongst its competitors in order to determine the recommendations made to clients. The primary risk in using fundamental analysis is that while the overall health and position of a company may be good, market conditions may negatively impact the security.

Technical analysis involves the analysis of past market data rather than specific company data in determining the recommendations made to clients. Technical analysis may involve the use of charts to identify market patterns and trends which may be based on investor sentiment rather than the

fundamentals of the company. The primary risk in using technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that Jacobs Broel will be able to accurately predict such a reoccurrence.

Investment Decision = Fundamental Company Research + Price Consideration

These components of the equation underscore the fact that stocks of great companies purchased at the wrong price can result in poor investment returns.

Risk of Loss

Market Risks

Investing involves risk, including the potential loss of principal clients should be prepared to bear, and all investors should be guided accordingly. The profitability of a significant portion of Jacobs Broel's recommendations may depend to a great extent upon correctly assessing the future course of price movements of stocks, bonds and other asset classes. There can be no assurance that Jacobs Broel will be able to predict those price movements accurately or capitalize on any such assumptions.

Item 9. Disciplinary Information

Jacobs Broel is required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of management. Jacobs Broel does not have any required disclosures to this Item.

Item 10. Other Financial Industry Activities and Affiliations

Jacobs Broel is required to disclose any relationship or arrangement that is material to its advisory business or to its clients with certain related persons. The Firm has no information to disclose in response to this Item.

Item 11. Code of Ethics

Jacobs Broel and persons associated with Jacobs Broel ("Associated Persons") are permitted to buy or sell securities that it also recommends to clients consistent with Jacobs Broel's policies and procedures. Jacobs Broel has adopted a code of ethics that sets forth the standards of conduct expected of its associated persons and requires compliance with applicable securities laws ("*Code of Ethics*"). In accordance with Section 204A of the Advisers Act, its *Code of Ethics* contains written policies reasonably designed to prevent the unlawful use of material non-public information by Jacobs Broel or any of its

associated persons. The *Code of Ethics* also requires that certain of Jacobs Broel's personnel (called "Access Persons") report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings.

Unless specifically permitted in Jacobs Broel's *Code of Ethics*, none of Jacobs Broel's *Access Persons* may effect for themselves or for their immediate family (i.e., spouse, minor children, and adults living in the same household as the *Access Person*) any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of Jacobs Broel's clients.

When Jacobs Broel is considering the recommendation of the purchase of any security on behalf of a client, no *Access Person* may effect a transaction in that security prior to recommending the purchase of that security until a decision has been made not to recommend such security. Similarly, when Jacobs Broel is considering the recommendation of the sale of any security on behalf of a client, no *Access Person* may effect a transaction in that security prior to recommending the sale of that security or until a decision has been made not to recommend the sale of such security. These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Clients and prospective clients may contact Jacobs Broel to request a copy of its *Code of Ethics*.

Item 12. Brokerage Practices

Jacobs Broel does not execute trades in client's brokerage accounts and does not recommend broker-dealers for client transactions. Accordingly, the Firm does not consider specific factors in selecting or recommending broker-dealers for client transactions or determining the reasonableness of their compensation.

Item 13. Review of Accounts

As Jacobs Broel does not provide on-going investment management of client accounts, the Firm does not periodically review client accounts or financial plans. Those clients to whom Jacobs Broel provides institutional consulting services will receive reports from Jacobs Broel from time-to-time or as agreed to in writing by Jacobs Broel.

Item 14. Client Referrals and Other Compensation

Jacobs Broel is required to disclose any relationship or arrangement where it receives an economic benefit from a third party (non-client) for providing advisory services. In addition, Jacobs Broel is required to disclose any direct or indirect compensation that it provides for client referrals. Jacobs Broel does not have any required disclosures to this Item.

Item 15. Custody

Jacobs Broel does not have custody of client funds, either due to the ability to debit the client's account for the amount of Jacobs Broel's fee or any other reason.

Item 16. Investment Discretion

Jacobs Broel does not accept discretionary authority to manage securities accounts on behalf of clients.

Item 17. Voting Client Securities

Jacobs Broel does not accept the authority to vote a client's securities (i.e., proxies) on their behalf.

Item 18. Financial Information

Jacobs Broel does not require or solicit the prepayment of more than \$500 in fees, six months or more in advance. In addition, Jacobs Broel is required to disclose any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. Jacobs Broel has no disclosures pursuant to this Item.

Item 19. Requirement for State Registered Advisers

Principal Executive Officers and Management Persons

PETER JACOBS (CRD #2508405)

Born 1965

Post-Secondary Education

University of Chicago Graduate School of Business | MBA, Business Administration | 1994

University of Cincinnati | B.S., Aerospace Engineering | 1989

Recent Business Background

Jacobs Broel Asset Management, LLC | Principal | January 2011 – Present

Wells Fargo Investments, LLC | Director of Research | June 1994 – January 2011

JESSE BROEL (CRD # 3191841)

Born 1974

Post-Secondary Education

Whitworth College | B.A., Economics | 1997

Recent Business Background

Jacobs Broel Asset Management, LLC | Principal | January 2011 – Present

Wells Fargo Investments, LLC | Asset Manager | July 2006 – January 2011

Additional Information

Neither Jacobs Broel nor its *Supervised Persons* are compensated for advisory services with performance-based fees. Neither Jacobs Broel nor its *Supervised Persons* have been the subject of the type of disciplinary event that warrants disclosure pursuant to this Item. Neither Jacobs Broel nor its *Supervised Persons* have a material relationship or arrangement with any issuers of securities.

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Prepared by:



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The Adviser's Advisor®