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CRD # 147663

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**Form ADV, Part 2A, Appendix 1;** This Wrap Fee Program Brochure, as required by the Investment Advisers Act of 1940, is a very important document between Clients (“you”, “your”) and Jacobi Capital Management LLC (“us”, “we”, “our”, “JCM”, “Adviser”).

*This brochure provides information about the qualifications and business practices of Jacobi Capital Management LLC. If you have any questions about the contents of this brochure, please contact us at (570) 826-1801. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any State Securities Authority.*

*Additional information about Jacobi Capital Management LLC also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) (click on the link, select “investment adviser firm” and type in our firm name). Results will provide you both Part 1 and 2 of our Form ADV.*

We are a Registered Investment Adviser with the Securities and Exchange Commission. Our registration as an Investment Adviser does not imply any level of skill or training. The oral and written communications we provide to you, including this Brochure, is information you use to evaluate us (and other advisers) and are factors in your decision to hire us or to continue to maintain a mutually beneficial relationship.

Jacobi Capital Management, LLC A Registered Investment Adviser

Form ADV Part 2A, Appendix 1  
Wrap Fee Brochure

## Item 2 -Material Changes

Below is a summary of material changes since the last annual filing of our Form ADV Part 2A or “Disclosure Brochure” and Appendix 1 dated May 2020:

Item 5 This section now contains additional information regarding Mutual Fund Fees in Wrap Accounts.

Item 15 This section now contains a minor clarification as it relates to a loan we received under the Payroll Protection Program.

We may, at any time, update this Disclosure Brochure and either send you an updated copy including a summary of material changes or a summary of material changes that includes an offer to send you a hard copy form via US mail.

If you would like another copy of this Brochure, please download it from the SEC Website as indicated above or you may contact our Chief Compliance Officer, April Vinciarelli, at (570) 826-1801 or [avinciarelli@jacobicapital.com](mailto:avinciarelli@jacobicapital.com).

### **Item 3 -Table of Contents**

Item 2 -Material Changes.....	2
Item 3 -Table of Contents .....	3
Item 4 -Advisory Business- Wrap Fee Program Related .....	4
Item 5 -Fees and Compensation .....	6
Item 6 -Types of Clients .....	10
Item 7 -Selection of Managers/ Evaluation & Review of Accounts .....	11
Item 8 -Communication with Selected Managers .....	12
Item 9 -Client Contact with Selected Managers .....	13
Item 10 -Disciplinary Information .....	14
Item 11- Other Financial Industry Activities and Affiliations .....	15
Item 12 -Code of Ethics .....	16
Item 13 -Client Referrals and Other Compensation .....	18
Item 14 – Voting Client Securities (i.e., Proxy Voting) .....	19
Item 15 -Financial Information .....	20

## **Item 4 -Advisory Business- Wrap Fee Program Related**

### *Firm Background*

Jacobi Capital Management LLC was granted registration with the Securities and Exchange Commission on August 7, 2008 as an Investment Adviser under Section 203(c) of the Investment Adviser Act of 1940. Michael J. Hirthler is the sole owner and Chief Investment Officer. Jacobi Capital Management, LLC also conducts business under the name Jacobi Wealth Advisors. Use of the term “JCM” in this document refers to both Jacobi Capital Management, LLC, and its d/b/a Jacobi Wealth Advisors.

### *Jacobi Capital Management LLC Advisory Services Offered*

JCM primarily provides investment advisory services to its clients. This is partially offered through a Wrap Fee Program which is administered through its clearing broker-dealer, LPL Financial and TDAI. JCM is the sponsor of the Wrap Fee Program.

The Wrap Fee Program is designed to assist clients, both individuals and institutions (such as pensions and retirement plans, trusts, estates, charitable organizations, corporations or other business entities and state or municipal government entities) in clarifying their investment needs and to obtain asset management for a single “wrap” fee, on a limited discretionary basis.

The Wrap Fee Program includes advice and management guidance geared toward the stated objectives of the client. In addition, JCM considers the client’s risk profile and financial status prior to making any recommendations or transactions. A client profile considers their goals and objectives with regard to time horizon, performance expectations, income needs, liquidity requirements, tax considerations and current investments. This helps determine the construction of their portfolio and assists in ascertaining suitability.

Investment types advised upon or utilized may be equity securities, which are listed on various exchanges or traded over the counter or from foreign issuers, warrants, corporate debt securities, commercial paper, certificates of deposit, municipal securities, mutual fund shares offered by investment companies, United States government securities and options contracts on listed securities.

JCM continually monitors the client’s accounts by consulting with the client periodically to determine whether any data in the client’s profile needs to be updated and whether any changes should be made to the client’s investments, risk tolerance or other factors pertaining to the continued suitability of the investments made for the client. Clients are also encouraged to contact JCM promptly to notify of any changes to the information previously provided or any other changes in the client’s financial circumstances or investment goals. In additions, the client should feel free to contact JCM with any questions they have about their accounts.

While accounts may utilize the same investment models, each account is managed on an individualized basis. Further restrictions and guidelines imposed by the client affect the

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composition and performance of the portfolio. For these reasons, performance of portfolios with the same stated investment objective may differ and clients should not expect that the performance of their portfolios will be identical with an average client of JCM.

#### Third-Party Sponsored Services Offered

JCM may offer clients various types of programs sponsored by a third-party. All third-party investment advisers to whom the Adviser may refer clients will be licensed as Investment Advisers by their resident state and any applicable jurisdictions or Registered Investment Advisers with the Securities and Exchange Commission. After gathering information about a client's financial situation and investment objectives, JCM will assist the client in selecting a particular third-party program.

Typically, JCM will provide these advisory services through certain programs sponsored by LPL Financial ("LPL"), a registered investment advisor and broker-dealer. Below is a brief description of each LPL advisory program available to JCM.

#### Manager Access Select Program (MAS)

Manager Access Select provides clients access to the investment advisory services of professional portfolio management firms for the individual management of client accounts. JCM will assist client in identifying a third-party portfolio manager ("Portfolio Manager") from a list of Portfolio Managers made available by LPL. The Portfolio Manager manages client's assets on a discretionary basis. JCM will provide initial and ongoing assistance regarding the Portfolio Manager Selection process.

#### Manager Access Network Program (MAN)

Manager Access Network provides clients access to the investment advisory services of professional portfolio management firms for the individual management of client accounts. JCM will assist client in identifying a third-party portfolio manager ("Portfolio Manager") from a list of Portfolio Managers made available by LPL. The Portfolio Manager manages client's assets on a discretionary basis. JCM will provide initial and ongoing assistance regarding the Portfolio Manager Selection process.

#### Model Wealth Portfolios (MWP)

Model Wealth Portfolios provides clients access to the investment advisory services of professional portfolio management firms for the individual management of client accounts. JCM will assist client in identifying a third-party portfolio manager ("Portfolio Strategist") from a list of made available by LPL. The Strategist manages client's assets on a discretionary basis utilizing mutual funds and Exchange Traded Products models. JCM will provide initial and ongoing assistance regarding the Portfolio Strategist selection process.

## Item 5 - Fees and Compensation

### Jacobi Capital Management LLC Advisory Services Offered

Our Investment Advisory Services are offered for an annual fee, based on a percentage of the assets under management. The annual fee is negotiable.

The billing of management fees will be dependent on the custodian utilized for the client accounts. For clients who custody assets through LPL Financial, management fees are billed and paid in advance of the quarter and come due on the first day of the calendar quarter of the stated billing cycle based on an account's asset value as of the last business day of the prior quarter. Management fees will be prorated for accounts opened in the course of the quarter, with consideration for any deposits or withdrawals in the course of the quarter given at the time of the next billing date. For clients who custody assets through TD Ameritrade Institutional (TDAI), management fees are billed and paid in advance of the month and come due on the first day of the calendar month of the stated billing cycle based on an account's average daily balance of the prior month. Management fees will be prorated for accounts opened in the course of the month, with consideration for any deposits or withdrawals in the course of the month given at the time of the next billing date.

Our annualized fees are as follows:

Annualized Fees		
<u>From</u>	<u>To</u>	<u>Per Year</u>
\$100,000	\$1,000,000	Fees up to 1.5%
\$1,000,001	\$5,000,000	Fees up to 1.25%
Over \$5,000,000		Fees up to 1.00%

As indicated in our advisory agreement with you, two options are available to you to pay for our services. You must opt out of direct debiting by executing the appropriate paperwork. Direct debiting will be the default payment arrangement:

1. Direct debiting (preferred):
  - a. LPL Financial (LPL) Accounts: at the inception of the relationship and each quarter thereafter, our custodian LPL Financial will calculate the amount of the fee due and payable to us. The custodian bases its calculation on the account assets as described above and the executed account application on which the fee is stated. They will "deduct" the fee from the applicable account(s).

Each month, you will receive a statement directly from LPL showing all transactions, positions and credits / debits into or from your account; the statements after the applicable quarterly billing cycle end will reflect these transactions, including the advisory fee paid by you to us.
  - b. TD Ameritrade Institutional (TDAI) Accounts: at the inception of the relationship and each month thereafter, our firm will calculate the amount of the fee due and payable to us. We base the calculation on the account assets as described above

and the executed account agreement on which the fee is stated. We will then instruct TDAI to “deduct” the fee from the applicable account(s).

Each month, you will receive a statement directly from TDAI showing all transactions, positions and credits / debits into or from your account; the statements after the applicable monthly billing cycle end will reflect these transactions, including the advisory fee paid by you to us.

2. Pay-by-check: At the inception of the account and each billing period thereafter, we issue you an invoice for our services and you pay us by check or wire transfer within 15 days of the date of the invoice. You must complete the necessary paperwork to use this option.

An advisory client will have a period of five (5) business days from the date of signing the investment management agreement to unconditionally rescind the agreement and receive a full refund of all fees paid. Thereafter, either party may terminate the agreement with 30 days written notice. Any accounts closed within the billing period will receive a refund of any billed and un-used fees.

#### Third-Party Sponsored Services Offered

JCM receives compensation as part of a client agreement with a third-party program, typically sponsored through LPL Financial. Any compensation received by JCM will be referenced in the Investment Advisory Agreement executed by JCM and the client. Fees applicable to the third-parties involved will be pursuant to agreements with the third-parties, as part of any account opening documents.

Third-party compensation is disclosed to the client in a separate disclosure document and is typically equal to a percentage of the investment advisory fee charged by that third-party.

For more information regarding the LPL programs, including more information on the advisory services and fees that apply, the types of investments available in the programs and the potential conflicts of interest presented by the programs please, see LPL Financial’s Form ADV Part 2 or the applicable program’s Wrap Brochure and the applicable client agreement.

The account fee charged to the client for each LPL advisory program is negotiable and payable quarterly in advance.

LPL serves as program sponsor, investment advisor and broker-dealer for the LPL advisory programs.

#### Mutual Fund Fees in Wrap Accounts

As described throughout this Brochure, JCM has a significant relationship with LPL. This relationship includes access to wrap fee programs offered through the LPL Platform by third party money managers. In a wrap fee program, the money manager does not pass along transaction fees incurred when the program rebalances positions or otherwise makes

purchases or sales of mutual funds. Because the Manager absorbs these transaction costs, they have an incentive to recommend or select “no-transaction fee mutual funds” (“NTF Funds”). Mutual funds, including NTF funds, have their own internal charges, including management fees, distribution and/or 12b-1 fees, and other expenses. These fees are detailed in the mutual fund prospectuses.

Most NTF funds have transaction-fee alternatives that result in higher expense ratios. IARs that are also registered representatives of LPL are limited to selecting wrap accounts that have been previously approved by LPL and may contain NTF funds, thus resulting in a higher cost to owning the fund compared to lower share class funds. Similar to seeking best execution, the determining factor we used in choosing to partner with LPL is not always the lowest possible cost, but whether the relationship represents the best platform through which to provide the majority of our advisory services. To make this determination, we take into consideration the full range of a LPL’s services, including among others, the ability of our IARs to offer brokerage services as registered representatives, their fees (both to us and to our clients), their financial wherewithal, their custodial services, and their responsiveness. Accordingly, although JCM seeks to offer the most cost effective solutions for our clients, LPL may not necessarily offer the lowest cost mutual fund share classes in all instances. LPL selects certain mutual fund product offerings because the share class pays LPL compensation for the administrative and recordkeeping services LPL provides to the mutual fund, and which we believe is passed along to us in the execution of their services to us. You should understand that another custodian may offer the same, or similar, mutual fund products at a lower overall cost.

In addition, we have certain IARs who do manage wrap accounts on other custodial platforms, but that also utilize NTF funds. In both instances, this causes a potential conflict of interest because NTF funds typically are not the lowest share class available from the fund family. Notwithstanding this conflict, the Firm believes this arrangement does not interfere with its provision of advice to clients because of its practices and controls. JCM’s IARs and supervisors review client accounts to ensure they are consistent with the clients’ stated needs, objectives, and financial situation. While we believe that removing the cost to implement trades is important and helpful to our management of client assets and to clients’ overall performance, you need to understand the added cost to your portfolio. You should review both the fees charged by the funds and our fees to fully understand the total amount of fees you are paying and, thereby, to evaluate the advisory services being provided. We are happy to explain these products and any associated conflicts in detail.

#### *Additional Fees & Expenses*

The Wrap Fee encompasses all transaction related costs associated with the execution of the transactions. Under the Wrap Fee Program, the client will pay a single fee, based on the amount of the assets under management, for investment advice and all transactions for the client. The Wrap Fee does not cover incidental fees. LPL Financial or TD Ameritrade Institutional serve as custodian of client assets for investment advisory clients. As custodian, they may charge fees in addition to and separate from the stated investment advisory fee.



These fees are paid solely to the custodian and JCM does not share or profit from the collection of these fees. They may include but are not limited to wire transfer and electronic processing fees. These fees may be higher or lower than those charged by other custodians.

In addition, some mutual fund assets deposited, held or purchased in your investment advisory account may be subject to deferred sales charges and/or 12b-1 fees and other mutual fund expenses as described particularly in their respective prospectus. Fund families offer various share classes for investment. Use of a higher expense ratio share class is mitigated as IARs seek alternative holdings with similar advantages for each client. At times, a lower cost share class is not available or sufficient for the specific circumstances of any individual client, and therefore may result in a higher annual expense ratio to proceed with the intended mutual fund holding.

Transaction in LPL advisory program accounts are generally effected through LPL Financial as the executing broker-dealer. JCM receives compensation as a result of a client's participation in an LPL program. Depending on, among other things, the size of the account, changes in its value over time, the ability to negotiate fees or commissions, and the number of transactions, the amount of compensation may be more or less than what JCM would receive if the client participated in other programs, whether through LPL or another sponsor, or paid separately for investment advice, brokerage services and other services.

Finally, JCM is a "fee only" Investment Adviser. Investment Adviser Representatives ("IARs") of JCM may be licensed as Registered Representatives of LPL Financial, a registered broker-dealer, member FINRA and a Registered Investment Adviser. IARs may also have business activities outside of their primary business with JCM. Please see Item 10 for a discussion of any potential conflicts of interests with regard to the different types of compensation an associated person may receive. Additionally, please see Form ADV Part 2B for disclosures particular to each specific associated person.

## **Item 6 -Types of Clients**

We provide our investment advisory to individuals (including high net worth individuals), pensions and retirement plans, trusts, estates, charitable organizations, corporations or other business entities and state or municipal government entities.

JCM requires a minimum of \$100,000 to establish a new Wrap Fee Program account; however, the minimum may be waived at the sole discretion of the Adviser. In addition, JCM may continue to service existing accounts that have values that are below the minimum. Accounts are not generally subject to a minimum fee per year. If an account falls below \$100, no further fees will be charged.

The minimum account size for the Manager Access Select and Manager Access Network programs is \$100,000 for equity strategies and \$250,000 for fixed income strategies. Third-Party Advisers may require a minimum account size based on the product selected, details of which will be provided in each of the third-party advisers Form ADV Part 2/Wrap Fee Program Brochure.

## **Item 7 -Selection of Managers/ Evaluation & Review of Accounts**

### *Selection of Managers*

After clarifying client investment needs and reviewing suitability, an asset manager is selected from the approved options provided through LPL Financial. While LPL Financial provides due diligence and independent, unbiased research on recommended managers, JCM is responsible for the ultimate selection of the portfolio manager. Our selection is based on quantitative and qualitative analysis. We choose managers who strictly adhere to their investment process. Past Performance is not the sole factor in selecting managers. Rather, we would be reviewing the potential for future participation in their asset class returns. Typically, when selecting an outside manager, JCM has ascertained the client has a higher level of investment sophistication. This program is not suitable for all investors. Further information is available on LPL's due diligence process upon request.

Jacobi Capital Management LLC and its associated persons do not act as a portfolio manager on MAS, MAN or MWP accounts. They can act as a manager through the SWM II Platform with LPL Financial, or via accounts opened with TDAI.

### *Evaluation & Review of Accounts*

All associated persons may perform reviews of all investment advisory accounts no less than quarterly. Accounts are reviewed for consistency with the stated investment objective and for adherence to the allocated investment models, among other things. Reviews may be triggered by changes in an account holder's personal, tax, or financial status. Macroeconomic and company specific events may also trigger reviews. There is currently no limit on the number of accounts that can be reviewed by any, one associated person. Typically, it is the responsibility of the assigned associated person to review accounts. A sampling of accounts is also reviewed regularly by the Chief Compliance Officer. This review focuses on various items, including ongoing management and trading activity and fees.

Clients will receive monthly account statements from LPL or TDAI if there is activity within the statement period. At a minimum, quarterly account statements will be provided by LPL or TDAI. Quarterly performance summaries will also be provided by LPL. Both report types are sent directly to the account owner, at the address of record. These reports list the account positions, activity in the account within the statement period and other related information. Clients are also sent confirmation statements following each transaction by LPL or TDAI.

## **Item 8 -Communication with Selected Managers**

Selected managers receive a copy of the initial account application (client profile). The selected manager does have the option to determine independently whether to accept the client account based on the content of the application, suitability, and whatever other factors they deem appropriate.

JCM continually monitors the client's accounts by consulting with the client periodically to determine whether any data in the client's profile needs to be updated and whether any changes should be made to the client's risk tolerance or other factors pertaining to the continued suitability of the manager selection made for the client. Clients are also encouraged to contact JCM promptly to notify of any changes to the information previously provided or any other changes in the client's financial circumstances or investment goals. In addition, the client should feel free to contact JCM with any questions they have about their accounts. JCM will convey all pertinent information to the selected manager.

## **Item 9 -Client Contact with Selected Managers**

While clients may communicate any pertinent information directly to the selected manager, it is encouraged and request you provide this information directly to JCM so that we may update our records and also convey that information to the selected manager.

## **Item 10 -Disciplinary Information**

There is no Disciplinary Information to disclosure.

## Item 11- Other Financial Industry Activities and Affiliations

Neither JCM nor any of our management persons are registered, or have an application to register as a broker-dealer, futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

In addition, neither JCM nor any of our management persons have any relationships or arrangement that is material to its advisory business or to our clients that JCM or any of our management persons have with any related person that is a:

- Broker-dealer, municipal securities dealer, or government securities dealer or broker,
- Investment company,
- Other investment adviser or financial planner,
- Futures commission merchant (or commodity pool operator or commodity trading advisor),
- Banking or thrift institution,
- Accountant or accounting firm,
- Lawyer or law firm,
- Insurance company or agency,
- Pension consultant,
- Real estate broker or dealer or
- Sponsor or syndicator of limited partnerships.

However, associated persons of JCM may be licensed as Registered Representatives of LPL Financial, a registered broker-dealer, member FINRA and a Registered Investment Adviser. In these capacities, associated persons of JCM may recommend securities, advice, or other products and receive compensation if products are purchased through LPL Financial. Thus, a conflict of interest exists between the interests of associated persons and the interests of our clients. However, clients are under no obligation to act upon any recommendations of the associated persons or effect any transactions through the associated persons if they decide to follow the recommendations.

Certain associated persons of JCM are also licensed, as an outside business activity, to sell insurance products through various companies. These individuals may receive compensation for the sale of such products. Clients are under no obligation to purchase insurance products through them and are free to choose the sources through which to implement advice.

## Item 12 -Code of Ethics

As required by regulation and because it's a prudent practice, we have adopted a Code of Ethics that governs a number of potential conflicts of interest we have when providing our advisory services to you. This Code of Ethics is designed to ensure we meet our fiduciary obligation to you, our Client (or Prospective Client) and to drive home a culture of compliance within our firm. An additional benefit of our Code is to detect and prevent violations of securities laws, including our obligations we owe to you.

Our Code is comprehensive, is distributed to each employee at the time of hire, and annually thereafter (if there are changes). We also supplement the Code with on-going monitoring of employee activity and updates on current regulatory issues.

Our Code includes the following:

- Requirements related to the confidentiality of your personal information;
- Statements related to the reasonable inquiry into a client or prospective client's suitability for any investment, as well as notice for the use of full disclosure and due diligence in making investment recommendations to you;
- Prohibitions on insider trading (if we are in possession of material, non-public information);
- Reporting of gifts (both given and received) and business entertainment;
- Pre-clearance of employee and firm transactions;
- Reporting (on an on-going and quarterly basis) all personal securities transactions (what we call "reportable securities" as mandated by regulation); and,
- On an annual basis, we require all employees to re-certify to our Code, identify members of their household and any account to which they have a beneficial ownership (they "own" the account or have "authority" over the account).

We will provide a copy of the Code to any client or prospective client upon request. In the event that you request a copy of JCM's Code of Ethics, we will furnish a copy within a reasonable period of time to you at the current address of record.

We do not nor a related person recommends to you, or buys or sells for your accounts, securities in which we (or a related person) have a material financial interest.

Our Code does not prohibit personal trading by employees (or our firm). As you may imagine, as a professional Investment Adviser, we follow our own advice. As a result, we may purchase or sell the same or similar securities (or securities that are suitable for an employee or related account but not suitable for any client, including you) at the same time that we place transactions for your account and the accounts of our other Clients. Associated persons seek to ensure that they do not personally benefit from the short-term market effects of their recommendations to clients and their personal transactions are regularly monitored. In instances where the representative buys or sells the same securities as those of their clients,

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the client's accounts are given priority. Records will be maintained of all securities bought or sold by JCM, associated persons or related entities. Such records will be available for inspection upon request.

Files of securities transactions for associated persons of JCM will be maintained for review should there be a conflict of interest. The principal and/or CCO of JCM will review all securities transactions of our related persons to ensure no conflicts exist with client executions. To prevent conflicts of interest, all employees of JCM must comply with the firm's written supervisory procedures, which impose restrictions on the purchase or sale of securities for their own accounts and the accounts of certain affiliated persons.

We do not execute transactions on a principal or agency cross basis.

## **Item 13 -Client Referrals and Other Compensation**

We compensate non-employee persons (“solicitors”) for client referrals. Such referral arrangements must comply with the SEC’s “Cash Solicitations” Rule (Rule 206(4)-3) which requires that we enter into a written agreement with the solicitor that describes the nature and terms of the relationship between the solicitor and JCM. Clients and/or potential clients who are referred by the solicitor are required to be provided a current copy of JCM’s disclosure brochure and a separate written disclosure document that describes the nature of the relationship between the solicitor and JCM, and the compensation arrangement. This SEC Rule also provides that solicitors will not be compensated for client referrals unless the solicitor is registered as an investment adviser or investment adviser representative to the extent required under federal laws and the laws of the states in which the referred client resides. The solicitor will be compensated with a portion of the annual advisory fee collected by JCM from each client that was referred by the solicitor to JCM. This referral fee ranges from 20% to 30% of the fee paid to JCM by the client. We do not charge solicited clients advisory fees greater than those charged to new JCM clients with similar portfolios managed by JCM who were not introduced by the solicitor.

We do not engage in any programs or receive any cash or economic benefit (including commissions, equipment, or non-research services) from a non-client in connection with giving advice to clients.

Refer to Items 5 and 11 above for details of our compensation structure as well as any other compensation our IARs may receive in their capacities as registered representatives of LPL and as licensed insurance agents.

## **Item 14 – Voting Client Securities (i.e., Proxy Voting)**

Jacobi Capital Management LLC does not have, nor will we accept authorization to vote client securities. Clients will receive their proxies or other solicitations directly from their custodian or transfer agent. Clients should contact their custodian or a transfer agent with questions about a particular solicitation. Clients maintain exclusive responsibilities 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 clients investment assets.

Clients will receive all copies of proxies and shareholder communications directly from LPL as custodian.

## **Item 15 -Financial Information**

JCM has no financial condition that is reasonably likely to impair its ability to meet contractual commitments to its clients given that JCM does not have custody of client funds or securities, or requires or solicits prepayment of fees greater than \$1,200 per client and six months or more in advance. In addition, JCM is not currently, nor at any time in the past ten years been, subject of a bankruptcy petition.

However, there are several financial programs available to small businesses like ours to help us navigate the COVID-19 pandemic. One program is the Paycheck Protection Program (PPP) established by the U.S. Small Business Administration. We have applied for and received funding from this program. Though it is currently not the case, it is important to note that the circumstances leading us to seek this loan, the uncertainty of the pandemic and the sharp market volatility, resulted in an anticipation that we may need the funds to support our ongoing operations. We currently are able to meet our financial obligations and continue to service your accounts to the best of our abilities. While not anticipated, we will notify you and explain the steps we intend to take to address them should our financial condition change.