

## **Introduction**

James Investment Research, Inc. (“JIR”) is registered with the U.S. Securities and Exchange Commission (“SEC”) as an Investment Adviser. The services and fees charged by investment advisers and brokerage firms differ and it is important for you to understand the differences. The SEC offers free and simple tools to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS) which also provides information tailored to educate retail investors about financial professionals.

## **Relationships and Services**

*What investment services and advice can you provide me?*

We actively manage investment advisory accounts for retail investors on a continuous basis as part of our standard service. Serving as the primary investment adviser, JIR manages individually tailored portfolios (minimum account size generally \$1,000,000), wealth management portfolios (minimum assets under management typically \$250,000), and employer sponsored retirement plans. JIR is the investment adviser to the James Advantage Funds (“JAF”), a family of open-end mutual funds. Also, JIR acts as the sub-adviser or manager within wrap fee programs sponsored by third-party financial institution (“Sponsor”) whereby JIR is chosen to manage the assets maintained with the Sponsor, typically beginning with \$100,000. Separately managed wrap fee program accounts invest according to a model portfolio. The Sponsor typically charges a wrap fee, which covers all management services (including our management fee), custody expenses, and transaction fees at the Sponsor firm.

Investment advisory accounts are managed on either a discretionary or non-discretionary basis. Management of your individual account is guided by your investment objectives, as well as tax considerations. If you grant us discretionary authority, we will buy and sell investments on your behalf on an ongoing basis until you notify us otherwise in writing. Non-discretionary accounts are those where you ultimately approve the purchase or sale of investments. Our investment recommendations are not limited to proprietary products or a narrow range of investment types. You may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors, however, doing so could result in performance different from our other clients without restrictions.

JIR provides comprehensive financial planning in areas of retirement, tax, education, and investments, in addition to estate planning. Financial and estate plans are unique to you and your circumstances. You have discretion over the plan’s implementation and our level of assistance.

The following link provides additional detailed information regarding services provided by JIR. Please specifically refer to “View latest Form ADV filed” under Items 4 and 7. JIR: <https://adviserinfo.sec.gov/firm/summary/110433>

*Questions you may wish to ask us:*

- *“Given my financial situation, should I choose an investment advisory service? Why or why not?”*
- *“How will you choose investments to recommend to me?”*
- *“What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?”*

## **Fees, Costs, Conflicts and Standard of Conduct**

*What fees will I pay?*

Our portfolio and wealth management fees are assessed monthly or quarterly in advance and paid as a percentage of assets under management. JIR’s fees are negotiable and established in accordance with your written investment advisory or financial planning agreement but can range from 0.50% to 2.50% for individually managed accounts. Our fees for separately managed wrap fee portfolios generally range from 0.45% to 0.75%, which are included as part of the overall wrap fee charged by the wrap fee program sponsor.

Asset-based fees associated with a wrap fee program will include most transaction costs and fees to a broker-dealer or bank that has custody of these assets, and therefore are higher than a typical asset-based advisory fee. Asset-based fees associated with individually managed accounts will not include transaction costs and fees to a broker-dealer or bank that has custody of the assets, and therefore such fees will be in addition to our asset-based fees.

Because we earn a fee equal to a percentage of your assets, our interests are aligned as we do better when you do better. At the same time some may consider it a conflict of interest in that this arrangement gives us an incentive to encourage you to invest more assets in an account we manage for you.

Your custodian may impose additional fees for holding and maintaining certain investments in your accounts. Some investments, such as mutual funds and exchange traded funds, charge additional fees that will reduce the value of your investments over time.

You will pay fees and costs whether you make or lose money on your investments, which will reduce any amount of money your investments make over time. Please make sure you understand what fees and costs you are paying.

Our firm charges fixed fees, hourly fees, or fees as a percentage of assets under management for financial planning services. We charge fixed or hourly fees for estate planning.

For more detailed information about our fees and costs please review our Form ADV, Part 2A brochure (specifically Items 5.A., B., C., and D.) which can be found at JIR: <https://adviserinfo.sec.gov/firm/summary/110433>

*You may wish to ask us:*

- *“Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?”*

*What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?*

*When we act as your investment adviser, we must act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. For example, JIR earns a management fee for advising the James Advantage Funds and may place shares of JAF in your account, however those assets would be excluded from JIR’s management fee for your account.*

For more detailed information about conflicts of interest, please review our Form ADV Part 2A brochure (specifically Items 5, and 10), which can be found at JIR: <https://adviserinfo.sec.gov/firm/summary/110433>

*You may wish to ask us:*

- *“How might your conflicts of interest affect me, and how will you address them?”*

*How do your financial professionals make money?*

Our employees receive a base salary and an annual cash profit-sharing bonus. Portfolio managers are responsible for the day-to-day management of your investments and receive an additional bonus based on longevity and accounts managed. Because employees receive bonuses based on profit-sharing, they may be incentivized to increase assets under management to increase our revenues earned from advisory fees.

### **Disciplinary History**

*Do you or your financial professionals have legal or disciplinary history?*

No. Neither the firm nor any of our employees have ever been subject to any censure or any other disciplinary actions by the SEC or any other regulatory authority. Visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research our firm and our financial professionals.

*You may wish to ask us:*

- *“As a financial professional, do you have any disciplinary history? For what type of conduct?”*

### **Additional Information**

For additional information about our services, including a copy of the relationship summary, please call us at 888-426-7640 or email us at [info@jamesinvestment.com](mailto:info@jamesinvestment.com).

*Questions you may wish to ask us:*

- *“Who is my primary contact person?”*
- *“Is he or she a representative of an investment adviser or a broker-dealer?”*
- *“Who can I talk to if I have concerns about how this person is treating me?”*

**Exhibit A – Summary of Material Changes**

We updated our Client Relationship Summary on December 27, 2023. Below you will find a summary of the changes made since our previous Client Relationship Summary dated December 22, 2022.

| Section Heading   | Summary of Changes  |
|---|---|
| What investment services and advice can you provide me? | <ul style="list-style-type: none"> <li>• Disclosed that we manage investment advisory accounts for employer sponsored retirement plans.</li> </ul>  |
| What fees will I pay?                                   | <ul style="list-style-type: none"> <li>• Disclosed that our management fees for investment portfolios may be charged either monthly or quarterly.</li> <li>• Disclosed that estate planning services are charged fixed or hourly fees.</li> </ul> |