

# JLB & Associates, Inc. – Investment Counsel

## Form ADV Part 3 – Customer Relationship Summary

### Introduction

JLB & Associates, Inc. (JLB), is an investment advisor registered with the Securities and Exchange Commission. Investment advisory and brokerage services and fees differ and we feel it is important for you to understand the differences. There are free and simple tools available to research firms and financial professionals at [www.investor.gov/CRS](http://www.investor.gov/CRS), which also provides educational materials about investment advisors, broker-dealers and investing.

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

JLB offers its investment advisory services to retail investors for an ongoing quarterly management fee based on the value of your account. Nothing at JLB is sold for a commission, such as annuities and life insurance. The types of retail accounts managed include individual, joint, trust and individual retirement (IRA). On a complimentary basis, the firm prepares financial projections for clients, but does not offer fee-based estate planning.

At the inception of a new client relationship, written investment objectives are created that detail performance goals, investment time horizon, asset mix and taxes. Once the investment objectives are established, a disciplined investment process is utilized to manage the portfolio according to those objectives. Each portfolio is reviewed at least every five weeks and rebalanced as necessary. On a quarterly basis, we provide each client detailed reports including clear illustrations charting the progress of the portfolio since inception, including investment gain after management fees.

Our accounts are managed on a discretionary basis, which means we don't need to call you when buying or selling in your account. We have an Investment Advisory Agreement that is signed by you giving us this authority.

We construct portfolios to meet our client's objectives by investing in common stocks, corporate bonds, or a combination thereof. Limited investment offerings, such as proprietary products, are not included as investment alternatives.

In general, there is a minimum account size requirement of \$300,000, however, that amount can be adjusted based on such factors as an existing or associated client relationship.

#### Questions 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?

### What fees will I pay?

Management fees are billed quarterly, in arrears, based on the market value at each quarter end. The quarterly rates are based on annual rates that range from 1.0% to 0.5% depending on the value of the investments in your account. We have an incentive to increase the value of your account over time, which will increase our fees over time. It is desirable, but not mandatory, that management fees be deducted directly from client accounts. JLB does not charge or participate in any additional commissions, fees or costs.

Additional information about JLB's fees is located in Item 5 of our ADV Part 2 which is available online at [www.jlbinvest.com](http://www.jlbinvest.com).

The broker-dealer (custodian) that holds your assets can charge you a transaction fee when we buy or sell an investment for you. The broker-dealer's transaction fees are in addition to our management fee for our investment advisory service.

You may also pay charges imposed by the broker-dealer holding your accounts for certain investments and maintaining your accounts. Be sure to read the broker-dealer's Customer Relationship Summary to understand any additional fees, if applicable.

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

**Question to Ask Us:**

- Help me understand how these fees and costs affect my investments. If I give you \$300,000 to invest, how much will go for fees and costs, and how much will be invested for me?

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

When we act as your investment advisor, we have to 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. Here are some examples to help you understand what this means.

As an investment advisor, there is an inherent conflict of interest involving priority of transactions for client accounts and the accounts of officers, employees and related persons of the firm. As part of our Code of Ethics, we have a policy that provides that client transactions shall have priority over personal transactions. Additional information about priority of transactions can be found in our Code of Ethics, located in Item 11 of our ADV Part 2, that is available online at [www.jlbinvest.com](http://www.jlbinvest.com).

An additional conflict of interest may arise involving fees paid for client referrals. We do not pay fees in any form for client referrals. The firm's sole revenue source is from the management fees we collect from our clients each quarter.

**How do your financial professionals make money?**

All employees of JLB receive a salary based on 100% incentive compensation sourced solely from management fees, so each employee benefits financially as JLB's managed assets grow.

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

No, our firm and/or financial professionals do not have any legal and disciplinary history. Visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research our firm and our financial professionals.

**Additional Information**

You can find additional information about our firm's investment advisory services on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching CRD #104655. You may also contact our firm at 734/454-9191 for an updated copy of the Client Relationship Summary or to talk to any one of our investment professionals or support staff.

**Questions to Ask Us:**

- Who is my primary contact person?
- Who can I talk to if I have concerns about my investment portfolio?