

# JKR & COMPANY, INC.

## Form CRS Relationship Summary

**We are a broker-dealer registered with the Securities and Exchange Commission (SEC)**, member of the Financial Industry Regulatory Authority ([FINRA](#)), and the Securities Investor Protection Corporation ([SIPC](#)). **We are also registered with the State of California as an investment adviser.** Brokerage and investment advisory services and fees are different and it is important for the retail investor to understand the differences. *Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](#), which also provides educational materials about broker-dealers, investment advisers, and investing.*

This document gives you a summary of the types of brokerage services we provide and how you pay. For information related to our investment advisory services, please refer to our [Form ADV Part 2 brochure](#).

### RELATIONSHIPS AND SERVICES

#### WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE TO ME?

We offer brokerage and investment advisory services to our retail investors. The following summarizes the principal types of brokerage services we offer.

- \* We take customer orders to buy and sell securities and execute securities transactions in **brokerage accounts** or facilitate **direct application** securities transactions where you complete a product application and provide a check for the initial investment amount. Your investment will be held directly at the custodian or the product issuer.
- \* We will sometimes recommend investments for you, based on the information that you provide to us, or you can pick them yourself. You have the final say on all securities transactions.
- \* We do not make investment decisions for you or manage your accounts on a discretionary basis for our broker-dealer retail investors. This means that we will buy or sell securities only when you direct us to do so.
- \* We do NOT monitor your account on an ongoing basis.
- \* We offer a limited selection of investments. Other firms could offer a wider range of choices, some of which might have lower costs.
- \* There is no minimum account value to establish a brokerage account through JKR's clearing firm. **Direct account** product issuers have varying minimums to invest in their products.

**FOR ADDITIONAL INFORMATION about our brokerage services**, please see the [JKR website](#) and click on the *Regulation Best Interest* and *Brokerage and Investment Advisory Services: Understanding the Differences* disclosures links found at the bottom of each page.

#### QUESTIONS TO ASK US:

- ▶ Given my financial situation, should I choose a brokerage 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?

Fees and costs affect the value of your account over time. The following summarizes the fees and costs you will pay for our brokerage and direct application accounts.

- \* The fee you pay is based on the specific transaction and not the value of your account. The more trades in your account, the more you will be charged; therefore, we have an incentive to encourage you to trade often.
- \* This fee can be called a (1) commission (2) a mark-up or mark-down which is part of the price you pay for the security, (When acting in a principal capacity the broker-dealer generally will be compensated by selling the security to you at a price that is higher than the market price (the difference is called a markup), or by buying the security from you at a price that is lower than the market price (the difference is called a markdown). or (3) a "sales load", among other terms. (A sales load or sales charge is a commission that you pay to an advisor or broker who sells you a mutual fund. Many mutual funds carry sales charges, which are often used to incentivize brokers to sell a particular fund.)
- \* Some investments (such as mutual funds, variable annuities, and private placements) impose additional fees that will reduce the value of your investment over time. Also, with certain investments such as variable annuities, you may have to pay fees such as "surrender charges" to sell the investment. (A surrender charge is a fee levied on a policyholder upon cancellation of their policy. The fee is used to cover the costs of keeping the policy on the insurance provider's books. A surrender charge is also known as a "surrender fee.")
- \* Our fees vary and are negotiable for **brokerage accounts**. The amount you pay will depend, for example, on how much you buy or sell, what type of investment you buy or sell, and what kind of account you have with us.
- \* You will pay additional fees in **brokerage accounts**, such as custodian fees, account maintenance fees, margin fees, and IRA account termination fee.

**ADDITIONAL INFORMATION: 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. You can find more information about our fees and costs on the [JKR website](#) by clicking on the *Brokerage and Investment Advisory Services*, *Compensation Disclosure*, and *Account and Service Fees* links at bottom of each page.

**QUESTIONS 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 PROVIDING RECOMMENDATIONS? HOW ELSE DOES YOUR FIRM MAKE MONEY AND WHAT CONFLICTS OF INTEREST DO YOU HAVE?**

When we provide you with a recommendation, 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 recommendations, we provide you. Here are some examples to help you understand what this means.

- \* The more transactions in your **brokerage accounts**, the more fees we charge you. We, therefore, have an incentive to encourage you to engage in transactions.
- \* Your financial professional has the option to discount **brokerage account** fees for retail customers. This means you may pay a higher or lower fee than another customer.
- \* We have an incentive to recommend that you rollover your retirement plan account or transfer assets to our firm and thereby earn compensation based on the subsequent transactions in the accounts established at our firm.

**QUESTIONS TO ASK US:**

- ▶ [How might your conflicts of interest affect me, and how will you address them?](#)

**FOR ADDITIONAL INFORMATION** about our conflicts of interest, please see the [JKR website](#) and click on the *Compensation Disclosure* link at bottom of each page.

**HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?**

Our financial professionals receive cash compensation based on the revenue they generate from the sales of products or services.

- \* The more transactions in your account, the more fees your financial professional earns. Therefore, your financial professional has an incentive to encourage you to engage in transactions.
- \* Your financial professional receives differing amounts based on the particular investment product sold. Therefore, there is an incentive to preference certain products or services because of their income potential for the financial professional.
- \* Your financial professional has an incentive to recommend that you rollover your retirement plan account or transfer assets to our firm and thereby earn compensation based on the subsequent transactions in the accounts established at our firm.
- \* Your financial professional can receive more money by recommending that you invest in an insurance product and you choose to purchase such products through that financial professional.
- \* Because we are registered as both a broker-dealer and investment adviser, your financial professional has an incentive to recommend the type of account that is most profitable for the firm, rather than the type of account that is best for you.
- \* Our financial professionals do NOT receive any non-cash compensation.

**DISCIPLINARY HISTORY**

**DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE A LEGAL OR DISCIPLINARY HISTORY?**

**YES.** Please visit [Investor.gov/CRS](#) for a free search tool to research us and our financial professionals.

**QUESTIONS TO ASK US:**

- ▶ [As a financial professional, do you have any disciplinary history? For what type of conduct?](#)

**ADDITIONAL INFORMATION**

**HOW DO I GET ADDITIONAL INFORMATION ABOUT YOUR FIRM AND SERVICES?**

**FOR ADDITIONAL INFORMATION** about our firm and its brokerage services, please see our report on the [BrokerCheck](#) or [Investor.gov/CRS](#) website and the [JKR website](#). Call us at **818-781-7721** to request up-to-date information and request a copy of the relationship summary.

**QUESTIONS TO ASK US:**

- ▶ [Who is my primary contact person? Is he or she a representative of an investment adviser or broker-dealer? Who can I talk to if I have concerns about how this person is treating me?](#)