

## Item 1 – Introduction

JMG Financial Group, Ltd. (“JMG”, “we” or “us”) is registered with the Securities Exchange Commission (“SEC”) as a Registered Investment Adviser (“RIA”). As an RIA, our services and compensation structure differs from that of a registered broker-dealer, and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS). The site also provides educational materials about broker-dealers, investment advisers, and investing.

## Item 2 – Relationships and Services

### What Investment Services and Advice Can You Provide Me?

We provide investment advisory services, including discretionary investment management, financial planning and consulting, and tax preparation services to individuals, trusts, and estates (our “retail investors”).

When a retail investor engages us to provide investment management services, we first develop an individualized investment profile and then monitor, on an ongoing basis, the investments in the accounts over which we have investment authority. Furthermore, when engaged on a discretionary basis, we shall have the authority, without prior consultation with you (unless you impose restrictions on our discretionary authority), to buy, sell, trade and allocate the investments within your account(s) consistent with your investment objectives. Our discretionary authority over your account(s) shall continue until our engagement is terminated.

When a retail investor engages us to provide financial planning and consulting or tax preparation services, we rely upon the information provided by the client and do not verify any such information while providing these services. Our financial planning and consulting are typically provided in conjunction with our investment management services and continue until such engagement is terminated, while our tax preparation services are completed on delivery of the client’s tax returns.

We do not limit the scope of our investment advisory services to proprietary products or a limited group or type of investment.

For investment management services, we generally require a minimum asset level of \$1,000,000. This minimum is reduced to \$500,000 for clients referred to JMG through the Schwab Advisor Network®. For clients who receive bundled investment management and financial planning, we generally require a minimum annual fee of \$20,000. These minimums may be waived or reduced at our sole discretion.

**Additional Information:** For more detailed information about our *Advisory Business* and the *Types of Clients* we generally service, please see Items 4 and 7, respectively in our [ADV Part 2A](#).

### Conversation Starters:

- *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?*

## Item 3 – Fees, Costs, Conflicts, and Standard of Conduct

### What Fees Will I Pay?

We provide our investment management services on a fee-only basis. When engaged to provide investment management services, we shall charge a fee calculated as a percentage of your assets under our management (our “AUM Fee”). Our tiered annual AUM Fee shall generally range from 0.35% to 1.00% based on various factors, including the amount of assets to be managed. Investment management and financial planning services can be bundled for a combined fee, which shall be negotiated with the client based on various factors, including the overall complexity of the engagement, and shall range from 0.30% to 1.00%. Clients introduced to JMG through the Schwab Advisor Network® generally receive bundled investment management and financial planning and consulting services, the AUM Fee for which ranges from 0.35% to 1.00%.

We can provide financial planning and consulting services on a standalone fixed fee basis, generally ranging from \$10,000 to \$50,000, the final fee for which is dependent on the scope and complexity of the services to be rendered. Tax preparation and consulting services are typically provided on a separately negotiated fixed fee or hourly rate basis. We may require that up to 50% of the estimated total fee be paid in advance.

Annual fees assessed on alternative investments held in a client account shall vary from the above but will not exceed 1.00%. We typically deduct our AUM Fee from one or more of your investment accounts, in advance, on a quarterly basis. Because our AUM Fee is calculated as a percentage of your assets under management, the more assets you have in your advisory account, the more you will pay us for our investment management services. Therefore, we have an incentive to encourage you to increase the assets maintained in accounts we manage.

**Other Fees and Costs:** Your investment assets will be held with a qualified custodian. Many custodians generally charge brokerage commissions and/or transaction fees for effecting certain securities transactions (for example, transaction and redemption fees may be charged for certain mutual fund transactions). In addition, relative to certain mutual fund and exchange traded fund purchases, certain charges will be imposed at the fund level (e.g. management fees and other fund expenses). Clients whose assets are allocated to one or more sub-advisers will also incur asset management fees charged by such sub-advisers, which fees are separate from and in addition to JMG's fees.

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.

### **Conversation Starters:**

- *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?*

**Additional Information:** For more detailed information about our fees and costs related to our management of your account, please see Item 5 in our [ADV Part 2A](#).

## **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 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:

- We may recommend a particular custodian from whom we receive support services and/or products, certain of which assist us to better monitor and service your account.
- We may recommend rollovers out of employer-sponsored retirement plans and into Individual Retirement Accounts that we manage for an asset-based fee, which could have the effect of increasing our compensation.

### **Conversation Starters:**

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

**Additional Information:** For more detailed information about our conflicts of interest, please review our [ADV Part 2A](#).

## **How Do Your Financial Professionals Make Money?**

Our financial professionals are generally compensated on a salary basis, with a bonus component. A financial professional's salary is largely based on the revenue generated by the client relationships managed by the financial professional. Bonuses may be paid to financial professionals based on a variety of factors, including the financial professional's individual performance, new business generated by the financial professional, and the overall profitability of JMG. This compensation structure presents a conflict of interest since it incentivizes our financial professionals to recommend that you place additional assets under our management. You should discuss your financial professional's compensation directly with your financial professional.

## **Item 4 – Disciplinary History**

### **Do You or Your Financial Professionals Have Legal or Disciplinary History?**

No, we do not have any legal or disciplinary history. We encourage you to visit [www.investor.gov/CRS](http://www.investor.gov/CRS) to research our firm and our financial professionals. Furthermore, we encourage you to ask your financial professional:

### **Conversation Starters:**

- *As a financial professional, do you have any disciplinary history? If so, for what type of conduct?*

## **Item 5 – Additional Information**

Additional information about our firm is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You may contact our Chief Compliance Officer at any time to request a current copy of our ADV Part 2A or our relationship summary. Our Chief Compliance Officer may be reached by phone: (630) 571-5252.

### **Conversation Starters:**

- *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?*

A copy of our Part 2A is available at: <https://www.jmgfinancial.com/advpart2a/>