



## Item 1 – Cover Page

JPS Global Investments  
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June 22, 2020

This Brochure provides information about the qualifications and business practices of JPS Global Investments. If you have any questions about the contents of this Brochure, please contact us at (650) 597-9798. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Our e-mail for regulatory compliance is [info@jpsglobalinvest.com](mailto:info@jpsglobalinvest.com).

JPS Global Investments is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information based on which you determine to hire or retain an Adviser.

Additional information about JPS Global Investments also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



## Item 2 – Material Changes

The last annual update was dated March 31, 2020. This item will be updated with the next annual updating amendment to reflect material changes to the Part 2.

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Please let JPS Global Investments know if you have any questions about this brochure or our firm. We are committed to providing full and accurate disclosure about all aspects of JPS Global Investments.

Currently, our Brochure may be requested by contacting Jan Schalkwijk, Managing Member at (650) 597-9798 or [jschalk@jpsglobalinvest.com](mailto:jschalk@jpsglobalinvest.com). Our Brochure is also available on our web site <http://jpsglobalinvest.com>, also free of charge.

Additional information about JPS Global Investments is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with JPS Global Investments who are registered, or are required to be registered, as investment adviser representatives of JPS Global Investments.



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## Item 4 – Advisory Business

### A. Advisory Firm Description & Ownership

JPS Global Investments (“JPS” or “Advisor”) is a Registered Investment Advisor offering investment management, financial planning, and consulting services to individuals, corporations, pension and profit sharing plans, investment advisors, trusts, estates, and charitable organizations. JPS, depending upon the engagement, offers its services on a fee basis which primarily include fees based on assets under management. Prior to engaging JPS to provide any of the foregoing investment advisory services, the client will be required to enter into one or more written agreements with JPS setting forth the terms and conditions under which JPS shall render its services (collectively the “Agreement”).

JPS has been in business since February of 2007 and is a State of California Registered Advisor. Its principal owner is Jan Schalkwijk, CFA.

### B. Description of Advisory Services Offered

#### Portfolio Management

JPS primarily engages in investment management but may also provide financial planning and consulting services to its clients. These services are generally offered in conjunction with investment management, rather than on a standalone basis.

JPS offers several proprietary investment strategies, including the Green Economy Portfolio, Green Income Portfolio, and various Fossil Fuel Free and ESG-screened equity strategies. With respect to the thematic strategies, the Advisor’s investment philosophy is based on the belief that to thrive in the 21st century companies have to consider environmental criteria and resource efficiency in the way they manage their businesses and deploy their capital. As such, in these strategies, JPS will consider risks and opportunities inherent in the challenges of climate change, energy security, and environmental resource management.

The Green Economy and Green Income Portfolios can be best characterized as sector strategies, whereas the Emerging Markets Fossil Fuel Free Portfolio is a multi-sector quantitative strategy seeking broad emerging market exposure. In the emerging market strategy, JPS will look to exclude fossil companies and tilt towards companies across different industries that have below average environmental risk exposure relative to their peers. JPS believes that these companies will benefit from the migration of the global economy to a more resource-efficient footing and that they will be tomorrow’s industry leaders. JPS believes that although its thematic strategies hold great promise in the long-term, progress towards a “green economy” will be uneven in the short-term and periods of increased volatility might occur. As such, the Green Economy Portfolio, Green Income Portfolio, and Fossil Fuel Free strategies can be best characterized as a long-term, growth-oriented, strategies.



Certain clients may engage JPS solely for its thematic strategies and JPS will manage these assets accordingly. These assets are placed with JPS either directly by the client or through a third party investment advisor. Other clients may engage JPS for comprehensive asset management. JPS offers diversified portfolios with equity, fixed income, and alternative asset class exposure tailored to the risk profile and investment objectives of the client. JPS may create a portfolio, consisting of individual stocks or bonds; no-load funds and/or load-waived funds (front-end commissions will not be charged), or a combination thereof.

The Advisor's thematic strategies as well as its diversified portfolio strategies will generally focus on buying securities for long-term capital gain or income generation, rather than for short-term trading profits. However, JPS may, on occasion, engage in short-term trading, short sales, margin, and option writing strategies if market conditions warrant such activities and if it is consistent with the respective client's risk profile and investment objective.

#### [Financial Planning Services](#)

In addition to portfolio management, JPS will typically provide a variety of financial planning and wealth management services, principally advisory in nature, to individuals or families regarding the management of their financial resources, based upon an analysis of the client's needs. Generally, such financial planning services will involve preparing a financial plan or recommendation for clients based on the client's financial circumstances and objectives. This information normally would cover present and anticipated assets and liabilities, including insurance, savings, investments, and anticipated retirement or other employee benefits.

#### [Sub-Advisory Services](#)

JPS may provide investment management sub-advisory services to the clients or funds of third-party advisors ("Primary Advisors"). All sub-advisory contracts are between JPS and the Primary Advisor. The Primary Advisor serves as the client liaison between JPS and the investor.

The Primary Advisor is responsible for communicating relevant information to JPS in order for JPS to effectively manage investor assets. JPS will implement and administer an investment program for those assets designated by the Primary Advisor. Primary Advisors and/or the investors are permitted to place certain investment restrictions on accounts managed by JPS, so long as those restrictions do not impair JPS's ability to effectively manage the assets.

All sub-advisory accounts for which JPS has trading authority are managed on a discretionary basis.

### [C. Client-Tailored Advisory Services](#)

JPS will emphasize continuous personal client contact and interaction in providing discretionary or non-discretionary investment supervisory services. The Advisor's discretion is limited to purchases and sales of securities. Furthermore, JPS will work with its clients to identify their investment goals and



objectives as well as risk tolerance, in order to create an initial portfolio allocation designed to complement their educational, home ownership, retirement, and legacy funding goals and objectives. JPS values the relationships it has with its clients and will seek to meet client investment objectives while providing clients with access to personal advisory services on at least an annual basis, or more often, depending upon prior agreement.

Each portfolio will be initially designed to meet a particular investment goal, which JPS has determined to be suitable to the client's circumstance, based on a client questionnaire or interview. Once the appropriate portfolio has been determined, JPS will review the portfolio periodically on at least an annual basis and if necessary, rebalance the portfolio based upon the client's individual needs, stated goals and objectives. With regards to non-discretionary accounts, JPS will conduct similar reviews and, if deemed necessary, suggest to the client that rebalancing take place.

Each client will have the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. JPS works with a number of clients who wish to invest in alignment with their personal values and seeks to accommodate its clients in that regard.

#### **D. Wrap Fee Programs**

JPS participates in *wrap fee* programs as an unaffiliated investment manager. Wrap fee programs are arrangements through which a client receives discretionary investment management, trade execution, clearing, and custodial services in a "bundled" form. These programs are offered by a sponsor such as a broker-dealer, investment advisor or bank and the assets are managed by affiliated and non-affiliated investment managers. The client pays a (wrap) fee for the bundled services, based on assets under management.

As compensation for serving as a wrap fee program portfolio manager, JPS receives a portion of the wrap fee from the program sponsor. There are no substantial differences in how JPS manages wrap fee accounts and how it manages other accounts with the same mandate. However, there may be certain restrictions placed on the manager by the wrap fee program with regards to securities available for investment. Such restrictions could result in differences in holdings between the wrap accounts and other accounts managed by JPS.

#### **E. Client Assets**

JPS manages assets for clients on both a discretionary basis as well as on a non-discretionary basis.

#### **Item 5 – Fees and Compensation**

JPS is compensated for its advisory services on a fee basis. Generally, fees are charged based on assets under management. Depending upon the engagement, JPS may also offer its services on an hourly or fixed fee basis. These fees are negotiable. The specific manner in which fees are charged by JPS is



established in a client's written agreement. JPS will generally bill its fees on a quarterly basis. Clients may elect to be billed directly for fees or to authorize JPS to directly debit fees from client accounts.

The following table describes the fee schedule based on assets under management:

Assets Under Management	Annual Fee
Up to \$50,000	1.50%
\$50,001 to \$500,000	1.25%
\$500,001 to \$3 Million	1.00%
\$3 Million to \$5 Million	0.75%
Over \$5 Million	0.50%

JPS reserves the right to waive or reduce the advisory fee for clients primarily in cash positions. No increase in the annual fee shall be effective without prior written notification to the client. All Advisory fees are charged in advance, at the start of each calendar quarter, based upon the fair market value of the assets in the portfolio as of the last business day of the prior quarter. The initial fee will be payable when the account is established, prorated for the first partial quarter, if applicable. Thereafter, the fee will be payable on the first day of each calendar quarter based on the asset value of the account as of the last business day of the prior quarter. Additional deposits are subject to the same fee procedures.

As referenced above, JPS may charge a fixed fee or a combination of fixed fee and asset based fee, in lieu of charging the client for the amount of assets under management. This fixed fee will typically range from \$2,000 to \$40,000 depending on the nature of the client's account and its size.

In certain circumstances, advisory fees and account minimums may be negotiable based upon prior relationships as well as related account holdings. The fees charged are calculated as described above and are not charged on the basis of a share of capital gains or capital appreciation of the funds or any portion of the funds of an advisory client.

Clients can terminate in writing the advisory agreement, without penalty, within five business days of the effective date, by serving written notice. Clients will then receive, where applicable, a prorated refund of any prepaid advisory fees. Such prorated refund will be based upon actual services provided and termination costs incurred up to and at the time of termination of the Advisor's services. No fee adjustments will be made for partial withdrawals and account depreciation.

The Advisor's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment advisors and other third parties such as fees charged by investment managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees, and commissions are exclusive of, and in addition to, the Advisor's fee, and JPS shall not receive any portion of these commissions, fees, and costs.



Item 12 further describes the factors that JPS considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

## Item 6 – Performance-Based Fees and Side-By-Side Management

JPS does not charge a performance-based fee to any client accounts.

## Item 7 – Types of Clients

JPS provides portfolio management services to individuals, high net worth individuals, pension and profit-sharing plans, charitable institutions & foundations, separately managed account platforms, private investment funds, other investment advisors, and trust accounts.

The Advisor's minimum account size is negotiable and at its discretion JPS may take on smaller clients with assets under \$500,000 from time to time.

## Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

### Investment Analysis – Process & Strategies

*Investing in securities involves risk of loss that clients should be prepared to bear.*

#### Green Economy and Green Income Strategies

The Green Economy and Green Income strategy follow a similar investment process and carry similar risks. The main difference is the focus on dividend paying companies in the Green Income strategy.

**Universe:** The investment process starts with defining the investable universe. Companies in the renewable energy and clean technology/efficiency space lend themselves particularly well, but we seek to diversify beyond alternative energy and efficiency to include “resource efficient” companies. These are companies that are not in business to address an environmental issue, but are leaders in reducing their environmental impact and carbon footprint. Such companies exist in various sectors of the economy.

Although environmental criteria are a commanding theme in our selection process, we also consider a company's corporate governance record, as well as its relationships with other stakeholders.

**Third Party Research:** is used to construct our universe. We subscribe to various data providers and proactively seek environmental and financial research from a wide range of sources. On an ongoing basis we add names to our universe from sources such as industry contacts, sell side analysts, publications, conferences, and advisory board members.

**JPS Research:** We perform fundamental analysis on the investment ideas generated from our universe, considering both qualitative and quantitative factors. We are looking for companies that stand to benefit as the economy moves to a more sustainable footing. We place emphasis on a



company's competitive advantage, pricing power, and future earnings generation ability, as we value not just the existence of revenues, but the quality thereof. In addition to looking at earnings growth and quality, we consider a company's balance sheet and value strong cash positions and a capital structure that can weather economic weakness.

**Security Selection:** We are looking to invest in those companies that pass our fundamental analysis and qualitative analysis and weight our holdings on the basis of a quantitative framework.

**Portfolio Diversification:** JPS seeks to diversify its holdings with regards to sector, market cap, and country. JPS may under- or over overweight a certain sector based on our economic outlook, or based on valuation. We will consider our benchmarks' sector, country, and market cap allocations; however, we will not manage the portfolio to stay within certain pre-defined allocation ranges.

**Maintenance research:** Once a security is held in a portfolio, it will be monitored on an ongoing basis to ensure that the security still meets the investment criteria. If, in the view of JPS, the security has reached full value it may be sold. JPS may also sell holdings when their fundamentals have deteriorated or when better opportunities present themselves elsewhere.

**Portfolio Turnover:** Securities are bought into the portfolio on the basis of their long-term prospects for delivering attractive investment returns. As such, we do not intend to trade in and out of stocks for short- term gain and are not fixated on reacting to short-term noise surrounding a company's earnings expectations, temporary set-backs, and other information deemed to have no bearing on a company's long-term success.

#### **Material Risk Involved:**

*Trading Costs:* Although the Advisor's strategy is long-term oriented and not based on frequent trading, under certain market conditions the manager may generate higher trading volumes. Trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

*General Market Risk:* The market price of a security will fluctuate, which can at times be rapid and unpredictable. This volatility may cause a security to be worth less than the price at which it was bought or less than it was worth at an earlier time.

*Small- and Medium-Sized Company Risk:* Investing in securities of small and medium-sized companies, may involve greater volatility than investing in larger blue chip companies.

*Management Risk:* The Advisor's investment strategies may not deliver the intended investment objectives.

*Foreign Investments:* Foreign securities involve increased risks due to political, social and economic developments abroad, as well as due to differences between U.S. and foreign regulatory practices, and exchange rate risks. These risks are further enhanced in emerging markets.



***Green Economy Risk:*** JPS may have significant exposure to companies that focus on alternative energy sources, energy efficiency, and resource efficiency. These areas may not become the drivers of the 21st Economy as envisioned by JPS. These sectors may further have greater risk of adverse government policy decisions as compared to more traditional sectors of the economy. Furthermore, a broad set of investors may view green sectors as being riskier than traditional sectors which might heighten volatility when the market becomes more risk averse.

### [ESG-Screened and Fossil Fuel Free Strategy](#)

**Strategy:** The investment strategy screens out stocks from a chosen universe on the basis of a client's social, environmental, and corporate governance (ESG) criteria and/or fossil fuel free mandate. The remaining securities in the universe are then optimized to a benchmark index.

**Process:** Our process is purely driven by client input and quantitative portfolio optimization. We let our optimization process select the correct securities and corresponding weights, which will result in a portfolio that maintains minimal tracking error to the benchmark index.

### **Portfolio Construction & Maintenance**

- 1) Assign public market index as starting universe for the portfolio - Morningstar Emerging Markets Index (We expect that at least 90% of the securities in the portfolio will be composed of securities in the Morningstar Emerging Markets Index).
- 2) Apply specific hard value and beliefs constraints.

Screen 1 - companies with any fossil fuel ties (where applicable).

Screen 2 - companies that have MSCI Environmental, Social and Governance Scores that fall in the lower half of their industry group.

Screen 3 - Emerging Market Companies that do not have liquid ADR securities.

- 3) Assign additional ESG factor characteristics.

Tilt 1 - Companies that have above average MSCI Environmental, Social and Governance scores.

Tilt 2 - Companies that have low scope 1 and scope 2 carbon emissions (where applicable).

- 4) Integrate these inputs and optimize the portfolio for low tracking error to the parent index.
- 5) Review and re-assess on regular basis for changes in score and drift from the index.



### **Material Risk Involved:**

*Trading Costs:* Although the Advisor's strategy is long-term oriented and not based on frequent trading, under certain market conditions the manager may generate higher trading volumes. Trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

*General Market Risk:* The market price of a security will fluctuate, which can at times be rapid and unpredictable. This volatility may cause a security to be worth less than the price at which it was bought or less than it was worth at an earlier time.

*Small- and Medium-Sized Company Risk:* Investing in securities of small and medium-sized companies, may involve greater volatility than investing in larger blue chip companies.

*Management Risk:* The Advisor's investment strategies may not deliver the intended investment objectives.

*Foreign Investments:* Foreign securities involve increased risks due to political, social and economic developments abroad, as well as due to differences between U.S. and foreign regulatory practices, and exchange rate risks. These risks are further enhanced in emerging markets.

### **Diversified Portfolio Strategies**

In addition to the thematic strategies, JPS offers diversified multi-asset class strategies for different levels of risk tolerance. These comprehensive portfolio strategies are designed to meet the investment objectives of clients with varying risk/return profiles, ranging from conservative to long-term growth.

These strategies are designed to encompass a majority of the client's investable assets.

JPS believes its diversified portfolio strategies add value in two ways:

1. Asset allocation decisions: deciding which asset classes to hold at what time and what their respective weightings should be in the portfolio.
2. Security selection: JPS will use a combination of mutual funds, exchange traded funds, individual stocks & bonds, and alternative assets to implement its asset allocation strategies.

JPS will pursue a "core/satellite" approach, using third-party funds to access best-in-class expertise in certain core asset classes and using individual securities where it has in-house expertise, most notably in the "green stocks" space. JPS may use both actively and passively managed mutual funds and generally prefers funds that have a lower turnover, expense ratio, and number of holdings as compared to their peers.



Though clients within the same risk class will generally have similar portfolios, JPS acknowledges that one size does not fill all. As such, JPS will consider a client's individual objectives and circumstances in order to construct a portfolio that is appropriate for the individual client.

**Sub-advisors:** JPS may retain third-party asset managers to assist with a portion of client portfolios. These sub-advisors may pursue diversified or focused investment strategies as appropriate. In selecting sub-advisors and allocating assets to them, JPS considers both quantitative and qualitative factors including; performance under varying market conditions, reputation, investment philosophy, risk management, fees and any other factor deemed appropriate by JPS.

#### **Material Risk Involved:**

*General Market Risk, Management Risk, Trading Costs, Foreign Investments, Small- and Medium-Sized Companies Risk, and Green Economy Risks.* For a detailed description please refer to the preceding section detailing the Green Economy Strategy Risks.

*Asset Allocation Risk:* The Advisor's asset allocation strategies may not meet the investment objectives. There is a risk that asset classes perform differently from the expectation of JPS. Furthermore, JPS may not be able to implement the asset allocation strategies successfully.

*Third Party Manager Risk:* JPS may use third party managers such as mutual funds and exchange traded funds. These funds may not deliver the intended results, the managers may stray from their mandates or expertise, or the funds may lose key personnel or may need to meet higher than expected shareholder redemptions at an inopportune time.

#### **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of JPS or the integrity of the Advisor's management. JPS has no information applicable to this Item.

#### **Item 10 – Other Financial Industry Activities and Affiliations**

##### **Referral Fees**

Although JPS is not currently paying any referral fees, JPS may pay referral fees to third parties for client referrals. Such referral fee represents a share of the Advisor's asset-based investment management fee. This arrangement will not result in higher costs to the client. In the case an arrangement exists, all clients referred to JPS will be given full written disclosure describing the terms and fee arrangements between JPS and the third party.



## Third Party Advisory Programs

JPS has a relationship with a wrap fee program (and may establish additional relationships with wrap fee programs) where it provides portfolio management services in return for a portion of the fee assessed by the wrap program on assets managed by JPS. JPS will not place their clients' assets with this wrap fee program or other third party advisors.

## Item 11 – Code of Ethics

As a State registered Investment Adviser, the firm voluntarily adheres to SEC Rule 206(4)-7 under the Investment Adviser Act of 1940, requiring all federally registered advisers to implement written compliance policies and procedures reasonably designed to prevent violations of the Advisers Act by JPS or any of its supervised persons. The Advisor's clients or prospective clients may request a copy of its Code of Ethics by contacting Jan Schalkwijk, CFA.

JPS has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, record keeping, and personal securities trading procedures, among other things. All supervised persons must acknowledge the terms of the Code of Ethics annually, or as amended.

JPS anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will effect or recommend the purchase or sale of securities in which JPS, its affiliates and/or its other clients, directly or indirectly, have a material financial interest, such as a partnership in which JPS is the general partner, for instance. This creates a potential conflict of interest. The Advisor's employees and persons associated with JPS are required to follow the Advisor's Code of Ethics, placing its clients' interests ahead of its own. JPS will disclose to clients and prospective clients any such material financial interests and the potential conflict it creates, prior to purchasing or recommending the purchase of such securities. To further mitigate any conflict, as described in Item 10, an advisory client's asset-based fees will be reduced by the management fees charged on the client's assets in investment vehicles managed by JPS.

Subject to satisfying this policy and applicable laws, officers, directors and employees of JPS Global Investments and its affiliates may trade for their own accounts in securities which it recommended to and/or purchased for its clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of JPS will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and such monitoring is designed to reasonably prevent conflicts of interest between JPS and its clients.



Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with the Advisor's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. JPS will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the order form.

It is the Advisor's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. JPS will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

## Item 12 – Brokerage Practices

Though JPS may use a number of custodial platforms, it does not presently select or recommend specific broker dealers for client transactions. JPS does not receive research or other products or services other than execution ("soft dollar benefits") from a broker-dealer or a third party in connection with client securities transactions.

For most of its clients, JPS executes securities transactions through Shareholder Services Group, ("SSG") a registered broker-dealer which clears its transactions through Pershing. Factors considered in selecting these parties are their financial strength, reputation, reporting, execution pricing and research. SSG and Pershing may charge clients higher or lower commissions and/or transaction fees than those charged by other firms. JPS is not affiliated with SSG. SSG does not supervise JPS, its agents or activities.

There are occasions on which portfolio transactions will be executed as part of concurrent authorizations to purchase or sell the same security for another client or one or more of our associated persons.

We may choose to block (aggregate) trades for your account with those of other client accounts and personal accounts of persons associated with JPS. When we place a block trade, all participants included in the block receive the same price per share on the trade. The price is calculated by averaging the price of all of the shares traded. Due to the averaging of price over all of the participating accounts, aggregated trades could be either advantageous or disadvantageous. Commission costs are not averaged. You will pay the same commission whether your trade is placed as part of a block or on an individual basis. The



objective of the aggregated orders will be to allocate the executions in a manner that is deemed equitable to the accounts involved.

### Item 13 – Review of Accounts

JPS attempts to review most client accounts at least quarterly, but will do so no less than annually. More frequent reviews may be requested by the client, or be suggested by JPS based on factors such as the general economy, market conditions, changes in client circumstances, etc. These reviews are conducted by Jan Schalkwijk, CFA, Managing Member and Portfolio Manager of JPS.

Clients receive trade confirmations of all transactions, and monthly statements that include the cost basis of the account holdings. These reports are produced by the custodian that holds the clients' assets.

### Item 14 – Client Referrals and Other Compensation

As described in Item 10, JPS may pay referral fees to third parties for the referral of Clients to JPS. Such referral fee represents a share of the Advisor's asset-based investment advisory fee. This arrangement will not result in higher costs to the client and will be fully disclosed in writing to a client or prospect referred to JPS under such an agreement.

JPS does not receive economic benefits such as sales awards or other prizes from non-clients such as mutual fund companies or other third party financial product providers in connection with investment advice or other advisory services JPS provides to its clients.

### Item 15 – Custody

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains the client's investment assets. JPS urges clients to carefully review such statements. Clients invested in comingled vehicles may also receive statements from JPS, as stated in Item 13. JPS urges clients to compare its account statements to official custodial records the client receives. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. JPS is not affiliated with SSG. SSG does not supervise JPS, its agents or activities.

### Item 16 – Investment Discretion

JPS usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

Before JPS assumes this authority, the client will have to agree in writing by executing a Discretionary Advisory Agreement with JPS. Additionally, the client will have to confirm to the custodian that such



authority has been granted to JPS by executing a Limited Power of Attorney Agreement provided by the custodian.

When selecting securities and determining allocations, JPS observes the investment policies, limitations, and restrictions of the clients for which it provides investment management services. For registered investment companies, the Advisor's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to JPS in writing.

### **Item 17 – Voting Client Securities**

As a matter of firm policy and practice, JPS does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. JPS may provide advice to clients regarding the clients' voting of proxies.

### **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide clients and prospective clients with certain financial information or disclosures about their financial condition. JPS has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

### **Item 19 – Requirements for State-Registered Advisers**

#### **A. Biographies of Principal Executive Officers**

##### **[Jan Schalkwijk, CFA](#)**

Jan has 23 years of experience in the investment industry and is the founder and Chief Investment Manager of JPS Global Investments. From 1997 - 2005, Jan worked at Franklin Templeton Investments, where he was vice president of investment platforms. There, he oversaw client relationships totaling \$10 billion in assets under management and raised institutional assets in various sub-advised investment mandates that the firm offered in domestic and international equity and fixed income strategies.

Jan received a degree in Economics from Maastricht University in the Netherlands, his Bachelor of Science degree from Menlo College in Atherton, CA, and his Master of Business Administration from Santa Clara University in 2001. He also holds the Chartered Financial Analyst designation and is a member of the CFA Society of San Francisco and a past Member of the CFA Society of Portland, CFA Society of San Diego and CFA Miami.



**B. Other Business Activities**

Neither JPS nor Jan Schalkwijk engage in other business activities.

**C. Performance Based Fees**

JPS does not charge a performance fee for services.

**D. Liabilities from Court Proceedings, Arbitration, and Regulatory Authorities**

JPS does not have any events to disclose in relation to this item.

**E. Relationships with Issuers of Securities**

JPS does not have any additional relationships to disclose in relation to this item.