

# Junkin & Company, Inc.

## Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of Junkin & Company, Inc.. If you have any questions about the contents of this brochure, please contact us at (256) 679-6509 or by email at: [bgjunkin@jcowealth.com](mailto:bgjunkin@jcowealth.com). 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.*

*Additional information about Junkin & Company, Inc. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Junkin & Company, Inc.'s CRD number is: 168338.*

P.O. Box 18012  
Huntsville, AL 35804  
(256) 679-6509  
[www.jcowealth.com](http://www.jcowealth.com)  
[bgjunkin@jcowealth.com](mailto:bgjunkin@jcowealth.com)

*Registration does not imply a certain level of skill or training.*

Version Date: 01/08/2024

## **Item 2: Material Changes**

There are no material changes in this brochure from the last annual updating amendment of Junkin & Company, Inc. on January 11, 2023. Material changes relate to Junkin & Company, Inc. policies, practices or conflicts of interests only.

## Item 3: Table of Contents

### Contents

Item 2: Material Changes.....	2
Item 3: Table of Contents.....	3
Item 4: Advisory Business.....	5
A. Description of the Advisory Firm.....	5
B. Types of Advisory Services.....	5
C. Client Tailored Services and Client Imposed Restrictions.....	6
D. Wrap Fee Programs.....	6
E. Amounts Under Management.....	6
Item 5: Fees and Compensation.....	7
A. Fee Schedule.....	7
B. Payment of Fees.....	8
C. Clients Are Responsible For Third Party Fees.....	8
D. Prepayment of Fees.....	8
E. Outside Compensation For the Sale of Securities to Clients.....	9
Item 6: Performance-Based Fees and Side-By-Side Management.....	9
Item 7: Types of Clients.....	9
Item 8: Methods of Analysis, Investment Strategies, and Risk of Investment Loss.....	10
A. Methods of Analysis and Investment Strategies.....	10
B. Material Risks Involved.....	10
C. Risks of Specific Securities Utilized.....	11
Item 9: Disciplinary Information.....	12
A. Criminal or Civil Actions.....	12
B. Administrative Proceedings.....	12
C. Self-regulatory Organization (SRO) Proceedings.....	12
Item 10: Other Financial Industry Activities and Affiliations.....	12
A. Registration as a Broker/Dealer or Broker/Dealer Representative.....	12
B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.....	12
C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests.....	12
D. Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections.....	13
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	13
A. Code of Ethics.....	13
B. Recommendations Involving Material Financial Interests.....	13
C. Investing Personal Money in the Same Securities as Clients.....	13
D. Trading Securities At/ Around the Same Time as Clients' Securities.....	13
Item 12: Brokerage Practices.....	14

A. Factors Used to Select Custodians and/or Broker/Dealers.....	14
B. Aggregating (Block) Trading for Multiple Client Accounts.....	14
Item 13: Reviews of Accounts.....	14
A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews.....	14
B. Factors That Will Trigger a Non-Periodic Review of Client Accounts.....	15
C. Content and Frequency of Regular Reports Provided to Clients.....	15
Item 14: Client Referrals and Other Compensation.....	15
A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes).....	15
B. Compensation to Non - Advisory Personnel for Client Referrals.....	15
Item 15: Custody.....	15
Item 16: Investment Discretion.....	15
Item 17: Voting Client Securities (Proxy Voting).....	16
Item 18: Financial Information.....	16
A. Balance Sheet.....	16
B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients.....	16
C. Bankruptcy Petitions in Previous Ten Years.....	16
Item 19: Requirements For State Registered Advisers.....	16
A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background.....	16
B. Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any).....	16
C. How Performance-based Fees are Calculated and Degree of Risk to Clients.....	17
D. Material Disciplinary Disclosures for Management Persons of this Firm.....	17
E. Material Relationships That Management Persons Have With Issuers of Securities (If Any).....	17

## **Item 4: Advisory Business**

### **A. Description of the Advisory Firm**

Junkin & Company, Inc. is a corporation organized in the State of Alabama. The firm was formed in March 2012, and the principal owner is Bobby G. Junkin Jr.

### **B. Types of Advisory Services**

Junkin & Company, Inc. (hereinafter "JCO") is a registered investment adviser in the state of Alabama. We provide personalized financial planning services, investment advisory services, seminars and educational workshops, and selection of other advisers to individuals, high net worth individuals, pension and profit-sharing plans, trusts, estates, and charitable organizations. As a registered investment adviser, we are held to the highest standard of client care - a fiduciary standard. As a fiduciary we always put our client's interests first and must fully disclose any potential conflict of interest.

We do not provide continuous and regular discretionary portfolio management for clients. Instead, depending on the results of our analysis, we will refer clients to unaffiliated Third-Party Investment Advisers or mutual fund manager. You are not required to implement our recommendations through any manager we may recommend. Our philosophy of investing is based on the belief that you must own equities in proportion to one's risk tolerance, be globally diversified and re-balance consistently. As such, our philosophy about markets and investing is centered on the Efficient Market Hypothesis, Modern Portfolio Theory and the Fama-French Three Factor Model. JCO offers the following services to advisory clients:

#### **Seminars and Educational Workshops**

JCO offers our expertise through seminars and educational financial workshops such as our Investor Coaching Series. Workshops are presented for corporate groups, individuals and business owners. Our presentations focus on a variety of issues, such as investments, financial planning, and qualified retirement plans. These workshops are not intended to meet the unique needs of any particular attendee. Attendees are never under any obligation to do so, but are welcomed to engage the individualized services of our firm. The firm will charge up to \$99 per couple (or \$50 per individual), although often these sessions are hosted at no cost. The fee charged is for reimbursement of expenses only. On occasion, an unaffiliated firm (such as CPA or law firm) may participate in the seminar and contribute about 25% toward the cost of production.

#### **Selection of Other Advisors**

As part of our investment advisory services, JCO directs clients to third-party money managers. JCO does not charge you a separate fee for the selection of other advisors. JCO

will be compensated via a fee share from the advisors to which it directs those clients. The fees shared will not exceed any limit imposed by any regulatory agency. Before selecting other advisors for clients, JCO will always ensure those other advisors are properly licensed or registered as investment advisor.

## **Financial Planning**

Financial planning may include plans that address one or more areas of a client's financial situation, such as, investment planning and portfolio analysis, retirement planning, college funding, risk management, estate planning (other than legal services), and tax planning. By offering broad-based, modular and consultative planning clients can choose to focus on a particular area (i.e., retirement planning) or a broader review that covers multiple topics. These services are based on fixed fees or hourly fees and the final fee structure is documented in item 3 of the Financial Planning Services Agreement.

## **Services Limited to Specific Types of Investments**

JCO and the third-party advisers to which JCO refers clients generally limit their investment advice and/or money management to mutual funds, fixed income, insurance products (including annuities), equities, debt securities, bonds, ETFs and government securities but may use other securities as well to help diversify a portfolio when applicable.

## **C. Client Tailored Services and Client Imposed Restrictions**

JCO offers the same suite of services to all clients. Our process involves a complimentary initial consultation. However, specific client financial plans and their implementation are dependent upon gathering and analyzing each client's current situation (goals, income, tax levels, time horizons, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets. Clients may not impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

## **D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and any other administrative fees. JCO does not participate in any wrap fee programs.

## **E. Amounts Under Management**

JCO does not manage client's assets as of December 2023. All assets are managed by Matson Money, Inc. a third-party money manager.

## Item 5: Fees and Compensation

### A. Fee Schedule

#### Selection of Other Advisors Fees

JCO will direct clients to third-party money managers. JCO will be compensated via a fee share from the advisors to which it directs those clients. This relationship will be memorialized in each contract between JCO and each third-party adviser. The fees shared will not exceed any limit imposed by any regulatory agency. The notice of termination requirement and payment of fees for third-party money managers, and whether or not the fees are negotiable, will depend on the specific third-party advisor selected. Nevertheless, clients may terminate the contract with JCO without penalty, for full refund of the advisor's fees, within five business days of signing the contract.

While the fee will vary based on the adviser chosen, JCO currently has one third-party adviser relationship in place, which is with Matson Money ("Matson"). The annual fee for assets directed to Matson is as follows:

Total Assets Under Management	JCO's Share	Matson's Share	Total Fee
Up to \$500,000	.99%	.50%	1.49%
\$500,001 - \$1,000,000	.85%	.50%	1.35%
\$1,000,001 - \$4,000,000	.75%	.50%	1.25%
Above \$4,000,000	.50%	.50%	1.00%

Matson's fees are not negotiable. Fees are paid quarterly in advance. Refunds are given on a prorated basis, based on the number of days remaining in a quarter at the point of termination.

#### Financial Planning Fees

##### Fixed Fees

Depending upon the complexity of the situation and the needs of the client, the rate for creating client financial plans is between \$500 and \$3,000. Fees are paid in advance, but never more than six months in advance, with the remainder due upon presentation of the plan. Fees that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination. The fees are negotiable and the final fee schedule included in item 3 of the Financial Planning Services Agreement. Clients may terminate their contracts without penalty within five business days of signing the agreement.

## **Hourly Fees**

Depending upon the complexity of the situation and the needs of the client, the hourly fee for these services is \$150 - \$200. The fees are negotiable and the final fee schedule is included in item 3 of the Financial Planning Services Agreement.

Fees are paid in advance, but never more than six months in advance, with the remainder due upon presentation of the plan. The fee refunded will be the balance of the fees collected in advance minus the hourly rate times the number of hours of work that has been completed up to and including the day of termination. Clients may terminate their contracts without penalty within five business days of signing the agreement.

## **B. Payment of Fees**

### **Payment of Selection of Other Advisors Fees**

The timing, frequency, and method of paying fees for selection of third-party managers will depend on the specific third-party advisor selected and will be disclosed to the client prior to entering into a relationship with the third-party advisor.

Fees with respect to Matson are withdrawn directly from the client's accounts with client's written authorization. Fees are paid quarterly in advance.

### **Payment of Financial Planning Fees**

Financial Planning fees are paid via check in advance, but never more than six months in advance, with the remainder due upon presentation of the plan.

## **C. Clients Are Responsible For Third Party Fees**

Clients are responsible for the payment of all third-party fees (i.e., custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by JCO. Please see Item 12 of this brochure regarding broker/custodian.

## **D. Prepayment of Fees**

JCO collects fees in advance. Refunds for fees paid in advance will be returned within fourteen days to the client via check or return deposit back into the client's account.

For all asset-based fees paid in advance, the fee refunded will be the balance of the fees collected in advance minus the daily rate\* times the number of days in the billing period up to and including the day of termination. (\*The daily rate is calculated by dividing the annual asset-based fee by 365.)



Fixed fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination.

Hourly fees that are collected in advance, the fee refunded will be the balance of the fees collected in advance minus the hourly rate times the number of hours of work that has been completed up to and including the day of termination.

### **E. Outside Compensation For the Sale of Securities to Clients**

Neither JCO nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

## **Item 6: Performance-Based Fees and Side-By-Side**

JCO does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

## **Item 7: Types of Clients**

JCO generally provides advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Trusts, Estates, and Charitable Organizations
- ❖ Pension and Profit-Sharing Plans

### **Minimum Account Size**

There is no account minimum.

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

### A. Methods of Analysis and Investment Strategies

#### Methods of Analysis

JCO's methods of analysis are based on the belief that markets are efficient and we teach this concept as the basis of management of your investment portfolios. Based on this belief, we refrain from recommending strategies that involve any variations of stock picking, market timing or reliance on past performance of a particular investment or manager. We are committed to using Modern Portfolio Theory and Efficient Market Hypothesis and recommend portfolio managers who create and manage portfolios that fall on the efficient frontier.

**Efficient Market Hypothesis** was developed by Professor Eugene Fama at the University of Chicago Booth School of Business as an academic concept of study through his published Ph.D. thesis in the early 1960s. This work asserts that financial markets are "informationally efficient". Therefore, one cannot *consistently* achieve returns in excess of average market returns on a risk-adjusted basis, given the information available at the time the investment is made.

**Modern portfolio theory** is a theory of investment which attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by carefully choosing the proportions of various assets.

#### Investment Strategies

The third-party advisers to which JCO refers clients primarily employ long term trading strategies, but may utilize other strategies to help diversify a portfolio when applicable.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### B. Material Risks Involved

#### Methods of Analysis

All investing involves risk of loss that you should be prepared to bear. No strategy (including Modern Portfolio Theory or Efficient Market Hypothesis) can guarantee investment success. Furthermore, we do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in not an indication of future results.

## Investment Strategies

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Clients should be aware that there is a material risk of loss using any investment strategy. **Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### C. Risks of Specific Securities Utilized

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. They can be of bond “fixed income” nature (lower risk) or stock “equity” nature (mentioned above).

**Equity** investment generally refers to buying shares of stocks by an individual or firms in return for receiving a future payment of dividends and capital gains if the value of the stock increases. There is an innate risk involved when purchasing a stock that it may decrease in value and the investment may incur a loss.

**Treasury Inflation Protected/Inflation Linked Bonds:** The risk of default on these bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal.

**Fixed Income** is an investment that guarantees fixed periodic payments in the future that may involve economic risks such as inflationary risk, interest rate risk, default risk, repayment of principal risk, etc.

**Debt securities** carry risks such as the possibility of default on the principal, fluctuation in interest rates, and counterparties being unable to meet obligations.

**Stocks & Exchange Traded Funds (ETFs):** Investing in stocks and ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy).

**Precious Metal ETFs** (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal): Investing in precious metal ETFs carries the risk of capital loss.

**Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

### **A. Criminal or Civil Actions**

There are no criminal or civil actions to report.

### **B. Administrative Proceedings**

There are no administrative proceedings to report.

### **C. Self-regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.

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

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Neither JCO nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither JCO nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Bobby G. Junkin, Jr. is a licensed insurance agent. From time to time, he will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. JCO always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of JCO in such individual's capacity as an insurance agent.

## **D. Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections**

JCO selects third-party managers as further described above.

## **Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### **A. Code of Ethics**

JCO has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Our Code of Ethics is available free upon request to any client or prospective client.

### **B. Recommendations Involving Material Financial Interests**

JCO does not recommend that clients buy or sell any security in which a related person to JCO or JCO has a material financial interest.

### **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of JCO may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of JCO to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. JCO will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

### **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of JCO may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of JCO to buy or sell securities before or after recommending securities to clients resulting in

representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, JCO will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

## **Item 12: Brokerage Practices**

### **A. Factors Used to Select Custodians and/or Broker/Dealers**

JCO does not trade client's accounts or recommend broker/custodians.

#### **Research and Other Soft-Dollar Benefits**

JCO does not trade client's accounts or recommend broker/custodians, and therefore receives no research, product, or services other than execution from a broker-dealer or third-party in connection with client securities transactions ("soft dollar benefits").

#### **Brokerage for Client Referrals**

JCO receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

#### **Clients Directing Which Broker/Dealer/Custodian to Use**

JCO does not trade client's accounts or recommend custodians, and therefore does not direct brokerage.

### **B. Aggregating (Block) Trading for Multiple Client Accounts**

JCO does not trade client's accounts or recommend broker/custodians, and therefore does not have the ability to block trade purchases across accounts.

## **Item 13: Reviews of Accounts**

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

Client accounts are reviewed at least quarterly by Bobby G. Junkin, Jr. Bobby G. Junkin, Jr. is the chief advisor and is instructed to review client accounts with regard to clients' respective investment policies and risk tolerance levels. All accounts at JCO are assigned to this reviewer.

## **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

## **C. Content and Frequency of Regular Reports Provided to Clients**

Each client will receive at least monthly a written report that details the client's account including assets held and asset value, which report will come from the custodian.

# **Item 14: Client Referrals and Other Compensation**

## **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

JCO does not receive any economic benefit, directly or indirectly from any third party for advice rendered to JCO clients.

## **B. Compensation to Non - Advisory Personnel for Client Referrals**

JCO does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

# **Item 15: Custody**

JCO does not take custody of client accounts at any time. Custody of client's accounts is held primarily at the client's custodian. Clients will receive account statements from the custodian and should carefully review those statements.

# **Item 16: Investment Discretion**

JCO does not have discretion over client accounts at any time.

## **Item 17: Voting Client Securities (Proxy Voting)**

JCO will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## **Item 18: Financial Information**

### **A. Balance Sheet**

JCO neither requires nor solicits prepayment of more than \$500 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither JCO nor its management has any financial condition that is likely to reasonably impair JCO's ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

JCO has not been the subject of a bankruptcy petition in the last ten years.

## **Item 19: Requirements For State Registered Advisers**

### **A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background**

JCO currently has only one management person/executive officer: Bobby G. Junkin Jr. Education and business background can be found on the Form ADV Part 2B brochure supplement for such individual.

### **B. Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)**

Other business activities for each relevant individual can be found on the individual's Form ADV Part 2B brochure supplement.



### **C. How Performance-based Fees are Calculated and Degree of Risk to Clients**

JCO does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

### **D. Material Disciplinary Disclosures for Management Persons of this Firm**

Neither JCO nor any management person of JCO has been found liable in an arbitration claim or been found liable in a civil, self-regulatory organization, or administrative proceeding that is material to the client's evaluation of the firm or its management.

### **E. Material Relationships That Management Persons Have With Issuers of Securities (If Any)**

Neither JCO, nor its management persons, has any relationship or arrangement with issuers of securities.