



Form ADV Part 3 / Form CRS: Relationship Summary – March 2024 The Junk Investment Group, LLC

Introduction

The Junk Investment Group, LLC is an investment adviser registered with the U.S. Securities and Exchange Commission. We offer our clients investment advisory services. Clients should understand that the services we provide and fees we charge are different than those of a broker-dealer, and that it is important to understand the difference between the two. Free and simple tools are available to research firms and financial professionals at <https://www.investor.gov/CRS>, which also provides educational materials about investment advisers, broker-dealers and investing.

What Investment Services and Advice Can You Provide Me?

Description of Services: We offer investment advisory services to retail investors. Our investment advisory services include: Portfolio Management Services and Financial Planning & Consultation Services.

Portfolio Management Services: The Junk Investment Group, LLC provides portfolio management services which involves us managing and trading your designated account(s). The Junk Investment Group, LLC will discuss your investment goals and design a strategy to try to achieve your investment goals. The Junk Investment Group, LLC will continuously monitor your account when providing portfolio management services and contact you at least annually to discuss your portfolio. We offer portfolio management services through a wrap fee program. For more information, please see **Item 4 of our Form ADV Part 2A**. Portfolio management services are provided on either a discretionary or a non-discretionary basis. For more information about investment authority, please see **Item 16 of our Form ADV Part 2A**.

Financial Planning & Consultation Services: We also provide limited financial planning and consultation services. Financial planning services involve us creating a written financial plan for you which covers mutually agreed upon topics. Financial consultation is used when a written financial plan is not needed. It involves one time and/or ongoing meetings to discuss your financial situation. Please see **Item 4 of our Form ADV Part 2A**.

Limited Investment Offerings: While we primarily invest in equity-backed securities, we do not recommend just one type of security to clients. Instead, we recommend any product that may be suitable for each client relative to that client's specific circumstances and needs. We are limited in investment selection in that we can only invest your account in securities which are available on your custodian's platform. We do not recommend or offer advice on any proprietary products.

Account Minimums: The Junk Investment Group, LLC requires a minimum of \$750,000 in order to open an account managed by The Junk Investment Group, LLC. To reach this account minimum, clients can aggregate all household accounts. The Junk Investment Group, LLC does not require a minimum for their Financial Planning & Consultation Services.

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?*

What Fees Will I Pay?

Description of Principal Fees & Costs: Fees charged for our portfolio management services are charged based on a percentage of assets under management, billed in advance on a quarterly calendar basis, and calculated based on the fair market value of your account as of the last business day of the previous year-end. The annual fee for portfolio management services will be based upon a fee schedule which ranges between 0.75% and 1.00%. Because our fee is based upon the value of your account, we have an incentive to recommend that you increase the level of assets in your account. We utilize a wrap fee program which means that the fee you pay us covers both our advisory services and the transaction fees imposed by the broker-dealer. Since a wrap fee covers transaction expenses, it tends to be higher than non-wrap fee alternatives. You may also be charged management fees by the funds we invest in, within your account. For more information about the fees we will charge you and expenses you may incur, please see **Item 4 of our Form ADV Part 2A: Appendix 1**.

Financial planning & consultation services are provided under a fixed hourly fee arrangement that begins once a formal written agreement has been fully executed between both parties.

The Junk Investment Group, LLC requires a 6-hour minimum for financial planning & consultation services with a minimum fee of \$1,950 based on an hourly rate of \$325. The total fee will be determined by the level and scope of the services required, and the representatives rendering the service(s). You will pay in advance one-half of the mutually agreed upon quoted fee; the remaining balance will be due after the services are completed.

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. For more information about the fees we charge, and the other fees and expenses you will incur, please see **Item 5 of Form ADV Part 2A**.

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?*

**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?**

Standard of Conduct: 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. (1) When we provide Portfolio management services, we will ask that you establish an account with Charles Schwab & Co., Inc. ("Schwab") to maintain custody of your assets and to effect trades for your account. Our recommendation to use Schwab is not based solely on your interest of receiving the best execution possible. We also recommend Schwab because they provide us with research, products and tools that help us manage and further develop our business operations. As a result, we do not have to pay for such benefits, which saves us money; however, these arrangements create a conflict of interest. See **Item 12 of our Form ADV Part 2A** for more information about our arrangements with Schwab. (2) We actively manage our own personal accounts while at the same time managing your accounts and other client accounts. This creates different conflicts of interest for which we have developed procedures to mitigate and control those conflicts. For more information, see **Item 11 of our Form ADV Part 2A**. (3) Our investment adviser representatives also serve as insurance agents. Through their role as such they sell, for commissions, various insurance products. We have a conflict of interest in recommending these products to you because of the additional revenue these commissions provide to The Junk Investment Group, LLC.

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

Additional Information: For more information about our conflicts of interests and the ways we are compensated, please see **Item 5** and **Item 10 of our Form ADV Part 2A**.

How Do Your Financial Professionals Make Money?

Description of Salary/Payment of IARs: We compensate our investment adviser representatives with a flat salary that is not dependent on the level of revenue they generate for the firm.

Our investment adviser representatives also serve as licensed insurance agents. When acting in this capacity, The Junk Investment Group, LLC will receive commissions for the sale of insurance products. This creates a conflict of interest when they recommend you purchase insurance products through them.

Additional Information: For more information about these conflicts of interest, please see **Item 10 of our Form ADV Part 2A**.

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

No, neither the firm nor either of our investment adviser representatives have a legal or disciplinary history to report. You can look up more information about our investment adviser representatives at <https://www.investor.gov/CRS>.

Conversation Starters: *As a financial professional, do you have any disciplinary history? For what type of conduct?*

Additional Information About the Junk Investment Group, LLC

Additional information about us and a copy of this relationship summary are available on the Internet at www.junkinv.com. You can also find our disclosure brochures and other information about us at <https://adviserinfo.sec.gov/firm/summary/104619>. If you have any questions or want an up-to-date copy of this relationship summary, we can be reached by phone at (410) 584-8100.

Conversation Starters: *Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?*