

FORM ADV PART 2A BROCHURE



Town Capital, LLC

CRD No. 299341

112 West Pennsylvania Avenue
Suite 301
Bel Air, MD 21014

<https://www.towncapitalllc.com/>

March 30th, 2024

This Brochure provides information about the qualifications and business practices of Town Capital. If you have any questions about the contents of this Brochure, please contact us at (410)-864-0209 and/or ryan@towncapitalllc.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. Town Capital 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 about which you determine to hire or retain an Adviser. Additional information about Town Capital also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

- No material changes

Item 3: Table of Contents

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Item 4: Advisory Business

Town Capital LLC (“Town Capital”) is an independent, fee-only wealth management firm dedicated to helping professionals and business owners achieve their financial goals. We believe in comprehensive financial planning, risk management, diversification, and most importantly, knowing our customers and their unique situations. Town Capital has been in business since October 2018.

Financial Planning Services

We offer Financial Planning Services to clients that desire a more comprehensive view of their financials. The below modules will describe the types of services offered and the clients will be able to pick certain module(s) or all of them, based on their needs and situation.

The following procedure is the normal procedure for new clients:

1. **The Discovery Process** – We get to know you and your family. Your goals and worries are prioritized, and we develop a specific plan to improve your financial plan step by step. We hold meetings and collect information to accurately assess your needs and the scope of our relationship.
2. **Onboarding** – You become a client, and we start to work on your financial plan. Different aspects of your plan are reorganized in a triage approach to work on the most urgent first. Accounts are opened depending on the relationship type.
3. **Financial Planning** – We work through the various aspects of the financial planning process including but not limited to retirement, investments, goal planning, education, taxes, estate, risk management, company benefits, and cash flow.
4. **Ongoing Plan Updates** – We continuously update portions of your plan throughout the year in accordance with our service calendar.

Financial Planning Modules

Business Planning: We provide services to businesses including establishing employer retirement plans like 401ks, SEP IRAs, etc. We may also provide financial services to the employees of these businesses either at the cost of the employer or employee, depending on the relationship defined in our agreement.

Cash Flow and Debt Management: We will conduct a review of your income and expenses to determine your current surplus or deficit along with advice on prioritizing how any surplus should be used or how to reduce expenses if they exceed your income. Advice may also be provided on which debts to pay off first based on factors such as the

interest rate of the debt and any income tax ramifications. We may also recommend what we believe to be an appropriate cash reserve that should be considered for emergencies and other financial goals, along with a review of accounts (such as money market funds) for such reserves, plus strategies to save desired amounts.

Education Savings: Includes projecting the amount that will be needed to achieve college or other post-secondary education funding goals, along with advice on ways for you to save the desired amount. Recommendations as to savings strategies are included, if needed, we will review your financial picture as it relates to eligibility for financial aid or the best way to contribute to grandchildren (if appropriate).

Employee Benefits Optimization: We will provide review and analysis as to whether you, as an employee, are taking the maximum advantage possible of your employee benefits. If you are a business owner, we will consider and/or recommend the various benefit programs that can be structured to meet both business and personal retirement goals.

Estate Planning: This usually includes an analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts and other related documents. Our advice also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts.

We always recommend that you consult with a qualified attorney when you initiate, update, or complete estate planning activities. We may provide you with contact information for attorneys who specialize in estate planning when you wish to hire an attorney for such purposes. From time-to-time, we will participate in meetings or phone calls between you and your attorney with your approval or request. We also work with a network of estate planning services which we may refer clients to. These services offer estate planning such as but not limited to wills, trusts, and medical directives. As a cost saving, with a client's permission, we can share basic information and financial information with the service of choice to lower the cost of the chosen service, but the client will work directly with the attorney for any recommendations or document preparation to prevent the Unauthorized Practice of Law.

We work with several estate planning services that allow access to a network of lawyers in many states. All fees are set by the service / attorney. All fees will be paid directly to the professional, we will not collect payment nor facilitate payment to the attorney. Town Capital has no influence on these fees and do not make profit from providing estate planning. Town Capital will also work with a client's existing estate attorney at no fee.

Financial Goals: We will help clients identify financial goals and develop a plan to reach them. We will identify what you plan to accomplish, what resources you will need to

make it happen, how much time you will need to reach the goal, and how much you should budget for your goal.

Insurance: Review of existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.

Retirement Planning: Our retirement planning services typically include projections of achieving your financial goals, typically focusing on financial independence as the primary objective. For situations where projections show less than the desired results, we may make recommendations, including those that may impact the original projections by adjusting certain variables (e.g., working longer, saving more, spending less, taking more risk with investments).

If you are near retirement or already retired, advice may be given on appropriate distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during your retirement years.

Risk Management: A risk management review includes an analysis of your exposure to major risks that could have a significantly adverse effect on your financial picture, such as premature death, disability, property and casualty losses, or the need for long-term care planning. Advice may be provided on ways to minimize such risks and about weighing the costs of purchasing insurance versus the benefits of doing so and, likewise, the potential cost of not purchasing insurance (“self-insuring”).

Tax Planning Strategies: Advice may include ways to minimize current and future income taxes as a part of your overall financial planning picture. For example, we may make recommendations on which type of account(s) or specific investments should be owned based in part on their “tax efficiency,” with consideration that there is always a possibility of future changes to federal, state or local tax laws and rates that may affect your situation.

We recommend that you consult with a qualified tax professional before initiating any tax planning strategy, and we may provide you with contact information for accountants or attorneys who specialize in this area if you wish to hire someone for such purposes. We will participate in meetings or phone calls between you and your tax professional with your approval.

Investment Advisory Services

Advisory services encompass a wide range of investment objectives, from conservative to aggressive, and strategic to tactical, which gives the client and the advisor the flexibility to design a custom program and asset allocation that meets the client's specific investment needs. Each Investment program is continuously managed based on the program's strategy. As of March 30th, 2024 we manage approximately \$97,546,000 on a discretionary basis and \$0 on a non-discretionary basis.

Investment Management Services

Town Capital designs and frequently updates our own portfolios.

We use many different methodologies to design a portfolio for our clients. It goes well beyond risk tolerance. Risk capacity, retirement income style, income needs, taxes, cash flow requirements, investing style, and many more factors are used in this process. Our portfolios are goal based. They are constructed to have a high probability of delivering a specific outcome, for example, a particular set of cash flows for retirement income. We match our portfolios (for retirees and soon to be) with the projected cash flows coming from their portfolio as best we can. Due to this, our portfolios are not designed to follow the “market” or any particular benchmark. They are meant to be a vehicle that will help implement a thoughtfully constructed financial plan.

If you are the type of investor who cares more about your portfolio following the S&P 500 or some other benchmark than about a portfolio that we have high conviction can deliver your stated goal (i.e. withdrawal a particular amount of income in retirement over the course of a specified time), then our investment philosophy is NOT a good fit for you, and we highly encourage you to find a more appropriate investment firm.

Educational Seminars and Workshops

Town Capital offers free seminars/workshops which are generally available to the public to attend. These seminars/workshops may cover personal finance issues as well as investor topics. Information provided during these seminars are general in nature and not personalized for attendees. There are no fees for this and no contract.

Item 5: Fees and Compensation

Investment Advisory Services

The annual fee for our wealth management services is based on the net value of your assets under management on the last day of the month. We do not charge an AUM fee for the value of securities bought on margin, only the net value. We do not use margin in our accounts unless specifically requested by the client in writing.

The maximum annual management fee for investment advisory services is 1.25%. (charged monthly at 1.25% divided by 12). Comprehensive Financial Planning services are included under this fee at no additional charge, unless a planning fee is specifically stated in a separate financial planning agreement, as described below. This fee is negotiable and may be discounted to any rate as determined by Town Capital. This does not include the fees for some individual investments, including but not limited to ETF expense ratios, etc.. Unless otherwise stated below, your fee is in accordance with the chart below. The fee chart is tiered and cumulative, meaning that

the FIRST \$500,000 is charged at 1.25% per year, then the NEXT \$500,000 is 1.00%, then the NEXT \$1,000,000 is 0.80%, etc.

Asset Tier	Annual Fee
Up to \$500,000	1.25%
\$500,001 – 1,000,000	1.00%
\$1,000,001 – 2,000,000	0.80%
\$2,000,001 and above	0.50%

Example: Client has \$2,500,000 and their fee structure is per the chart above.

$\$500,000 \times 1.25\%$ divided by 12 (due to being monthly) = \$520.83

$\$500,000 \times 1.00\%$ divided by 12 (due to being monthly) = \$416.67

$\$1,000,000 \times 0.80\%$ divided by 12 (due to being monthly) = \$666.67

$\$500,000 \times 0.50\%$ divided by 12 (due to being monthly) = \$208.33

Total monthly bill = \$1812.50

This billing amount will fluctuate month to month as the market value of the account changes.

Town Capital also has the right to charge a financial planning fee separate from and in addition to the AUM fee. This typically ranges from \$0 to 5000, but could be any fee depending on complexity. It may be one-time, or annually, at the same rate as the initial fee or a discounted rate. Due to each client having a unique situation and requiring different levels of attention, these fees can vary for everyone.

We employ many different types of investment strategies. We use different strategies according to the type of account, goals, if distributions are needed or not, and tax status. Some portfolios are customized, and some are models. Some are more active, some more passive. We do not differentiate our fees according to the investment strategy or the risk tolerance of the person, unless individually negotiated. This means that many portfolios will perform differently, but the fee may be the same. This could be advantageous to the client but could also be disadvantageous. It is up to the client to decide if the fee we charge is worth it, considering all the services provided beyond investment management and the expected return of the portfolio. As discretionary investment managers, we reserve the right, and will execute upon, changing portfolio compositions and strategies as drastic or as often as we feel is necessary to accomplish your goals, as long as it is within the bounds of our fiduciary duty. This may result in under performance or overperformance, but that is not considered in the decision-making process because we are investing for a goal, not a benchmark.

This type of goals-based investment management is unconventional, so we highly encourage our prospective clients to do their due diligence and be 100% comfortable with this process.

Town Capital does not charge an AUM for any employer plans because we cannot monitor or trade it effectively, unless it is connected through the Pontera system, a third-party trading platform. We use Pontera to manage held away accounts. Fees for held away accounts will not exceed the maximum fee stated above but may be lower. The fee for held away accounts may be billed to a client's taxable account or directly to the client. We will also bill you for your employer plan assets at or below the fee listed above if you choose to use the Pontera service, without any additional disclosures or acknowledgement. By agreeing to using Pontera, you agree that it makes that account eligible for billing.

These fees do not include the fees for some individual investments, including the expense ratio of the portfolio, from which Town Capital does not receive any compensation.

The specific manner in which fees are charged by Town Capital is established in a client's written agreement with Town Capital. We will generally bill our fees on a monthly basis. Clients will be billed in arrears each calendar month. Accounts initiated or terminated during a calendar month will be charged a prorated fee.

Town Capital and the custodian will, upon written authorization from the client in our Investment Advisory Contract, directly bill for our advisory services from client's assets and accounts. We will provide the custodian with the amount to bill from each client account, along with concurrently sending an invoice to each client stating the amount of the fee and the exact formula used to calculate it. Our custodian(s) will send a statement at least monthly including all disbursements from the account.

When a copy of the Brochure Document(s) is not provided to the client at least 48 hours prior to signing the contract(s), client has five business days in which to cancel the contract, without penalty.

** All fees listed above are maximum fees. All fees are negotiable and may vary from client to client**

Flat Fees and Retainer Fees (Fee for Planning)

Fee for planning services are designed for clients that do not have assets to manage, do not desire to transfer their assets, or assets are not accessible, but desire financial planning. Typically, it is when assets are not being held at the firm, although there are exceptions.

Services included in fee-for-planning may include but are not limited to investment evaluation, investment recommendations, cash-flow planning, tax opportunity assessment, estate planning and tax referrals (and working with other professionals i.e. a CPA), college planning, etc. Financial plans typically cost between \$1200 to \$5000 but

can be any price depending on complexity. Clients can choose a comprehensive financial plan that includes all of our services, or limit the engagement to only those specified (i.e. Portfolio Review only). We provide one-time plans, or an ongoing relationship depending on your needs. Fees will also vary among clients, who have varying levels of complexity and needs. Due to the fee being based on the complexity of the situation, they can and will vary for everyone.

Fees shall be calculated and paid in accordance with the rate and payment terms and conditions set forth in the Town Capital Financial Planning Agreement, Schedule A. Some fees may be paid in advance based on the complexity of the plan. Should the relationship be terminated by either party, the client will receive a prorated refund of the fees paid, based on percentage of work completed on the financial plan. A written notice will be sent to the client with justification of fees retained / refunded.

Client must cancel a minimum of 5 days before their billing date to prevent being charged for the upcoming month.

Fees for Individual Investments

Town Capital's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client, if any. Clients may incur certain charges imposed by custodians, third party investment managers, and other third party fees such as fees for 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 our fee, and Town Capital shall not receive any portion of these commissions, fees, and costs.

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

Estate Planning Fees

Clients will be billed for the cost of estate planning services offered by partnership services or attorney relationships to prepare estate documents. The cost of these services will be reviewed and agreed to by the client before engaging in the service. Town Capital does not control these prices, and clients are free to use any service or lawyer they wish and do not have to use ours. Clients will never pay more than the partnership/lawyer's prices, but they may pay less. Depending on the depth of a client's relationship, Town Capital may cover all or some of the cost of estate planning for the client. This is on a case-by-case basis and is not guaranteed. Clients will be informed of the cost prior to engaging in these services.

Item 6: Performance Based Fees and Side by Side Mgmt.

We do not charge performance-based fees.

Item 7: Types of Clients

Town Capital provides investment advisory services to individuals, corporations, trusts, estates & charitable organizations. We work with each client to identify their needs, goals, investment objectives, time horizon & risk tolerance and recommend an investment plan to be implemented. We operate within the agreed upon limits & recommendations to achieve the client's stated investment objectives.

There is no written minimum to become a client, but Town Capital reserves the right to choose clients based on any criteria it sees fit.

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

Town Capital takes a customized approach in providing investment advice for its clients. As mentioned in Item 4 "Advisory Business" we obtain from the client sufficient information to determine the client's financial situation, investment goals & objectives as well as his/her risk tolerance. Based on this acquired information we propose an investment strategy that fits with those particular goals, time horizon and risk tolerance. Investing in securities involves risk of loss that clients should be prepared to bear.

Investment risks:

Investing in securities involves a risk of loss that clients should understand and be prepared to withstand. Any investment strategy involves the possible short-term or long-term risk of loss. Town Capital does not believe that its investment strategies involve any significant or unusual risks as related to other investment strategies. However, as with all investments, clients face investment risks including Loss of Principal Risk and Interest-rate Risk, Market Risk, Inflation Risk, Currency Risk, Reinvestment Risk, Business Risk, Liquidity Risk, and Financial Risk.

- ◆ *Interest-rate Risk:* Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- ◆ *Market Risk:* The price of a security, bond or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.

- ◆ *Inflation Risk*: When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- ◆ *Currency Risk*: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- ◆ *Reinvestment Risk*: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- ◆ *Business Risk*: These risks are associated with a particular industry of a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- ◆ *Liquidity Risk*: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- ◆ *Financial Risk*: Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Town Capital does not recommend any particular brand of securities; we remain agnostic to the provider of investments and choose the ETFs or other investments that we feel best suits the goal. Due to this, our investments can be constructed with many different investment providers.

Item 9: Disciplinary Information

Nothing to report

Item 10: Other Financial Industry Activities

Town Capital LLC currently does not participate in other financial industry activities and is not affiliated with other financial firms.

Item 11: Code of Ethics

Town Capital 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, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Town Capital must acknowledge the terms of the Code of Ethics annually, or as amended.

Town Capital anticipates that, in appropriate circumstances, consistent with client's investment objectives, it will cause accounts over which Town Capital has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which Town Capital its affiliates and/or clients, directly or indirectly, have a position of interest. Our employees and persons associated with Town Capital are required to follow Town Capital Code of Ethics.

Subject to satisfying this policy and applicable laws, officers, directors and employees of Town Capital and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Town Capital clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Town Capital 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 to reasonably prevent conflicts of interest between Town Capital and its clients. Town Capital clients or prospective clients may request a copy of the firm's Code of Ethics by contacting 410-864-0209 or ryan@towncapitalllc.com.

It is our policy that the firm will not affect any principal or agency cross-securities transactions for client accounts. Town Capital 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

Town Capital may recommend that clients establish accounts with Charles Schwab, or other custodians who are members of FINRA/SIPC, to maintain custody of clients' assets and to effect trades for their accounts.

Factors that are considered in recommending a broker-dealer and/or custodian to clients include financial strength, reputation, execution, pricing, research, historical relationship and service. Although the commissions and/or transaction fees that may be paid by clients shall comply with its duty to obtain best execution, a client may pay a commission that is higher than another qualified custodian might charge to effect the same transaction where Town Capital determines, in good faith, that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a custodian's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Town Capital will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. We may receive benefits from our custodians for not having to pay for research, products or services. This could be conceived as a conflict of interest. We have an incentive to select or recommend a broker-dealer based on our interest in receiving research or other products or services, rather than on our client's best interest of receiving the best execution. We believe the benefits of this research and services outweigh the benefits of better execution and serves our clients' interests better in the long run.

Town Capital will, when appropriate, create block trades to help clients achieve consistent prices for buys and sells. Whenever a block trade is executed, clients who are participating will have their shares assigned proportionally. This is done automatically by the custodian software. No single client will benefit more or less from a block trade, and no client will receive preferential treatment. Not all clients will be block traded at the same time. Portfolios can be rebalanced over the course of different time periods, therefore, different block trades can be used, and one client may receive a price different from another if the trades were executed at different times. Town Capital makes all efforts to keep prices similar, and to use block trades often, but makes absolutely no guarantee that every client will pay the exact same price for a security.

In addition, the following rules have been established:

- **No Pooling** - clients have a direct and beneficial interest in the securities and/or cash or cash equivalents in their accounts
- **Separate Account** - a separate account is maintained for each client with the Custodian

- **Ownership** - each client retains ownership of the account (e.g. right to withdraw securities or cash, exercise or delegate proxy voting, and receive transaction confirmations).

Item 13: Review of Accounts

Account reviews are conducted on an ongoing basis by Town Capital financial advisors. All investment clients are advised that it remains clients' responsibility to advise Town Capital of any changes in their investment objectives and/or financial situation. Reviews are performed by Town Capital's Managing Member, Ryan Townsley.

Clients are provided with transaction confirmation notices and regular summary account statements on at least a monthly basis directly from the broker-dealer/custodian for the client accounts. Such reports may be provided electronically. Clients are advised to review their statements thoroughly and to alert Town Capital staff to any inaccuracies.

The official statement from the custodian is the legal record. Town Capital makes all best efforts for its own reporting to be accurate, but makes no guarantee.

Item 14: Client Referrals and Other Compensation

The Advisor engages independent solicitors to provide client referrals. If a client is referred to us by a solicitor, this practice is disclosed to the client in writing by the solicitor and the Advisor pays the solicitor out of its own funds—specifically, the Advisor generally pays the solicitor a portion of the advisory fees earned for managing the capital of the client or investor that was referred. The use of solicitors is strictly regulated under applicable federal and state law. The Advisor's policy is to fully comply with the requirements of Rule 206(4)-3, under the Investment Advisers Act of 1940, as amended, and similar state rules, as applicable.

Pontera Platform: We use a third-party platform (Pontera) to facilitate management of some held away assets such as defined contribution plan participant accounts, with discretion. The platform allows us to avoid being considered to have custody of Client funds since we do not have direct access to Client log-in credentials to affect trades. We are not affiliated with the platform in any way and receive no compensation from them for using their platform. A link will be provided to the Client allowing them to connect an account(s) to the platform. Once Client account(s) is connected to the platform, Adviser will review the current account allocations. When deemed necessary, Adviser will rebalance the account considering client investment goals and risk tolerance, and any change in allocations will consider current economic and market trends. The goal is to improve account performance over time, minimize loss during difficult markets, and manage internal fees that harm account performance. Client account(s) will be reviewed at least quarterly and allocation changes will be made as deemed necessary.

Item 15: Custody

All investment management accounts will be maintained at an independent qualified custodian. In addition to the *Investment Advisory Agreement*, the client may be required to execute a separate agreement with the specific custodian. Both the Town Capital *Investment Advisory Agreement* and the custodial agreement may authorize the custodian to debit the client's account for the amount of the investment advisory fees due and to send that advisory fee to Town Capital. Town Capital provides the custodian with written notice on the amount to deduct from the client's account for fees. Town Capital sends the client a written invoice, itemizing the fee, the formula used to calculate fees, the time period covered and the amount of assets under management the fee was based on.

Town Capital is deemed to have limited custody solely because advisory fees are directly deducted from client's account by the custodian on behalf of Town Capital.

Clients are provided with transaction confirmation notices and regular summary account statements on at least a monthly basis directly from the broker-dealer/custodian for the client accounts. Such reports may be provided electronically. Clients are advised to review their statements thoroughly and to alert Town Capital staff to any inaccuracies.

Item 16: Investment Discretion

Upon an agreement between Town Capital and the Client, we may execute transactions with discretion, meaning no prior approval from the client is required for us to make investment decisions in their account. Clients have the ability to impose reasonable restrictions on the management of their accounts based on types of securities or particular stocks that they would not want to be invested. Verbal restriction are not acceptable, all restriction must be written on the investment advisory agreement and signed by both parties.

Town Capital accepts discretionary authority to manage clients' assets through the '*Investment Advisory Agreement*' between the client and Town Capital and also through the new account application with the custodian/broker giving Town Capital discretionary power over their account through a Limited Power-of-Attorney.

Item 17: Voting Client Securities

Town Capital does not vote client proxies. Therefore, although we provide investment advisory services relative to client investment assets, clients maintain exclusive

responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other events pertaining to the client's investment assets. Town Capital and/or the client shall instruct each custodian of the assets to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets. If clients choose to have this information forwarded to Town Capital to minimize mail received, the voting forms will be destroyed by Town Capital.

Item 18: Financial Information

There are no financial conditions that will adversely impact this business.

Item 19: Requirements for State Registered Advisors

EDUCATION AND BUSINESS BACKGROUND

Ryan Townsley, Owner and Managing Member, Town Capital, LLC

Year of Birth: 1984

Formal Education:

Towson University, MBA, 2016

Thomas Edison State University, B.S. Nuclear Engineering Technology, 2009

Business Background:

Exelon Generation, Operations Supervisor (and other roles), 2011 – 2022

PSEG Nuclear, Staff Engineer, 2009 – 2011

United States Navy, 2003 – 2009

Licenses / Certifications:

Series 65 – Active

CERTIFIED FINANCIAL PLANNER™ PROFESSIONAL – Active

Retirement Income Certified Professional® - Active

OTHER BUSINESS ACTIVITIES

None

PERFORMANCE BASED FEES

Town Capital does not charge performance-based fees

DISCLOSURES

A.1 An award or otherwise being found liable in an arbitration claim alleging Damages in excess of \$2500

Nothing to report for this item

A.2 An award or otherwise being found liable in a civil, self-regulatory organization or administrative proceeding.

Nothing to report for this item

RELATIONSHIPS

Town Capital does not have relationships with any party that issues securities.

Brochure Supplement
Form ADV 2B
Town Capital, LLC
CRD No. 299341



Ryan E. Townsley
Investment Advisor Representative
Personal CRD No. 6885396

112 West Pennsylvania Avenue
Suite 301

Bel Air, MD 21014

Email: ryan@towncapitalllc.com

This brochure supplement provides information about Ryan E. Townsley that supplements the Town Capital, LLC brochure. You should have received a copy of that brochure. If you did not receive it or if you have any questions about the content of this supplement, please contact 410-864-0209.

Additional information about Ryan E. Townsley is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Educational Background and Business Experience

Ryan E. Townsley (born 1984) is an investment advisor representative with Town Capital, LLC.

A. Educational Background

Masters of Business Administration, Towson University, 2016

B.S. Nuclear Engineering Technology, TESU, 2009

B. Business Background

Investment Advisor Representative /Owner Town Capital, LLC	10/2018 to Present
Operations Supervisor/Various Roles Exelon	03/2011 to 06/2022
Staff Engineer PSEG Nuclear, LLC	08/2009 – 03/2011
Nuclear Supervisor United States Navy	06/2003 – 06-2009

C. Professional Designations

CERTIFIED FINANCIAL PLANNER™ (CFP®)

Ryan Townsley (I, me) is a certified for financial planning services in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”). Therefore, I may refer to myself as a CERTIFIED FINANCIAL PLANNER™ professional or a CFP® professional, and I may use these and CFP Board’s other certification marks (the “CFP Board Certification Marks”). CFP® certification is voluntary. No federal or state law or regulation requires financial planners to hold CFP® certification. You may find more information about CFP® certification at www.cfp.net.

CFP® professionals have met CFP Board’s high standards for education, examination, experience, and ethics. To become a CFP® professional, an individual must fulfill the following requirements:

- Education – Earn a bachelor’s degree or higher from an accredited college or university and complete CFP Board-approved coursework at a college or university through a CFP Board Registered Program. The coursework covers the financial planning subject areas CFP Board has determined are necessary for the competent and professional delivery of financial planning services, as well as a comprehensive financial plan development capstone course. A candidate may satisfy some of the coursework requirement through other qualifying credentials.
- Examination – Pass the comprehensive CFP® Certification Examination. The examination is designed to assess an individual’s ability to integrate and apply a broad base of financial planning knowledge in the context of real-life financial planning situations.
- Experience – Complete 6,000 hours of professional experience related to the personal financial planning process, or 4,000 hours of apprenticeship experience that meets additional requirements.

- Ethics – Satisfy the Fitness Standards for Candidates for CFP® Certification and Former CFP® Professionals Seeking Reinstatement and agree to be bound by CFP Board’s Code of Ethics and Standards of Conduct (“Code and Standards”), which sets forth the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics

requirements to remain certified and maintain the right to continue to use the CFP Board

Certification Marks:

- Ethics – Commit to complying with CFP Board’s Code and Standards. This includes a commitment to CFP Board, as part of the certification, to act as a fiduciary, and therefore, act in the best interests of the client, at all times when providing financial advice and financial planning. CFP Board may sanction a CFP® professional who does not abide by this commitment, but CFP Board does not guarantee a CFP® professional’s services. A client who seeks a similar commitment should obtain a written engagement that includes a fiduciary obligation to the client.
- Continuing Education – Complete 30 hours of continuing education hours every two years to maintain competence, demonstrate specified levels of knowledge, skills, and abilities, and keep up with developments in financial planning. Two of the hours must address the Code and Standards

Retirement Income Certified Professional (RICP®)

The RICP® Program gives you the skills to build sustainable and holistic retirement income plans using a depth of knowledge that covers every strategy and income style.

Your learning outcomes to help retirees and pre-retirees include:

Skills required to counter the 18 major risks in retirement
Strategies for Social Security claiming
Approaches to contain healthcare and long-term care costs
Tools for estate and legacy planning

Solutions for retirement plan savings

ADMISSIONS REQUIREMENTS

There are no prerequisite courses required to begin the RICP® Program, but three years of experience in financial planning or a related profession are required to use the designation.

To receive the RICP® designation, you must:

1. Successfully complete the three required courses
2. Agree to comply with The American College Code of Ethics and Procedures

Participation in the annual Professional Recertification Program is required to maintain the designation.

Item 3: Disciplinary Information

Ryan E. Townsley does not have any disciplinary action to report. Public information concerning his registration as an investment advisor representative may be found by accessing the SEC's public disclosure site at www.adviserinfo.sec.gov.

Item 4: Other Business Activities

None

Item 5: Additional Compensation

None

Item 6: Supervision

As the Chief Compliance Officer of Town Capital, LLC, Ryan Townsley supervises all activities of the firm. Ryan Townsley's contact information is on the cover page of this disclosure document. Ryan Townsley adheres to applicable regulatory requirements, together with all policies and procedures outlined in the firm's code of ethics and compliance manual. Ryan Townsley adheres to all required regulations regarding the activities of an Investment Adviser Representative and follows all policies and procedures outlined in the firm's policies and procedures manual, including the Code of Ethics, and appropriate securities regulatory requirements.

Item 7: Requirements for State Registered Advisors

A. Additional Disciplinary Actions

A.1 An award or otherwise being found liable in an arbitration claim alleging Damages in excess of \$2500

Nothing to report for this item

A.2 An award or otherwise being found liable in a civil, self-regulatory organization or administrative proceeding.

Nothing to report for this item

B. Bankruptcy

Nothing to report for this item



Privacy Policy

This Client Privacy Notice is from Town Capital LLC., a firm in the business of providing investment advisory services to clients. We are committed to safeguarding the confidential information of our clients. We hold all personal information provided to our firm in strictest confidence. Except as required or permitted by law, we do not share confidential information about you with nonaffiliated third parties. In the unlikely event there were to be a change in this fundamental policy that would permit or require additional disclosures of your confidential information, we will provide written notice to you, and you will be given an opportunity to direct us as to whether such disclosure is permissible.

AN IMPORTANT NOTICE CONCERNING OUR CLIENTS' PRIVACY

CLIENT INFORMATION WE COLLECT:

We collect and develop personal information about you, and some of that information is non-public personal information ("Client Information"). As an advisory firm, we collect and develop Client Information about you in order to provide investment advisory services.

Client Information we collect may include:

- Personal and household information such as income, investment objectives, financial goals,
- statements of account, and other records concerning your financial condition and assets.
- Information developed as part of investment advisory services.
- Information concerning investment advisory account transactions.

DATA SECURITY:

We restrict access to Client Information to those representatives and employees who need the information to perform their job responsibilities within our firm. We maintain

Town Capital, LLC

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Business Continuity and Succession

Emergency Contact Information:

The emergency contact person for this firm is:

- Ryan Townsley – Owner
 - Office 410-864-0209
 - Cell 443-803-7496
 - Email ryan@towncapitalllc.com
 - <https://www.towncapitalllc.com/>

Business Description:

Town Capital LLC (“Firm”) is an investment advisory firm located at 112 W Pennsylvania Ave, Ste 301, Bel Air, MD 21014

Firm Policy:

Town Capital has a policy in place to respond to a Significant Business Disruption (SBD). In the event of an SBD, our policy is to safeguard our employees’ Lives and Firm property, to conduct a rapid financial and operational assessment, to recover quickly and resume operations swiftly, to protect the Firm’s books and records, and to allow Town Capital’s clients to transact business seamlessly. If it is determined the Firm is unable to continue its business, Town Capital will assure clients prompt access to their funds and securities.

While it is recognized that it is not possible to create a plan to handle every possible situation, it is the intent of the Firm to establish a framework to be used in most likely of scenarios. It is also the intent that this framework provides guidance as to how to respond, should an unforeseen situation occur.

Approval and Execution Authority:

Ryan Townsley, Owner and Managing Member of Town Capital has approved the firm's business continuity plan.

Disaster Recovery Executive

The Firm has designated Ryan Townsley as the Firm's Disaster Recovery Executive Representative Coordinator ("DRC"). The DRC has the responsibility to make an immediate preliminary assessment of the nature and extent of the disruption. They will do this by assessing (at a minimum) the following: electricity supply; condition of computer network/phones; damage to the building; HVAC in extreme weather; and other hazards as deemed necessary to determine the overall impact of the SBD on the Firm's ability to conduct its business activities. If the DRC determines that personnel should evacuate the affected location(s), they must make an announcement to all personnel as appropriate procedures. The announcement may be provided via personal contact, e-mail, intercom and other methods as appropriate given the systems available and size of staff and building operations. This announcement should be short and concise, should calmly identify the situation and should provide instructions to employees on how to respond. This announcement should be repeated as often as necessary to avoid confusion and to ensure all employees are aware of the situation. After ensuring the physical safety of the Firm's personnel, the DRC must initiate the implementation of the Firm's BCP. If the situation does not merit evacuation, steps should be taken to alert designated persons of necessary actions to facilitate ongoing operations in the face of limited disruption. In this case, the DRC will determine which, if any, procedures in this BCP should be implemented. In the event the SBD has directly affected other areas of the building but has not directly impacted the Firm's office locations, the DRC will contact building security or emergency personnel for instructions on how the Firm should respond and proceed accordingly.

Alternate Location:

In the event of a disaster that makes the primary office location not useable, Ryan Townsley will operate the business from a remote location. Due to all programs being web-based for the firm, the business can operate from anywhere with a laptop and internet. If the internet is not available in the area due to the disaster, Ryan Townsley will drive to an alternate location. The Firm phone numbers and email remain the same.

Customer Access to Funds and Securities:

Our firm maintains our client accounts at a qualified custodian. All asset management client assets are held by Charles Schwab. Custodians maintain their own BCP and, in the event of an internal or external SBD, we will work with our clients to make them aware of

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the BCP and help them navigate the processes to access their funds and securities. In the event the SIPC should determine that any custodian is unable to meet their obligations to customers, SIPC may seek to appoint a trustee to disburse the custodian's assets to customers. We will assist SIPC and the trustee by providing our books and records identifying customer accounts subject to SIPC regulation.

In the event that the firm becomes incapacitated, clients should contact their custodians for necessary account actions at 877-519-1403.

Books and Records:

All paper records are kept at the primary office at 112 W Pennsylvania Ave, Ste 301, Bel Air, MD 21014. In the event that the office is destroyed, no information will be lost as all records are archived in cloud-based, compliant software. All records are retained and accessible remotely. All company financial records are on a cloud-based accounting software, as well as our client information software.

Communications:

Communication during an event may be challenging. The Firm will use any and all means necessary to give further instructions to clients, including but not limited to telephone, email, mail, courier, home visit, or other. We will use the same means of communication to speak with our regulators and business partners.

Death of Key Personnel:

The following personnel is identified as "Key Personnel" without which it would be difficult or impossible to continue operating the firm and properly service clients (day-to-day operations):

Ryan Townsley, Owner

If some event made it impossible for the person listed above able to continue to service the firm, clients of the firm would, with little difficulty, be able to obtain similar services elsewhere. Their accounts would not depend on the well-being of the key personnel.

Clients will be notified as soon as possible, but within 3 business days of the death of key personnel. A client list with phone numbers and emails has been provided to a trusted individual to notify clients upon death of their financial advisor. Clients can take control of their accounts and receive any service needed by calling Charles Schwab customer service at 877-519-1403. There would be no interruption of any service or access to money in the event of the death of key personnel.

Succession Planning:

This firm was founded in 2018 with the intention of the Owner, Ryan Townsley, running the business for at least 30 years or more. There is no immediate need for succession

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