

Client Relationship Summary as of March 21, 2024

Towneley Capital Management, Inc. is registered with the Securities and Exchange Commission as an investment adviser and, as such, we provide investment advisory services rather than brokerage services. Investment advisory and brokerage services and fees differ and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about investment advisers, broker-dealers, and investing. This document is a summary of the services and fees we offer to "retail" investors, which are natural persons who seek or receive services primarily for personal, family, or household purposes.

What investment services and advice can you provide me?

We offer the following investment advisory services: portfolio management, financial planning and business consulting.

If you open an investment account with our firm, as part of our standard service we regularly monitor the performance of the investments in your portfolio and report on your portfolio's performance quarterly. We encourage you to meet with us at least once per year, and to contact us by email or phone whenever you have questions or concerns.

We manage investment portfolios on a *discretionary* basis, which means that we buy and sell investments in your portfolio to implement the investment strategy you have agreed upon without first seeking your approval. You may limit our discretionary authority (for example, limiting the types of securities that we can buy or sell) by providing us with your restrictions and guidelines in writing.

While we generally invest your portfolio in mutual funds, exchange traded funds and individual bonds, we also provide advice on a wide range of investments as part of our financial planning and business consulting services.

We charge a \$1,250 minimum quarterly fee to new client accounts with less than \$500,000 in assets. The minimum fee applies to private clients, nonprofits and other organizations.

Detailed information about our services, fees and other disclosures is included in our Form ADV Part 2A, available here: <https://adviserinfo.sec.gov/firm/brochure/169863>.

Key Questions to Ask Your Financial Professional

- **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?

The principal fees and costs associated with engaging our firm for investment advisory services are listed below. The type of fee assessed depends on the nature of the services requested.

- **Asset Based Fees** – Our portfolio management service fee is based on the value of the assets in the account we manage for you. These fees are paid quarterly in advance, usually by direct debit from your account, which you agree to in writing. We provide financial planning and business consulting services to you free of charge when you engage us to provide you with portfolio management services.
- **Fixed Fees** – We provide financial planning and business consulting services to retail clients and nonprofit organizations, who do not also receive our portfolio management services, for a fixed fee based on the size and complexity of the project. Fixed fees are payable as invoiced.
- **Hourly Fees** - We provide financial planning and consulting services to retail clients, who do not also receive our portfolio management services, for an hourly fee based on the size and complexity of the project. Hourly fees are payable as invoiced.

Besides investment advisory fees, the most common fees and costs you may incur are:

- Fees related to mutual funds and exchange-traded funds, including fund management fees and short-term redemption fees, both of which are paid to the fund.

- Wire fees, which you pay to the bank sending or receiving wired funds if you elect to send funds via wire.

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 detailed information about our fees, refer to our Form ADV Part 2A, Item 5:
<https://adviserinfo.sec.gov/firm/brochure/169863>.

Key Questions to Ask Your Financial Professional

- **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?

When we act as your investment adviser, we have to act in your best interest and put your interests ahead of ours. 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 is an example to help you understand what this means:

- Because we are paid based on the value of your accounts that we manage, we have an incentive to encourage you to add more money to your accounts, or to move other accounts over to our management.

Key Questions to Ask Your Financial Professional

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

We do not make any money from our investment advisory services except as described above. Refer to our Form ADV Part 2A by clicking this link <https://adviserinfo.sec.gov/firm/brochure/169863> to help you understand.

For more information about our conflicts of interest please refer to our Form ADV Part 2A, accessible at the link above.

How do your financial professionals make money?

Towneley and the financial professionals servicing your account(s) are compensated in the following ways: salary; bonus; and referral fees for successful client introductions. Financial professionals' compensation is based on: salary and bonus consistent with the employee's role, personal performance and firm profitability and, if applicable, referral fees paid by the firm, not by the client.

Do you or your financial professionals have legal or disciplinary history?

No. Visit Investor.gov/CRS for a free and simple tool to research Towneley and our financial professionals.

Key Questions to Ask Your Financial Professional

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

You can find additional information about our investment advisory services and request a copy of our client relationship summary, by calling us at 949-837-3580 or at this link: <https://adviserinfo.sec.gov/firm/brochure/169863>.

Key Questions to Ask Your Financial Professional

- **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?**