

# Manley Capital Management, LLC

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Registered Investment Advisor  
March 22, 2022

**This brochure provides information about the qualifications and business practices of Manley Capital Management, LLC. If you have any questions about the contents of this brochure, please contact us at (908) 263-7651. 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. Registration with the SEC or any state securities agency does not imply a certain level of skill or training.**

**Additional information about Manley Capital Management, LLC is also available on the SEC's website at [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov)**

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## **Material Changes**

There are no material changes

## **Advisory Business:**

Manley Capital Management, LLC (the “Company”), founded 2013, specializes in value-oriented investment management. The firm is 100% owned by its principal, J. Lawrence Manley, Jr.

Manley Capital Management, LLC, a Delaware limited liability corporation, provides investment advisory services to institutions, endowments and individuals.

Manley Capital Management, LLC specializes in value investing. It focuses on, but is not limited to, providing clients a value-driven, diversified and economically balanced investment strategy. Portfolios, typically, are comprised of a diversified and balanced asset allocation (equities, fixed income, commodities and currencies), in which, the equity exposure is driven by the market’s valuation and risk-reward. Manley Capital Management, LLC invests mostly in, but is not limited to, liquid, low cost ETFs.

To manage risk and preserve capital, Manley Capital Management, LLC will reduce and/or hedge equity exposure, increase asset diversification and manage volatility weightings as the profit cycle matures and the stock market’s risk-reward deteriorates.

As of March 23, 2022, client assets amounted to \$17,728,898. All assets are discretionary and managed on a separately managed account basis.

## **Other Business**

None

## **Fees and Compensation**

Services Provided -- Active management of investment portfolios on a separately managed account basis. Financial planning and retirement planning services are also offered.

**Wealth Management Investment Strategy:** Generally, the investment management fee charged to each client account is 1.00% of assets per annum. The Fee schedule is as follows:

- 1.0% per annum (0.25% per quarter)

Calculated and payable at the end of each quarter for the preceding three months based upon the market value on the final business day of the quarter then ending. Quarterly fees are reported to the client on their monthly performance reports.

In certain instances, in agreement between the Applicant and the Client, the investment management fee charged to such Client as outlined above may be adjusted. Clients also pay custodial, brokerage fees and other transactional costs, as discussed in Brokerage Practices on page 12. All investment management fees are adjusted on a pro-rated basis for mid-quarter contributions and withdrawals. Clients may elect to either have fees deducted from their assets or billed separately for fees incurred.

Manley Capital provides financial planning service for the fixed price of \$250 per quarter.

## **Performance-Based Fees**

Manley Capital Management, LLC does not accept performance-based fees or compensation.

## **Types of Clients**

Manley Capital Management, LLC provides investment advisory services to institutions, trusts, endowments and individuals.

Minimum account size is \$500,000. Though the minimum account size may be waived at management discretion if the investor is an acquaintance, friend or family member.

## **Methods of Analysis, Investment Strategies and Risk of Loss**

Manley Capital Management, LLC is a value investment firm. The company uses fundamental, valuation, quantitative and technical analysis to formulate investment advice and to manage client's assets. Investing in securities using these methods of analysis involves risk of loss that clients should be prepared to bear.

Manley Capital Management, LLC implements a Value-Driven asset allocation strategy that is diversified and economically balanced. Manley Capital Management, LLC believes that markets are cyclical and will regress to the mean over time. Within a diversified asset allocation (stocks, bonds, commodities and currencies), Manley Capital Management, LLC allocates its equity risk exposure based on the market's valuation and risk-reward.

Typically, the equity allocation is over-weighted when stocks are inexpensive, provide a "margin of safety" and a favorable risk-reward. As bull markets mature and the risk-reward deteriorate, Manley Capital Management, LLC will reduce and/or hedge equity exposure, increase asset balance and diversification, and manage volatility to mitigate market risk.

Investing in securities using this value-driven investment strategy involves risk of loss that clients should be prepared to bear. Manley Capital's attempt to mitigate loss through diversification, economic balance, hedging, raising cash and managing volatility may not be successful if the markets experience sudden and/or significant loss.

Manley Capital Management LLC invests in, but is not limited to: ETFs, stocks, bonds, stock and index options, all that involve risk of loss that clients should be prepared to bear.

## **Disciplinary Action**

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of Manley Capital Management, LLC's advisory business or the integrity of management.

## **Other Financial Industry Activities and Affiliations**

Manley Capital Management, LLC and none of its management persons are registered or have an application pending to register as a broker - dealer or futures commission merchant.

The Company currently does not have any arrangements in place to provide direct compensation to other parties for client referrals.

However, the Applicant does accept referrals from brokers and other parties with which the Applicant does business and may provide indirect compensation to such parties for referrals

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

While affirming its confidence in the integrity and good faith of its employees, officers and directors, Manley Capital Management, LLC (the “Company”) recognizes that certain of its personnel have or may have knowledge of present or future portfolio transactions and, in certain instances, the power to influence portfolio transactions made by or for its Advisory clients, and that if such individuals engage in personal transactions in Securities that are eligible for investment by or for its Advisory Clients, these individuals could be in a position where their personal interest may conflict with the interests of the Advisory Clients.

In view of the foregoing and of the provision of Rule 204A-1 under the Investment Advisers Act of 1940, as amended (the Advisers Act”), the Company has determined to adopt a Code of Ethics to specify and prohibit certain types of transactions deemed to create actual conflicts of interest, the potential for conflicts, or the appearance of conflicts, and to establish reporting requirements and enforcement procedures.

This Code of Ethics revokes any prior Code of Ethics. To the extent, the terms of this Code of Ethics are in conflict with or in opposition to any other prior policy, code or manual, the terms herein shall control the governance of the Company as of the date of adoption of this Code of Ethics. **This Code of Ethics is available to any client or prospective client.**

### **PURCHASES AND SALES OF SECURITIES BY COVERED PERSONS**

The Company has adopted an Insider Trading Policy to govern the purchase or sale of Securities by Covered Persons. All trading activity in any Security in which a Covered Person holds a beneficial interest must be done in compliance with the Insider Trading Policy, which shall be incorporated by

reference herein to the extent the Insider Trading Policy does not conflict with the terms and provisions of the Code of Ethics.

Pursuant to the Company's Insider Trading Policy, securities may be purchased and sold by employees of the Company for their personal account three days after the completion of any buy or sell program in an individual stock for a client account. Any stock under consideration for purchase or sale for a client account is restricted for an employee's personal account.

**The three-day waiting does not apply to investments in equity indexes, ETFs, stock index options or futures, government bonds and non-financial commodities.**

As a general rule, written authorization must be obtained prior to effecting all such transactions, except for equity indexes, ETFs, stock index options or futures, government bonds and non-financial commodities.

However, from time to time, special circumstances may arise that make written pre-authorization difficult or impossible to obtain. In such cases, verbal authorization must be obtained prior to effecting a personal securities transaction that must be followed by written authorization within a reasonable amount of time after the transaction, typically one day.

## **REVIEW AND ENFORCEMENT**

The Compliance Officer will, as soon as practicable after receipt but in no case less than on a quarterly basis, review all confirmations, account statements and other reports received with respect to all Covered Persons to determine whether a violation of this Code of Ethics may have occurred, as well as to confirm that each Covered Person properly requested and received pre-approval of transactions in personal securities accounts as required in the Insider Trading Policy. Before determining that a person has violated the Code of Ethics, the Compliance Officer shall give such person an opportunity to supply additional explanatory material

## **Brokerage Practices**

### **BROKER SELECTION AND EVALUATION POLICY**

Manley Capital Management LLC (the “Company”) selects broker-dealers on the basis of obtaining the best overall terms available. While clients may direct their commissions to the broker of their choice, the Company conducts most of its trading through Charles Schwab & Co., Inc. Charles Schwab & Co., Inc. is a global agency broker facilitating trading through electronic trading platforms and traditional “phone” orders. In its decisions to trade through Charles Schwab & Co., Inc., and through various individual broker-dealers, the Company evaluates a variety of factors, including, without limitation:

- the ability to achieve prompt and reliable executions at favorable prices;
- the competitiveness of commission rates in comparison with other brokers satisfying the Company’s overall selection criteria;
- the overall direct net economic result to clients’ assets;
- the operational efficiency with which transactions are effected;
- the financial strength, integrity and stability of the broker;
- the ability to effect the transaction where a large block or other complicating factors are involved;
- the availability of the broker to execute possible difficult transactions in the future; and
- the quality, comprehensiveness and frequency of available research and related services considered to be of value, as contemplated by Section 28(e) of the Securities Exchange Act of 1934, as amended, and the regulations and interpretations of the SEC.

In choosing a broker-dealer, brokerage commission rates are the primary consideration. However, while brokerage commission rates are expected to be competitive, the Company will not necessarily seek the lowest commission. The Company will select broker-dealers based on the best qualitative execution provided by broker-dealers, after evaluating the above factors. The Company may use the receipt of benefits through soft dollar arrangements, by which brokers provide research and certain other services in return for being allocated “brokerage” transactions, as a factor in selecting a

broker-dealer not charging the lowest commission. The Company may also use the receipt of research and other services not through soft dollar arrangements, as a factor in selecting a broker-dealer not charging the lowest commission. Research services and other services by the broker through whom the Company effects securities transactions may be used in servicing other clients and not necessarily by the Company in connection with the client that paid the commissions to the broker providing such services. In addition, certain of the factors above may benefit certain clients at the expense of other clients (e.g., clients for whom the Company effects only simple transactions would be disadvantaged by paying higher commissions to secure the availability of a broker capable of executing difficult or complex transactions), and accordingly the Company will consider the selection criteria in light of the needs of each client.

As trades are placed, the Portfolio Manager effecting the securities trade is responsible for a preliminary review to determine that the trade has been effected in accordance with the Portfolio Manager's directions. The portfolio manager is responsible on a daily basis to evaluate broker based on the above criteria, with particular emphasis on the overall direct net economic result to client's assets, the efficiency with which the transactions have been executed, and the complexity of the transactions. Such review will also consider whether the benefits associated with using certain broker-dealers are tailored to addressing the needs of each client. The report of the Portfolio Manager will be reviewed and approved by the Company's Compliance Officer, J. Lawrence Manley, Jr., and will be maintained as part of the Company's records. In addition, the Portfolio Manager will conduct, at random intervals, "spot check" reviews of the execution practices and performance of the broker-dealers engaged by the Company. Any problem or cases where the client's needs were not addressed will be referred to the Company officer.

Written records of executions not in clients' best interest will be maintained on a quarterly basis. PM will monitor daily-executed price and compare it to the stock price when order was entered, closing price and trading range. Any unusual price discrepancy will immediately be discussed with the Broker and with the Compliance officer to determine what action if any will be taken.

## **Soft Dollar Policy**

Broker-dealers providing brokerage and research services may be paid commissions in excess of those that other broker-dealers not providing such services might charge.

Research services furnished by brokers through whom the Company effects securities transactions may be used in servicing all the clients of the Company and not all such services may necessarily be used by the Company in connection with the clients, which paid commissions to the broker providing such services. **The Company currently has no soft dollar arrangements.**

For advisory clients who direct their securities transactions to a particular broker-dealer the Applicant, to the extent possible, negotiates commission rates, and attempts to obtain best price and execution for such clients. However, the Applicant may not be able to obtain as low of a commission rate and may not be able to get best price and execution for such clients as it obtains for clients who do not direct their brokerage.

## **Bunched Orders**

The portfolio manager makes investments on behalf of clients in accordance with the stated investment objectives of each client. Purchases of securities are generally made with respect to each client individually. As such, the purchase of a security is generally allocated to the account of the client on whose behalf the security was purchased. At times, however, the company may purchase the same security in an aggregate amount for the accounts of multiple clients. In such circumstances, the company may, but does not always, “bunch” orders placed with the same broker on the same day to obtain the most efficient and cost-effective execution. When orders are “bunched”, the prices of all securities purchased or sold on such day with such broker are averaged. The company believes that “bunching” and average pricing results in a more efficient and equitable final price for all accounts.

In the event, the company is not able to purchase the entire allotment required to satisfy the orders on behalf of all clients, the company will allocate such security as “partial fills” among the purchasing accounts as follows:

- (1) Allocations of more than 1000 shares will be allocated on a pro rata basis by asset size
- (2) Allocations of less than 1000 shares will be allocated on a rotational system, based upon assets under management and profits.

The compliance officer shall review and test the allocations made by the company to determine that the company is fairly and accurately allocating securities to clients.

**The company does not invest in New Issues.**

## **Review of Accounts**

Client's accounts are reviewed on a daily basis by MCM, LLC's principal, J. Lawrence Manley. Clients are provided, at least monthly, with written transaction confirmations and written monthly account statements directly from the custodian for the client accounts (Charles Schwab & Co., Inc., in most cases). Manley Capital Management LLC also provides, at least monthly, a written letter that details recent and historic performance, asset size, investment strategy and market outlook. Management is always available to meet with clients to review their accounts at their request.

## **Client Referral and Other Compensation**

Manley Capital Management, LLC 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 Manley Capital pays the solicitor out of its own funds—specifically, the Manley Capital 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. Manley Capital'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.

Manley Capital may receive client referrals from Zoe Financial, Inc through its participation in Zoe Advisor Network (ZAN). Zoe Financial, Inc is independent of and unaffiliated with the Advisor and there is no employee relationship between them. Zoe Financial established the Zoe Advisor Network as a means of referring individuals and other investors seeking fiduciary personal investment management services or financial planning services to independent investment advisors. Zoe Financial does not supervise Manley Capital and has no responsibility for the Advisor's management of client portfolios or the Advisor's other advice or services. Manley Capital pays Zoe Financial an on-going fee for each successful client referral. This fee is usually a percentage of the advisory fee that the client pays to the Advisor ("Solicitation Fee"). The Advisor will not charge clients referred through Zoe Advisor Network any fees or costs higher than its standard fee schedule offered to its clients. For information regarding additional or other fees paid directly or indirectly to Zoe Financial Inc, please refer to the Zoe Financial Disclosure and Acknowledgement Form.

## **Custody**

All client assets will be maintained at a Qualified Custodian (the “Custodian”) in accordance with Rule 206-4(2) under the Investment Advisers Act of 1940. Data relating to client assets will be maintained by selected third parties, in reasonable reliance on the third parties’ policies with respect to privacy and safeguarding of information (policies which also govern whether or not the data is maintained in an Internet accessible location). Prior to sending quarterly account statements, the Company will verify that the statements received from the custodian match the Company’s record regarding each client’s account. The Records Manager shall be the person at the Company responsible for verifying the Custodian’s statements. Any discrepancies shall be reported immediately to the Compliance Officer who shall contact the Custodian to resolve any discrepancies.

In order to protect client assets, only those employees who have trading authority with respect to a client’s account shall have access to that account. Client information that is stored electronically is password protected. The Company has adopted a Privacy Policy and a Security of Customer Information Policy with respect to client information to further safeguard confidential client information.

**Clients are urged to compare statements received from Manley Capital Management, LLC with statements received from their Qualified Custodian (Charles Schwab & Co., Inc., in most cases).**

## **Investment Discretion**

The company accepts discretionary authority to manage securities accounts on behalf of client. Typically, clients do not place any limitations on this authority.

Client's assets managed on a separate account basis must complete an investment management contract.

## **Voting Client Securities**

The company's proxy voting policies and procedures are designed to ensure that the Company complies with the requirements under Rule 206(4)-6 and Rule 204-2 promulgated under Investment Advisers Act of 1940, and fulfills its obligations with respect to proxy voting, disclosure, and record keeping.

The Company is committed to voting proxies in a manner consistent with the best interests of its clients. The company will have the responsibility of voting proxies received by the company on the client's behalf. A primary component of the company's investment strategy is to invest in companies, the management of which has impressed the company as being capable of achieving superior financial performance. Accordingly, for most matters, the Company's policy is to vote in accordance with management's recommendations. In general, the company believes, that voting proxies in accordance with management's recommendations is in accordance with the best interests of the client.

Clients may request to direct their vote in particular situations.

**Clients may obtain a copy of the Company's proxy voting policies and procedures upon request.**

## **Financial Information**

The company does not require or solicit prepayments.

## Requirements for State-Registered Advisors

A. J. Lawrence Manley, Jr. is the Managing Member and 100% principal owner of Manley Capital Management, LLC.

J. Lawrence Manley, Jr. received a Bachelor of Arts in Economics from Drew University in 1991 and is a Chartered Financial Analyst.

Manley has more than twenty years of investment management experience:

Manley Capital Management, LLC	2013 to Present
Manley Asset Management, LP	1994 - 2012
UBS Asset Management	1991 – 1993

- B. Not Applicable
- C. Not Applicable
- D. Not Applicable
- E. Not Applicable

**J. Lawrence Manley, Jr., CFA, CIPM**

**Manley Capital Management, LLC  
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March 22, 2022

**This brochure supplement provides information about J. Lawrence Manley, Jr. that supplements the Manley Capital Management, LLC brochure. You should have received a copy of that brochure. Please contact J. Lawrence Manley, Jr. if you did not receive Manley Capital Management, LLC's brochure or if you have any questions about the contents of this supplement**

**Additional information about J. Lawrence Manley, Jr., is also available on the SEC's website at [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov)**

## **Educational Background and Business Experience**

J. Lawrence Manley, Jr. (52 years old) is the Managing Member and 100% principal owner of Manley Capital Management, LLC.

J. Lawrence Manley, Jr. received a Bachelor of Arts in Economics from Drew University in 1991 and is a Chartered Financial Analyst (CFA) and has a Certificate in Investment Performance Measurement (CIPM).

Manley has more than twenty-five years of investment management experience:

Manley Capital Management, LLC	2013 to Present
Manley Asset Management, LP (General Partner)	1994 - 2012
UBS Asset Management (Assistant Treasure)	1991 – 1993

## **Disciplinary Information**

Not Applicable

## **Other Business Activities**

Not Applicable

## **Additional Compensation**

Not Applicable

## **Supervision**

J. Lawrence Manley, Jr. is solely responsible for all investment advice given to clients.

## **Requirements for State-Registered Advisors**

- A. Not Applicable
- B. Not Applicable