



**ADV Part 2
Firm Brochure
Davis Capital Management
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This brochure provides information about the qualifications and business practices of Davis Capital Management, LLC. If you have any questions about the contents of this brochure, please contact your advisor by phone or email. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority.

Additional information about Davis Capital Management is available on the SEC's website at www.adviserinfo.sec.gov

Davis Capital Management may use the term "registered investment advisor" but this term in no way implies any level of skill or training.

Material Changes

Annual Update

The Material Changes section of this brochure will be updated annually when material changes occur since the previous release of the Firm Brochure.

Material Changes since the Last Update

There have not been any material updates since our last filing.



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Davis Capital Management LLC is an investment advisory firm registered with the SEC doing business as a Limited Liability Company under Florida Law and headquartered in Jacksonville, Florida.

- Davis Capital Management has been serving families and businesses since 2008
- Troy Davis is the majority shareholder of Davis Capital Management with John Murphy and Ronald Heyman also shareholders.

Advisory Business

The following are brief descriptions of our primary services. A detailed description of Davis Capital Management's services is provided in the Fees and Compensation section, so that clients and prospective clients can review the services and description of fees in a side-by-side manner.

Portfolio Management Services – We provide advisory services in the form of Portfolio Management Services. Portfolio Management Services involves providing clients with continuous and on-going supervision and discretionary management over client accounts. This means that Davis Capital Management will continuously monitor a client's account and make trades in client accounts when necessary. All assets are held in separately managed accounts with clients retaining full ownership.

Automated Investment Program – Charles Schwab

When appropriate, we offer an automated investment program (the "Program") through which clients are invested in a range of investment strategies we have constructed and manage, each consisting of a portfolio of exchange traded funds ("ETFs") and a cash allocation. The client may instruct us to exclude up to three ETFs from their portfolio. The client's portfolio is held in a brokerage account opened by the client at Charles Schwab & Co., Inc. ("CS&Co"). We use the Institutional Intelligent Portfolios® platform ("Platform"), offered by Schwab Performance Technologies ("SPT"), a software provider



to independent investment advisors and an affiliate of CS&Co., to operate the Program. We are independent of and not owned by, affiliated with, or sponsored or supervised by SPT, CS&Co., or their affiliates (together, "Schwab"). We are the client's investment advisor and are responsible for determining the appropriateness of the Program for the client, choosing a suitable investment strategy and portfolio for the client's investment needs and goals, and managing that portfolio on an ongoing basis. We have contracted with SPT to provide us with the Platform, which consists of technology and related trading and account management services for the Program. The Platform enables us to make the Program available to clients online and includes a system that automates certain key parts of our investment process (the "System"). The System includes an online questionnaire that helps us determine the client's investment objectives and risk tolerance and select an appropriate investment strategy and portfolio. Clients should note that we will recommend a portfolio via the System in response to the client's answers to the online questionnaire. The client may then indicate an interest in a portfolio that is one level less or more conservative or aggressive than the Davis Capital Management recommended portfolio, but we then make the final decision and select a portfolio based on all the information we have about the client. The System also includes an automated investment engine through which we manage the client's portfolio on an ongoing basis through automatic rebalancing and tax-loss harvesting (if the client is eligible and elects).

We do not pay SPT fees for the Platform so long as we maintain \$100 million in client assets in accounts at CS&Co. that are not enrolled in the Program. If we do not meet this condition, then we pay SPT an annual licensing fee of .10% (10 basis points) on the value of our clients' assets in the Program. This fee arrangement gives us an incentive to recommend or require that our clients with accounts not enrolled in the Program be maintained with CS&Co.

Qualified Plan Consulting – We offer several advisory services for corporate retirement plans, separately or in combination. In performing fiduciary advisory services for participant-directed 401(k) plans, Davis Capital Management is a fiduciary and a Section 3(38) Investment Manager under ERISA. Fiduciary advisory services for 401(k) plans include:

1. Discretionary authority to select, monitor, remove, and replace the investment alternatives available to plan participants under the terms of the plan. DCM screens



mutual funds using a proprietary filtering process based on generally accepted investment theories.

2. Discretionary authority to develop and amend a formal written Investment Policy Statement (IPS), which establishes the specific standards and processes for investment operations of the plan.

3. Construction and management of asset-allocation model portfolios from which participants may choose. These asset allocation model portfolios utilize the underlying investment options made available to plan participants. Models are constructed to provide a range of asset allocation models based on generally accepted investment theories.

DCM does not provide fiduciary investment advisory services to participants at a participant level, only at the plan level. However, DCM provides investment education and guidance to participants so that participants may choose an allocation strategy or portfolio from the available mutual funds that meets their needs, objectives, time horizon, and risk tolerance.

Financial Planning Services – We offer advisory services in the form of financial planning services. Financial planning services do not involve the active management of client accounts, but instead focuses on a client's overall financial situation. Financial planning can be described as helping individuals determine and set their long-term financial goals, through investments, tax planning, asset allocation, risk management, retirement planning, and other areas. The role of a financial planner is to find ways to help the client understand his/her overall financial situation and help the client set financial objectives.

Limits Advice to Certain Types of Investments We provide investment advice on the following types of investments.

- Exchange-listed securities (i.e. stocks) • Securities traded over-the-counter (i.e. stocks)
- Foreign Issues • Warrants • Corporate debt securities (other than commercial paper) • Commercial paper • Certificates of deposit • Municipal securities • Variable life insurance
- Variable annuities • Mutual fund shares • United States government securities • Options contracts on securities • Interests in partnerships investing in real estate • Options contracts • Futures contracts • Oil and gas interests • Master Limited Partnerships (MLPs) • Private Placements • Alternative Investments

When providing Portfolio Management Services, the firm will typically construct each client's account holdings using bonds, equities, ETFs, mutual funds and alternative



investments to build diversified portfolios. It is not Davis Capital Management's typical investment strategy to attempt to time the market, but we may increase cash holdings as deemed appropriate based on your risk tolerance and short- and long-term goals. We may modify our investment strategy to accommodate special situations like: low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations.

Advisory Services Customized to Individual Needs of Clients

Our services are provided based on the individual needs of each client. This means, for example, that you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. Davis Capital Management works with each client on a one-on-one basis through interviews and questionnaires to determine the client's investment objectives and suitability information.

Client assets managed by Davis Capital Management, LLC.

The amount of client's assets managed by Davis Capital Management totals approximately \$128,000,000 as of February 12, 2021. \$128,000,000 is managed on a discretionary basis and none is managed on a non-discretionary basis.



Fees and Compensation

In addition to the information provide in – Advisory Business, this section provides details regarding Davis Capital management LLC’s services along with descriptions of each service’s fees and compensation arrangements.

A. Portfolio Management Services

Most clients receiving this Disclosure Brochure will be signing up for our portfolio management service which can best be defined as giving continuous investment advice to a client and making investments for the client based on the individual needs of the client. Through this service, we offer a highly customized and individualized investment program for each client. A specific investment strategy is crafted to focus on the specific client’s goals and objectives.

We provide our portfolio management service through accounts maintained at a qualified custodian. Qualified custodians include, but are not limited to, registered broker/dealers, banks offering trust services and variable annuity product sponsors. We are also able to manage retirement and variable annuity accounts held at select broker/dealers and qualified custodians, conditional upon availability. As a condition of this program, Davis Capital Management will be granted discretionary trading authorization on the client’s account. This enables us to move client funds among stocks, bonds, ETFs, mutual funds or other investments at our discretion.

You are always responsible for notifying us of any changes to your financial situation or investment objectives. We are always reasonably available to consult with you relative to the status of your accounts under our management. Your beneficial interest in a security does not represent an undivided interest in all the securities held by the custodian, but rather represents your direct and beneficial interest in the securities which comprise your accounts. A separate account is always maintained for every client with the broker-dealer/custodian and you retain all rights of ownership to your accounts (e. g. right to withdraw securities or cash, exercise or delegate proxy voting, and receive transaction confirmations).



As described in Advisory Business, clients do not pay fees to SPT or brokerage commissions or other fees to CS&Co.as part of the Program. Schwab does receive other revenues in connection with the Program. Brokerage arrangements are further described below in Brokerage Practices.

Administrative Services Provided by Advent Software INC. Davis Capital Management has contracted with Advent Software INC (referred to as “ADVENT”) to utilize its technology platforms to support data reconciliation, performance reporting, fee calculation and billing, research, client database maintenance, monthly performance evaluations, payable reports, and other functions related to the administrative tasks of managing client accounts. Due to this arrangement, ADVENT will have access to client accounts, but ADVENT will not serve as an investment advisor to Davis Capital Management clients. Davis Capital Management and ADVENT are non-affiliated companies.

Fees for Portfolio Management Services

Davis Capital Management charges an annual percentage-based fee for portfolio management services. The annual fee is based on the fair market or agreed upon value of the client’s account assets determined as of the last business day of each calendar month. Annual fees are divided by 12 and payable monthly in arrears. The following is a sample fee schedule provided for illustrative purposes.

Less than to \$499,999	1.50%
\$500,000 to \$1,999,999	1.25%
\$2,000,000 to \$5,000,000	1.00%
\$5,000,000 and above	.75%

Davis Capital Management LLC calculates its management fee against all assets in the investment account, unless specifically excluded. Therefore, fee calculations include cash balances invested in money market funds, short-term investment funds, ETFs, mutual funds, the entire market value of margined assets and short positions (if any), alternative investments (if any), and all other investment holdings. The exact services and fees will be agreed upon and disclosed in the agreement for services prior to services being provided. Fees may be negotiable based on factors such as the client’s financial situation and circumstances, the amount of assets under management, and the overall complexity of the services provided.



To the extent that margin is employed in the management of the client's investment portfolio, the market value of the client's account will be increased. Therefore, the corresponding fee payable by the client to Davis Capital Management will be increased because Davis Capital management includes the margin balance in the client's overall management fee calculation. As a result, in addition to understanding and assuming the additional principal risks associated with the use of margin, clients authorizing margin are advised of the conflict of interest between Davis Capital Management and the client whereby Davis Capital Management may encourage the use of margin because it will increase the management fee payable to us. We control for this conflict of interest by allowing margin accounts only when requested by the client and/or when using margin would be beneficial for client's overall circumstances.

Fees are generally deducted directly from the client's account. You will need to provide the custodian with written authorization to have fees deducted from the account and paid to Davis Capital Management. The custodian will send client statements, at least quarterly, showing all disbursements for the account including the amount of the advisory fee, if deducted directly from the account.

Brokerage fees and/or transaction ticket fees charged by the custodian will be charged directly to each client's account. We do not receive any portion of such commissions or fees from the custodian or from clients. Management fees charged by Davis Capital Management are separate and distinct from the fees and expenses charged by mutual funds, exchange traded funds, annuities, private investments or investment company securities that may be recommended to clients. A description of these fees and expenses are available in each investment company security's prospectus.

Portfolio management services may be terminated by either party at any time. If services are terminated, fees due are pro-rated based on the period Davis Capital management managed the assets prior to termination. The date of termination will be used to calculate the final fee payment. Once we are notified of an account termination, we will take no further action on the account. Any fee credits granted for customer service issues or annuity surrender fees will be forfeited if you close or transfer your account before the credits have been fully applied.



B. Financial Planning Provided Under Portfolio Management Services

For some clients, we provide financial planning services under several formats at the client's specific direction. For clients that have at least \$100,000 under our management, we offer comprehensive financial planning, included as part of the annual percentage-based fee for Portfolio Management Services. We will consider waiving the \$100,000 minimum on a case-by-case basis.

The financial planning services we provide may be specific or modular in their preparation (unique to each client in their depth of preparation). Topics included as part of the financial planning services may include, but are not necessarily limited to, the following:

1. Organization and assessment
2. Retirement planning
3. Education planning
4. Long-term care
5. Insurance planning
6. Debt management
7. Investments
8. Tax planning
9. Estate planning
10. Life events

We will interview and consult with each client to determine the client's personal financial situation and objectives and to analyze the client's financial documentation. As applicable, we then review the client's assets and liabilities, investment portfolio, retirement plan, education plan, risk management plan, risk tolerance, and estate plan, as well as other areas relevant to the client's financial health. We then provide an executive summary, highlighting the plan of action.

We meet with each client to explain the financial plan and our recommendations. Furthermore, we are available to work with the client throughout the year to implement the plan. The plan is updated to consider changes in the client's financial situation as well as changes in the investment markets, tax laws, estate planning laws, and so on. The client is ultimately responsible for communicating changes in circumstances to Davis Capital management so that we can provide the most accurate advice and counsel possible. Our wealth advisors are available to assist with the implementation of



the plan and to answer any client questions, but the client is ultimately responsible for the implementation or rejection of our recommendations. This means you are never obligated or required to implement our recommendations.

Financial Planning for Fee At our discretion, we may enter into an engagement with a client to create a one-time, customized financial plan on a fee basis. Davis Capital Management rarely agrees to enter into such an arrangement. Such a plan will include topics described in the preceding section as agreed upon by Davis Capital Management and the client. Fees for such a plan are determined on a case by case basis, based on the level of expertise and sophistication required to deliver such a plan. However, fees are generally charged on a fixed fee basis ranging between \$1,500 and \$15,000 depending on the breadth of services provided, the complexity of the client's situation, and the advisory representative providing services to the client. Prior to commencing financial planning services, the client will be required to enter into an agreement for services.

Termination of Agreement

A Client may terminate any of the agreements at any time by notifying Davis Capital Management in writing and paying the rate for the time spent on the investment advisory engagement prior to notification of termination. Davis Capital Management may terminate any of the agreements at any time by notifying the client in writing.

Expense Ratios

Mutual funds and Exchange-Traded Funds generally charge a management fee for their services as investment managers. The fund management fee is called the expense ratio. For example, an expense ratio of 0.50 means that the mutual fund company charges 0.5% for their services. These fees are in addition to the fees paid by you to Davis Capital Management. Performance figures quoted by mutual fund companies in various publications and websites are after their fees have been deducted, so are the net investment returns an investor receives. Because of the hidden nature of these fees DCM generally avoids the use of mutual funds as an investment.

Past due Accounts and Termination of Agreement

Davis Capital Management reserves the right to stop work on any account that is more than 30 days overdue. In addition, Davis Capital Management reserves the right to terminate any financial planning engagement where a client has willfully concealed or



has refused to provide pertinent information about financial situations when necessary and appropriate, in Davis Capital Management judgment, to providing proper financial advice.

Performance-Based Fees

Sharing of Capital Gains

Fees are not based on a share of the capital gains or capital appreciation of managed securities. Davis Capital Management does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

Types of Clients

Description

Davis Capital Management generally provides investment advice to individual clients and small business. Client relationships vary in scope and length of service.

Account Minimums

Client accounts are generally \$500,000 or greater and Davis Capital Management sets our account minimums at \$500,000. Davis Capital Management has the discretion to waive the account minimum under certain circumstances.

Methods of Analysis, Investment Strategies and Risk of Loss

Davis Capital Management's core investment philosophy seeks preservation of capital. Our investment process is designed to manage risk by way of portfolio diversification and disciplined active management. We utilize mostly large capital equities in an effort to supply short-term preservation of capital and long-term growth of assets.

In order to formulate sector weighting, DCM's top-down analysis uses current micro and macroeconomic reviews, Wall Street analysis, and third-party research. Once we have



assigned percentages to each sector, we use bottom-up analysis for security selection. This security selection process employs an in-depth fundamental and technical analysis of specific issues being considered for purchase and compares its relative strength and risk to peers in its sector. This analysis is crucial in maintaining DCM's philosophy of capital preservation, risk management, and asset appreciation.

Portfolio Building

Before we build any client portfolios, clients are interviewed so we may ascertain each client's specific financial goals and risk tolerance. Based on a client's goals and risk tolerance, we develop a custom asset allocation that fits their situation. We offer two types of managed equity accounts to suit client's needs. Larger accounts are placed in our equity builder model which consists of individual stocks, bonds and exchange traded funds. Because it may be cost prohibitive to rebalance smaller accounts using individual stocks we would use suitable ETF's when needed.

All equity portfolios under DCM management are diversified and sector weighted. Chief considerations while building a portfolio are company growth and economic sentiment though risk reduction through diversification remains the focus. In line with this philosophy, DCM discipline mandates that no individual sector shall be greater than 25% of the total portfolio. Once fully invested, equity portfolios typically contain 35 to 45 positions to further diminish individual security risk. ETF based portfolios will generally have less than 20 equity issues due to their diversified nature. DCM constantly reviews both price target and sector performance in order to fulfill both defensive and opportunistic investment strategies.

When We Buy

We buy companies, not stocks. With such, before DCM even considers purchasing a security, we go through a rigorous due diligence process. First, we do a top-down analysis of market conditions which utilizes the following: predictions of growth for the world's major economies, commodity price forecasts, interest rates, wage pressure, job growth, PPI, CPI, GDP, and other indicators. Next, we begin the bottom-up approach to individual companies by gathering and evaluating SEC filings and disclosures, listening to conference calls, reviewing industry research and trade publications, and cross checking with third party analyst's research. Selection criteria include consistent and predictable earnings, solid fundamentals, strong management and reasonable valuations.

When We Sell

How we exit a security is just as important as how we buy a security. We may sell all or part of a position for the following various reasons: We will exit the position if the stock reaches its intrinsic value or our set target price. If there is significant stock appreciation in a short period of time we will decrease our position in order to maintain our margin of safety and lock in gains. We will liquidate a position if our investment thesis no longer remains intact, due to business deterioration or company strategy change.

Risk Controls

DCM primarily defines risk as the loss of principal, and secondarily as underperformance relative to our benchmark (S&P 500 index). If DCM believes that the market has more downside risk than upside opportunity, then we will lower the overall beta of the portfolio and shift to sectors that historically outperform when the market declines. Our short-term focus is on capital preservation and with that in mind; we will rotate between value and growth in sectors based on the firm's overall risk/reward assessment.

Risk of Loss

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

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:** International 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 or 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.

Disciplinary Information

Legal and Disciplinary

Davis Capital Management has not been involved in any legal or disciplinary events related to past or present investment clients since our inception in 2008. We have also never received a customer complaint.

Other Financial Industry Activities and Affiliations

Financial Industry Activities

Davis Capital Management is not registered as a securities broker-dealer, or a futures commission merchant, commodity pool operator or commodity trading advisor.

Affiliations

Davis Capital Management has no arrangements that are material to its advisory or its clients with a related person who is a broker-dealer, investment company, other investment advisor, financial planning firm, commodity pool operator, commodity trading



adviser or futures commission merchant, banking or thrift institution, accounting firm, law firm, insurance company or agency, pension consultant, real estate broker or dealer, or an entity that creates or packages limited partnerships.

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

Code of Ethics

Davis Capital Management has committed to a Code of Ethics that is available for review by clients and prospective clients upon request. Alternatively, it may be found on the Davis Capital Management website. We are committed to being fiduciaries.

Participation or Interest in Client Transactions

Davis Capital Management employees may buy or sell securities that are also held by clients. Davis Capital Management employees may not trade their own securities ahead of client trades.

Personal Trading

The Chief Compliance Officer of Davis Capital Management is Troy M. Davis. Any trades of employees that could materially affect a stock's price must be run by Troy M. Davis prior to execution to ensure our clients come first. Troy M. Davis' trading will be supervised by John Murphy.

Brokerage Practices

Selecting Brokerage Firms

Davis Capital Management currently recommends using Charles Schwab for custodianship but will work with any brokerage firm the client chooses.

Best Execution

Davis Capital Management reviews the execution of trades at each custodian each quarter. Trading fees charged by the custodians are also reviewed as they occur. Davis Capital Management does not receive any portion of the trading fees.



Soft Dollars

Davis Capital Management receives no software maintenance credit from Charles Schwab & Company or any other brokerage firm, even though client assets are held with these custodians.

Review of Accounts

Periodic Reviews

Account reviews are performed at least quarterly by Davis Capital Management. Account reviews are performed more frequently when market conditions dictate.

Review Triggers

Other conditions that may trigger a review are changes in the tax laws, new investment information, and changes in a client's own financial situation.

Regular Reports

Davis Capital Management considers the client's current security positions and the likelihood that the performance of each security will contribute to the investment objectives of the client. Investment Management Clients receive periodic communications on a monthly basis.

Client Referrals and Other Compensation

Incoming Referrals

Davis Capital Management has been fortunate to receive a number of client referrals over the years. The referrals come from current clients, estate planning attorneys, accountants, and other similar sources. No compensation is paid to referring parties for these referrals.

Referrals Out

Davis Capital Management does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to him.



Custody

Account Statements

All assets are held at qualified custodians, which mean the custodians provide account statements directly to clients at their address of record, or digitally via the custodian's website, at least quarterly.

Performance Reports

Clients are urged to compare the account statements received directly from their custodians to the performance report statements provided by Davis Capital Management. Performance information is available online at any time through Davis Capital's client portal.

Investment Discretion

Discretionary Authority for Trading

Davis Capital Management accepts discretionary authority to manage securities accounts on behalf of clients. Davis Capital Management has the authority to determine without obtaining client consent, the securities to be bought or sold, when to buy or sell, and the amount of the securities to be bought or sold.

The client approves the custodian to be used and the commission rates paid to the custodian. Davis Capital Management does not receive any portion of the transaction fees or commissions paid by the client to the custodian on certain trades. Discretionary trading authority facilitates placing trades in client accounts on a client's behalf so that the investment policy that a client has approved in writing may be promptly implemented.

Limited Power of Attorney

A limited power of attorney is a trading authorization for this purpose. Clients generally sign a limited power of attorney so that trades may be executed on behalf of the client.



Voting Client Securities

Proxy Votes

Davis Capital Management will vote proxies on securities. Clients can choose to vote their own proxies or allow us to do so for them. When assistance on voting proxies is requested, Davis Capital Management will provide recommendations to the Client. If a conflict of interest exists, it will be disclosed to the Client. Davis Capital Management will make best efforts to fill out proxies in a timely manner. As a general practice Davis Capital Management votes with the board of directors' recommendations 100% of the time.

Financial Information

Financial Condition

Davis Capital Management does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients. A balance sheet is not required to be provided because Davis Capital Management does not serve as a custodian for client funds or securities, and does not require prepayment of fees.

Business Continuity Plan

General

Davis Capital Management has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, and services.

Disasters

The Business Continuity Plan covers natural disasters such as snowstorms, hurricanes, tornados, and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, Internet outage, railway accident and aircraft accident. Electronic files are backed up and archived offsite.

Alternate Offices

Alternate offices would be identified to support ongoing operations in the event the main office is unavailable. It is Davis Capital Management's intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location.



Loss of Key Personnel

Davis Capital Management has made arrangements internally to support the clients of Davis Capital Management in the event of any key personnel's serious disability, or death.

Information Security Program

Information Security

Davis Capital Management maintains information security measures to reduce the risk that a client's personal and confidential information may be breached.

Privacy Notice

Davis Capital Management is committed to maintaining the confidentiality, integrity and security of the personal information that is entrusted to him. The categories of nonpublic information that Davis Capital Management may collect from clients may include information about a client's personal finances, information about health (to the extent that it is needed for the financial planning process), information about transactions between clients and third parties, and information from consumer reporting agencies, e.g., credit reports. Davis Capital Management uses this information to help clients meet their personal financial goals.

With client permission, Davis Capital Management may disclose limited information to attorneys, accountants, and mortgage lenders with whom clients have established a relationship. Clients may opt out from Davis Capital Management sharing information with these nonaffiliated third parties by notifying him at any time by telephone, mail, fax, email, or in person. With client permission, Davis Capital Management shares a limited amount of information about you with the client's brokerage firm in order to execute securities transactions on a client's behalf.

Davis Capital Management maintains a secure office to ensure that client information is not placed at unreasonable risk. A firewall barrier, secure data encryption techniques and authentication procedures are employed in the computer environment.

Davis Capital Management does not provide client personal information to mailing list vendors or solicitors. Davis Capital Management requires strict confidentiality in all



agreements with unaffiliated third parties that require access to client personal information, including financial service companies, consultants, and auditors. Federal and state securities regulators may review our company records and client personal records as permitted by law. Personally, identifiable information about clients will be maintained while a client works with Davis Capital Management and for the required period thereafter that records are required to be maintained by federal and state securities laws. After that time, information may be destroyed.

Davis Capital Management will notify you in advance if our privacy policy is expected to change. Davis Capital Management is required by law to deliver this *Privacy Notice* to clients annually.

Wrap Fee Program

Davis Capital Management does not sponsor a wrap fee program.



EDUCATIONAL AND BUSINESS EXPERIENCE

Troy M. Davis (b. 1974), President

Education

B.S. in Business Administration, *University of Florida*, 2005

Business Background

Davis Capital Management, LLC (2008-Present): Mr. Davis serves as president, providing investment advisory services.

Fidelity Investments (2006-2007): Mr. Davis served as an investments representative, providing investment advisory services.

Merrill Lynch (2005-2006): Mr. Davis served as a retirement specialist, providing investment advisory services.

John C. Murphy (b. 1975), Investment Manager

Education

B.S. in Finance, *University of Florida*, 1998

Business Background

Davis Capital Management (2016-present) Mr. Murphy serves as investment manager providing investment advisory services.

B & C Financial (2006-2016): Mr. Murphy was chief investment officer and an investment adviser representative, providing investment advisory services.

Ronald Heymann (b. 1975), Wealth Advisor

Education

M.B.A, *University of North Florida*, 2006

B. S. in Geography, *Florida State University*, 1997

Business Background

Davis Capital Management, LLC (2012-Present): Mr. Heymann is a wealth advisor and an investment advisor representative, providing investment advisory services.

Strategic advisors, INC (2010-2012): Mr. Heymann served as an investment advisor representative.



Fidelity Investments (2007-2010): Mr. Heymann served as an Account executive.

Richard K. McLeod (b. 1970), Vice President of Wealth Management

Education

B.A. in Psychology, *Clemson University*, 1992

Business Background

Davis Capital Management (2020-present) Mr. McLeod serves as the Vice President of Wealth Management.

Camarda Wealth Advisory Group (2018-2020): Mr. McLeod served as the Vice President of Wealth Management.

DISCIPLINARY INFORMATION

Troy Davis, John Murphy, Ronald Heymann, and Richard McLeod have never had any legal or disciplinary events in their past. Clients and prospective clients can view the CRD records (registration records) for all DCM employees through the SEC's Investment Adviser Public Disclosure (IAPD) website at www.adviserinfo.sec.gov or FINRA's Broker Check database online at www.finra.org/brokercheck. The CRD numbers for advisors are as follows;

Troy Davis # 5038006

Ronald Heymann # 5457869

John Murphy #4509081

Richard McLeod #2561000

OTHER BUSINESS ACTIVITIES

Ron Heymann teaches financial planning courses for the University of North Florida and also works as a real estate agent in a limited compacity. He does not offer agent services to clients of DCM.

ADDITIONAL COMPENSATION

No employee of Davis Capital Management receives any additional compensation from non-clients for providing advisory services. All advisory compensation is paid by clients directly on a fee-only basis.



SUPERVISION

As president of Davis Capital Management, Troy Davis is primarily responsible for supervision of all investment advisor representatives. Since we provide discretionary account management, investments are reviewed weekly by the investments council for suitability and risk. This involves the research of investments with third party services such as Valueline and Morningstar. Financial plans are reviewed by Mr. Davis and the acting advisor to ensure the best possible outcome for our clients.

REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Davis Capital Management would be required to disclose additional information for any advisor if they had ever been the subject of a bankruptcy petition or ever been found liable in either: (a) an arbitration; or (b) a civil, self-regulatory organization, or administrative proceeding. As none of these apply to any DCM employee, there is no information to disclose.