Part 2A of Form ADV: Firm *Brochure*

Item 1 Cover Page

Date of this Brochure
3/30/21

Firm
Two Point Capital Management, Inc.

Address
4 S Main Street
Pittsford, New York 14534

Website
TwoPointCapital.com

This brochure provides information about the qualifications and business practices of Two Point Capital Management, Inc. If you have any questions about the contents of this brochure, please contact us at 585-586-1731. 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 Two Point Capital Management, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 Material Changes

There are no material changes to our brochure since our last update in March 2017.

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Item 4 Advisory Business

A. Two Point Capital Management is a registered investment advisory firm located in Pittsford, New York. The firm is owned and managed by Jack McGowan (CEO). Two Point Capital Management has been registered since 2004.

B. The firm manages individual portfolios of stocks and bonds as appropriate for the investment needs and risk tolerance of our clients. Investments are limited to securities that trade on public exchanges and are tradeable on a daily basis.

C. Our approach to investing is grounded in long-term investing principles that impact all of our investment decisions. Portfolios are tailored for each client based on the amount of volatility, risk and short and long-term liquidity needs that are dictated by the client's individual circumstances. All investments are chosen by Two Point Capital Management and must conform to the firm's criteria for inclusion in our investment portfolios. While our clients are vitally involved in setting risk and asset allocation parameters for their portfolio(s) they do not participate in the selection of the specific investments utilized to execute our investment strategies.

D. Two Point Capital Management does not participate in wrap fee programs.

E. As of 12/31/2020 the firm manages $199 million of discretionary assets.

Item 5 Fees and Compensation

A. Two Point Capital Management is compensated for our services by collecting a fee that is based on a percentage of client assets under our management.

Our fee schedule is:

1.00% of assets for client assets under $1 million
0.75% of assets for assets between$1 million and $10 million
Negotiable rates for managed assets in excess of $10 million

B. Fees are deducted from clients accounts on a quarterly basis in advance, at the start of each quarter and are based on the market value of each account at the end of the preceding quarter.

C. Two Point Capital Management only receives the fees outlined above. Clients will pay for the transaction fees charged to buy and sell securities on their behalf. Two Point Capital Management is not a brokerage firm and does not receive any portion of these transaction related fees. Custodians might also charge an annual custodial fee.

D. Management fees are paid quarterly in advance. In the event that an account is terminated in writing, refunds are prorated based the number of full months that remain in the quarter after the written notice of termination has been received.

E. Two Point Capital Management and its employees do not receive any compensation for the sale of securities or other investment products.

Item 6 *Performance-Based Fees* and Side-By-Side Management

Two Point Capital Management does not charge performance-based fees or hourly fees. There is only one fee we charge for our investment management services that is based on the fee schedule detailed in Item 5 above.

Item 7 Types of *Clients*

Two Point Capital Management is available to provide our investment advisory service to individuals, trusts, not-for-profit organizations, companies, or pension plans.

Our firm is focussed on establishing long-term relationships with our clients and therefore require an initial investment that reflects a significant commitment to a long-term relationship. Generally this means a minimum relationship of $1,000,000 or more.

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

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

A. Equity investments are chosen based on fundamental analysis of factors that impact long-term potential growth as well as valuation. Investing in equities involves many risks that include but are not limited to stock market and interest rate risk. These have in the past and may in the future result in investment losses to client portfolios that are borne by the client.

The purchase and sale of securities generates a cost that we minimize to those transactions we feel are necessary to take advantage of long-term investing opportunities and mange risk in our portfolios.

Fixed income investments are generally purchased and held to maturity. We do not predict short-term changes in interest rates and do not invest on that basis.

Item 9 Disciplinary Information

Neither Two Point Capital Management nor its employees have been subject to legal or disciplinary events that are material to a *client's* or prospective *client's* evaluation of our advisory business or the integrity of our management.

Item 10 Other Financial Industry Activities and Affiliations

A, B. No employee of the company is registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

C. No employee of the company has any relationship or arrangement that would create a conflict of interest or is material to our advisory business or to our clients with any of the firms/groups/individuals listed below:
1. broker-dealer, municipal securities dealer, or government securities dealer or broker
2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund)
3. other investment adviser or financial planner
4. futures commission merchant, commodity pool operator, or commodity trading advisor
5. banking or thrift institution
6. accountant or accounting firm
7. lawyer or law firm
8. insurance company or agency
9. pension consultant
10. real estate broker or dealer
11. sponsor or syndicator of limited partnerships.

Item 11 Code of Ethics, Participation or Interest in *Client* Transactions and Personal Trading

A. Two Point Capital Management, Inc has adopted the Code of Ethics promulgated by the CFA Institute. A copy of the Code is available to all clients and prospective clients upon request.

B. Employees of Two Point Capital Management, Inc. are prohibited from buying or selling securities that are held in client accounts unless:

1. the employee has signed a client investment management agreement form that specifies assets in a specific account or accounts that are to be under the management of Two Point Capital Management, Inc.. These accounts will be invested by Two Point Capital Management, Inc. under the procedures used for all other accounts with similar investment goals and will be traded at the same time and receive that same executions as other accounts with similar investment goals that are held at the same custodian and under the management of Two Point Capital Management, Inc. (OR)

2. the employee agrees not to buy or sell any investment that is being actively bought or sold by Two Point Capital Management, Inc. until all existing orders for the security under question have been completed and a waiting period of 1 full business day has passed. In addition, investments made by any employee in securities also held in client accounts must be held until either : (a) the security is sold for all clients of Two Point Capital Management, Inc. and the one day waiting period has passed or (b) the employee notifies Two Point Capital Management, Inc in writing of a request to sell or donate any specific investment(s). This notification will take place and permission will be received in writing before any shares can be sold.

   Also, no sales will be allowed, under any conditions, if Two Point Capital Management, Inc. is actively selling or is considering sales of the specified security until those sales are completed for all accounts under management for which sales are planned and the one day waiting period has passed.

All employees must provide Two Point Capital Management, Inc. with a quarterly record of investment transactions made for their (and their immediate family's) benefit if those transactions were initiated according to #2 above. These records will include: security name, number of shares, value of transaction, price of security transacted and broker that executed the transaction.

Item 12 Brokerage Practices

A. Two Point Capital Management selects broker-dealers to execute *client* transactions using a number of criteria that include: ability to execute the transaction with skill that benefits the clients of Two Point Capital Management, cost of the transaction relative to other brokers and other services provided by the broker that benefit the clients of Two Point Capital Management.

Other services that will be considered include: quality of custodial services (transaction reporting, tax reporting, options for client interaction) and investment research that will benefit all clients.

No individual or group of accounts pay transaction rates above those charged to other clients in order to purchase research or other services designed to benefit a limited group of clients that are not involved in the payment of those services.

There were no purchases of soft-dollar products, services or research during the last fiscal year. Orders for client accounts are aggregated by custodian to limit variation among client accounts for the same execution whenever possible.

B. Purchases and sales of securities for multiple clients at one time are aggregated whenever we have made an investment decision to expand or reduce the size of an investment for any group(s) of clients based on their risk tolerance and asset allocation preferences. We do this with the goal of increasing investing efficiency and achieving the best possible execution that is the same for all of our clients.

Item 13 Review of Accounts

Monthly account statements are sent to each client by their chosen custodian unless the client has chosen a different schedule.

In addition, Two Point Capital Management, Inc. will present and review a written annual report of performance to each client. The annual investment review report will include investment performance calculations for the account over the past 12 months and since inception. It will also include a statement of assets that documents the value of the portfolio that is used to generate investment performance figures. Performance is calculated after fees for both an Internal Rate of Return and a Time Weighted Rate of Return and these are compared to the total return of relevant index benchmarks like the Russell 3000, the S&P 500 and Barclays fixed income indices. The firm prefers to present this report in person but will mail a copy of the report to the client if the client prefers.

In addition to these regularly scheduled reviews clients may request additional meetings when they feel the need to provide the firm with new information about them or the need to receive additional information or guidance from Two Point Capital Management.

Meetings with clients will be conducted by the individual responsible for client contact and communication and may include the Portfolio Manager and/or an employee responsible for client care.

Item 14 *Client* Referrals and Other Compensation

No one outside of the company is compensated in any way for referrals provided to our company.

Item 15 *Custody*

Clients will receive account statements from their qualified custodian monthly (unless they choose an alternate frequency) and should carefully review those statements.

Item 16 Investment Discretion

Clients provide the firm with discretionary authority to choose investments and manage securities accounts on their behalf.

Two Point Capital Management will be limited to executing investment transactions within the investment account under management and will not be allowed to move funds from the account without specific written permission from the client. This will permission always includes the ability of the firm to collect a quarterly management fee.

To provide this authority the client will sign an Investment Management Agreement with Two Point Capital Management that will provide a limited power of attorney that describes the limitations stated previously. In addition, the client will complete and sign authorizing forms from the custodian that will also state the formal limitations our firm's ability to impact the client's investment account.

Item 17 Voting *Client* Securities

Two Point Capital Management will accept client authority to execute proxy votes on their behalf. Decisions on proxy votes are always based on protecting client interests and investor rights first, and then insuring that the firms we invest in are engaged in actions that enhance their ability to execute a business strategy that generates optimum shareholder returns. Votes are never made in a way that directly harms the client in favor of the firm. The firm has no relationships with companies we have invested in that would produce a conflict of interest with our clients.

Clients may provide a written request to obtain information about how our firm voted any specific proxy on their behalf. Clients may also request a copy of our proxy voting policy.

Item 18 Financial Information

Two Point Capital Management does not have custody of client funds or securities, or require or solicit prepayment of more than $1,200 in fees per *client*, six months or more in advance.

In addition, we have not been the subject of a bankruptcy petition at any time during the past ten years.

Item 19 Requirements for State-Registered Advisers

Name: John B. McGowan - CEO
Age: 61 years
Post High School Education: B. A. Economics, Chartered Financial Analyst.
Business Background for past 16 years: John has served as CEO and President of Two Point Capital Management, Inc., a Registered Investment Advisor offering investment management services to corporations and individuals.

Prior to that John spent over 15 years in the investment management business. During this time he primarily participated in the research, analysis, choice of investments, investment strategy and the management of separate investment portfolios for institutional and personal clients.

John also spent 5 years as President of McGowan Market Alliance Corporation, a firm dedicated to providing investor relations consulting and coaching to public and private corporations. Throughout this period he continued to manage investment portfolios of personal and family assets.

He also served on the Board of Directors of the Rochester Society of Security Analysts, Inc. for 10 years, two of these years as President.

No employee of the firm has been found liable in an arbitration claim or a civil, *self-regulatory organization*, or administrative proceeding for any reason, at any time.

No employee of the firm has a relationship or arrangement with an any issuer of securities of any kind.