

Item 1 – Introduction: Townsend Asset Management Corp. (“Townsend”) is a SEC-registered investment adviser providing advisory services. Brokerage and investment advisory services and fees differ and it is important for you to understand the differences. For free and simple tools to research firms and financial professionals, please visit [Investor.gov/CRS](https://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers and investing.

Item 2 – Relationship Services

What investment services and advice can you provide me?

Townsend’s services include financial planning; investment advisory services; tax preparation and planning; consulting and financial advice; and wealth management.

Monitoring: We monitor discretionarily managed investments on an ongoing basis, with at least a monthly or quarterly review, depending on the amount of managed assets.

Investment Authority: We normally manage on a discretionary basis, which permits us to determine, without obtaining your specific consent, the securities and amounts to be bought or sold. We manage your portfolio in accordance with your expressed goals and the investment policy mutually agreed upon.

Investment Offerings: We do not offer or limit our advice to proprietary products or a limited menu of products or types of investments.

Requirements: We generally do not impose a minimum account size for establishing a relationship.

For additional information, see Item 4 and Item 7 of Townsend’s ADV Part 2A (Brochure), which can be accessed here: www.adviserinfo.sec.gov.

Key questions to ask:

- 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?

Item 3 – Fees, Costs, Conflicts, and Standard of Conduct

What fees will I pay?

Townsend charges an asset-based management fee for its advisory services. The fee typically ranges from 0.25% to 1.35% per year of a client’s managed asset value. Fees for services such as consulting, tax preparation and/or financial planning may be determined as follows: hourly rates ranging from \$250-\$500; flat fees or project fees; or retainer fees for services of an ongoing nature. Wealth management fees are individually quoted and influenced by the value of the assets being managed, overall assets and net worth, and the complexity of a client’s financial situation. Fees may be negotiated, depending on the nature of the services being provided, types of investments being used, style and frequency of trading, or other factors. Your fee is described in your Engagement Letter with us.

Asset-based compensation creates a potential conflict of interest because the more money we manage for you, our revenue increases and the more an employee may be compensated. This incentivizes us to encourage you to increase your managed assets. Our advisory fee is exclusive of custodial fees, brokerage fees and other transaction costs incurred when buying or selling securities. Mutual funds have internal expense costs and some charge redemption fees if a fund is sold too soon after purchase.

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 additional information, please see Item 5 in our Form ADV Part 2A.

Key question to ask: 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? 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 not put our interest ahead of yours. 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 that we provide you. Here are some examples to help you understand what this means. Our only compensation is the fees you pay us. We do not receive commissions or fees from other parties. As stated below, certain financial products sold by Townsend employees, for which they may receive compensation, may be included in your portfolio or as part of our services provided to you.

For additional information, please see our Form ADV Part 2A.

Key question to ask: How might your conflicts of interest affect me and how will you address them?

How do your financial professionals make money?

Townsend's only compensation, as discussed above, is the fees you pay us. Asset-based compensation creates a potential conflict of interest because the more money we manage for you, our revenue increases and the more an employee may be compensated. This incentivizes us to encourage you to increase your managed assets. In addition, some Townsend employees are individually licensed to sell insurance and annuities and could receive compensation from the sale of these financial products. Sales-based compensation presents a conflict of interest as it could give an incentive to recommend a product based on the compensation received. We mitigate this by disclosing the additional compensation to you and allowing you to make the decision to purchase the product.

Item 4 – Disciplinary History

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

No. A free and simple search tool to research us and our financial professionals is available at Investor.gov/CRS.

Key question to ask: As a financial professional, do you have any disciplinary history? For what type of conduct?

Item 5 – Additional Information

Our office is located at 3110 Edwards Mill Road, STE 150 Raleigh, NC 27612. Additional information about our investment advisory services and an up-to-date copy of the relationship summary is available by contacting us at (919) 782-9689 or contacting the CCO, Caleb Griffith, at caleb@assetmgr.com.

Key question to ask: 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?

Material Changes

The following material update has been made to this Form CRS since our last filing on May 11, 2022.

1. Updated fee range information to reflect new range of 0.25% to 1.35%.