



Form ADV Part 3 – Client Relationship Summary (Form CRS)

December 21, 2020

### **Item 1 – Introduction**

BUTTONWOOD CAPITAL MANAGEMENT (BCM) (CRD #174857) is an investment adviser registered with the Securities and Exchange Commission (SEC). This document gives you a summary of the types of services and fees we offer. Please visit [www.investor.gov/CRS](http://www.investor.gov/CRS) for free and simple tools to research firms, and for educational materials about broker-dealers, investment advisers, and investing. It is important that you understand the differences between brokerage services and investment advisory services. The fees that BCM and LPL Financial LLC (LPL), our custodian, charge for these services are different. In particular, your financial professional may earn additional transaction-based compensation and have additional conflicts of interest as a result of providing brokerage services through LPL. You are encouraged to learn more about LPL by reviewing <https://www.lpl.com/disclosures.html> and having a discussion with your financial professional.

### **Item 2 – Relationships and Services**

**What investment services and advice can you provide me?** Our firm primarily offers investment advisory services to retail clients including portfolio management, whereby we review, develop, and implement your investment strategy and manage your overall investment portfolio on an ongoing basis. Additionally, we offer financial planning whereby we assess your current financial situation and provide advice to meet your financial goals. As part of our standard services, we typically monitor your accounts on a daily basis. BCM offers both discretionary advisory services (our firm makes the decision regarding the purchase or sale of investments) as well as non-discretionary services (you make the ultimate decision). We do not limit the types of investments that we recommend and do not have a minimum account size. [Additional information can be found in items 4 and 7 of our Form ADV Part 2A.](#)

You may wish 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?** Our fees vary depending on the services you receive and can be customized depending on the nature of your individual needs, account investment size, complexity and particular management services requested. BCM's investment advisory fees are generally charged quarterly in advance. BCM's flat or hourly financial planning and strategic consulting fees are typically charged at the time of service. The amount of assets in your account(s) affects our advisory fees; the more assets you have in your advisory account(s), the more you will potentially pay us, and thus we have an incentive to increase those assets in order to increase our fee. Additionally, you will pay our fees even if you do not have any transactions, and the advisory fee paid to us generally does not vary based on the type of investments selected. [For additional information, please also see items 4, 5, 6, 7 & 8 of our Form ADV Part 2A.](#)

Some investments (e.g., mutual funds, ETF's, annuities, etc.) impose additional fees (e.g., transactional fees and product-level fees) that reduce the value of your investment over time. You may also pay fees to a custodian that will hold your assets. Additionally, you may pay transaction fees when we buy and sell an investment for your account as well as administrative charges imposed by custodians and broker dealers. 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. [Please also see our Form ADV Part 2A, items 4 and 5, for additional details.](#)

You may wish 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, 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 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 we provide you. Here are some examples to help you understand what this means:

- BCM employees may invest in the same securities as you.
- Our custodian, LPL, offers services to BCM that may depend in part on placing your assets with LPL.
- We earn more money when you have a larger account, so we have an incentive to recommend that you move your accounts, such as 401Ks and other retirement plans, to us.

**[Please also refer to our firm's ADV Part 2 for additional information on conflicts of interest.](#)**

**How do your financial professionals make money?** BCM benefits from the advisory services we provide to you because of the advisory fees we receive. Our financial professionals are employees of the firm and are paid a fixed monthly salary. They may also receive bonuses at the firm's discretion based on the success of the firm, and specifically upon the contributions of the employee (e.g., by bringing in additional assets under management). Our financial professionals are also registered representatives of LPL Financial LLC (LPL), an SEC registered broker-dealer and investment adviser; they may offer you brokerage services through LPL or investment advisory services through BCM.

You may wish to ask:

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

#### **Item 4 – Disciplinary History**

**Do you or your financial professionals have legal or disciplinary history?** No, we do not have any legal or any disciplinary events. Visit <https://www.investor.gov/> for a free, simple search tool to research us and our financial professionals.

You may wish to ask:

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

#### **Item 5 – Additional Information**

You can find additional information about our firm's advisory services on the SEC's website at <https://adviserinfo.sec.gov/firm/summary/174857>. If you would like additional up-to-date information, or another copy of any firm disclosure, please contact us at 480-305-2102.

You may wish 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?***