

Part 3 of Form ADV: *Client Relationship Summary*

02/06/2024

Item 1. Introduction

Buttonwood Financial Advisors, Inc. is an investment advisor registered with the Securities Exchange Commission. Brokerage and investment advisory services differ, and it is important for retail investors to understand the differences. Free and simple tools are available to research firms and financial professionals at investor.gov/crs, which also provides educational materials about broker-dealers, investment advisors, and investing.

- *Suggested conversations starters are offered to prompt a more detailed discussion.*

Item 2. Relationships and Services

What investment services and advice can you provide me? We offer two advisory services to retail clients. Please see Items 4, 7, 8, 13 and 16 of our Form ADV Part 2A for more detail.

Discretionary Investment Management – We monitor your portfolio on a daily basis using our full discretion to select individual stocks, bonds, certificates of deposits, mutual funds, and exchange traded funds, in accordance with the stated objectives of a written investment policy statement. We do not require a minimum investment.

Financial Planning – Using currently known variables, we prepare a written report that projects your future cash flow to evaluate tax planning opportunities, insurance needs, estate planning, and your investment objectives for retirement and education planning. You are under no obligation to implement your plan with us, and our recommendations are not limited to any specific products or services offered by a broker-dealer or insurance company.

- *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? 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 the fees and costs you are paying. Please see Items 5, 6, 8, 11, 12, and 14 of our Form ADV Part 2A for more detail.

Discretionary Investment Management – Each calendar quarter, we deduct our management fee, in advance, based on your account value and annual fee rates that range from 1.25% to 0.75%. The more assets we manage for you, the lower your marginal fee rate, although the larger your fee will be.

Financial Planning – We charge \$500 due on delivery of your financial plan.

Other Costs – You will also pay any custodian fees, account fees, mutual fund or other product specific fees, and transactional fees.

- *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 advisor? 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. Specifically, we have an incentive to encourage greater management of your assets.*

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

How do your financial professionals make money? Our advisors earn a base salary and/or bonuses, revenue sharing, and profit distributions.

Item 4. Disciplinary History

Do you or your financial professionals have legal or disciplinary history? No. Please visit investor.gov/crs for a free and simple tool to research us and our financial professionals.

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

Item 5. Additional Information

For additional information on our advisory services, see our Form ADV Part 2. Call us at 410-988-2391 to request up-to-date information or to request a copy of this summary.

- *Who is my primary contact person?*
- *Is he or she a representative of an investment advisor or a broker-dealer?*
- *Who can I talk to if I have concerns about how this person is treating me?*