

Customer Relationship Summary  
June 14, 2024  
Townsend Financial Planning, LLC  
36 East Main Street  
Mt. Sterling, KY 40353  
859-498-2020

### **Introduction**

Townsend Financial Planning, LLC is an investment adviser registered with the SEC, and we provide fee-based investment management and financial planning services. This document gives you a summary of the types of services we provide and how you pay. Please ask us for more information. Brokerage and investment advisory services and fees differ and it is important for you to understand these differences. We encourage you to visit [Investor.gov/CRS](https://www.investor.gov/CRS) which is a free and simple search tool to research our firm and our financial professionals.

### **What Investment Services and Advice can you provide me?**

There are different ways you can get help with your investments. You should carefully consider which type of account and the services that are right for you. Townsend Financial Planning, LLC usually meet with clients directly but may also work with clients by phone or through internet communication, to provide investment advice, develop strategies, and define goals. Assets can be managed on a **discretionary** or **nondiscretionary** basis. Discretionary authority allows Townsend Financial Planning, LLC to buy and sell securities without asking in advance whereas non-discretionary authority is limited to offering advice, but you make the decision to buy or sell. Townsend Financial Planning, LLC receives compensation by charging an ongoing asset management fee based on the value of cash and other investments in your advisory account. Project-based financial planning services are available for either a fixed fee or hourly fee. We do not have a specific minimum account size required to open an account. More detailed information is available in our [Form ADV Part 2A](#) available at [www.townsendplanning.com](http://www.townsendplanning.com) or at [adviserinfo.sec.gov](https://adviserinfo.sec.gov)

### **Conversation Starter. Ask your financial professional—**

- Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of 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?

### **What fees will I pay?**

Please ask your financial professional to give you personalized information on the fees you will pay.

The amount paid to our firm and your financial professional generally does not vary based on the type of investment we select on your behalf. Townsend Financial Planning, LLC strives to use the most cost-effective investment choices but in some instances, a transaction fee, known as a ticket charge, will apply (these ticket charges are charged by the custodian, and we do not share in that revenue). Fees are negotiable and based on the scope and complexity of your account, the amount of time and expertise required as well as the account value. Fees for investment management services are charged quarterly in arrears based on either the average daily balance of your account or the quarter's end account value. The more assets you have in an advisory account, including cash, the more you will pay us. We therefore have an incentive to increase the assets in your account in order to increase your fees. You pay our advisory fee even if you do not buy or sell during the fee period. 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.

### **Conversation Starter. Ask your financial professional—**

- 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 providing recommendations as my investment adviser? How else does your firm make money and what conflicts of interest do you have?**

We must abide by certain laws and regulations in our interactions with you. We are held to a fiduciary standard that covers our entire investment advisory relationship with you. For example, we are required to monitor your portfolio, investment strategy, and objectives on an ongoing basis. Our financial professionals offer investment advisory services through Townsend Financial Planning, LLC. Investment advisory services require that we act as a fiduciary and put your interest above ours. *When acting in the capacity of an investment adviser*, your financial professional mitigates conflicts of interest by only acting in your best interest.

**Conversation Starter. Ask your financial professional—**

- How might your conflicts of interest affect me, and how will you address them? How do your financial professionals make money?

Our interests can conflict with your interests. We must eliminate these conflicts or tell you about them in a way you can understand so that you can decide whether or not to agree to them. Your financial professional makes money based on the amount of assets they manage for you, the revenue the firm earns from the financial professional's advisory services, or recommendations, and fixed fees on financial planning services. These are all cash forms of compensation. Your financial professional does not receive any form of non-cash compensation.

**Conversation Starter. Ask your financial professional—**

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

Townsend Financial Planning, LLC does not have any disciplinary history to disclose. To report a problem to the SEC, visit [Investment Adviser Public Disclosure \(IAPD\)](#) or call the SEC's toll-free investor assistance line at (800)732-0330.

**Additional Information**

We encourage you to visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research our firm and our financial professionals. If you have a problem with your investment, investment accounts, or a financial professional, contact us in writing at 36 East Main Street, Mt. Sterling, KY 40353. For additional information on our advisory services, see our ADV brochure available at [Investment Adviser Public Disclosure \(IAPD\)](#). A copy of our ADV brochure can also be obtained at no cost or by calling us at 859-498-2020.

**Conversation Starter. Ask your financial professional—**

- 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?