

FORM ADV**Uniform Application for Investment Adviser Registration****Part II – Page 1**

Name of Investment Adviser: Buttonwood Advisors, LLC					
Address:	(Number and Street)	(City)	(State)	(Zip Code)	Area Code: Telephone Number
229 E Greenville St		Anderson	SC	29621	864 363-8036

**This part of Form ADV gives information about the investment adviser and its business for the use of clients.
The information has not been approved or verified by any government authority.**

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(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

FORM ADV**Part II – Page 2**

Applicant:

Buttonwood Advisors, LLC

SEC File Number:

801-71615

Date:

12/20/ 20101. **A. Advisory Services and Fees.** (check the applicable boxes)For each type of service provided, state the approximate % of total advisory billings from that service.
(See instruction below.)

Applicant:

- | | | | |
|-------------------------------------|-----|--|--------------|
| <input type="checkbox"/> | (1) | Provides investment supervisory services..... | _____ % |
| <input checked="" type="checkbox"/> | (2) | Manages investment advisory accounts not involving investment supervisory services..... | <u>100</u> % |
| <input type="checkbox"/> | (3) | Furnishes investment advice through consultations not included in either service described above..... | _____ % |
| <input type="checkbox"/> | (4) | Issues periodicals about securities by subscription..... | _____ % |
| <input type="checkbox"/> | (5) | Issues special reports about securities not included in any service described above | _____ % |
| <input type="checkbox"/> | (6) | Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities..... | _____ % |
| <input type="checkbox"/> | (7) | On more than an occasional basis, furnishes advice to clients on matters not involving securities | _____ % |
| <input type="checkbox"/> | (8) | Provides a timing service..... | _____ % |
| <input type="checkbox"/> | (9) | Furnishes advice about securities in any manner not described above..... | _____ % |

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

B. Does applicant call any of the services it checked above financial planning or some similar term.....

Yes
☐No
☒

C. Applicant offers investment advisory services for: (check all that apply):

- | | |
|---|--|
| <input checked="" type="checkbox"/> (1) A percentage of assets under management | <input type="checkbox"/> (4) Subscription fees |
| <input type="checkbox"/> (2) Hourly charges | <input type="checkbox"/> (5) Commissions |
| <input type="checkbox"/> (3) Fixed fees (not including subscription fees) | <input type="checkbox"/> (6) Other |

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. **Types of Clients** – Applicant generally provides investment advice to: (check those that apply)

- | | |
|--|---|
| <input checked="" type="checkbox"/> A. Individuals | <input checked="" type="checkbox"/> E. Trusts, estates, or charitable organizations |
| <input type="checkbox"/> B. Banks or thrift institutions | <input type="checkbox"/> F. Corporations or business entities other than those listed above |
| <input type="checkbox"/> C. Investment companies | <input type="checkbox"/> G. Other (describe on Schedule F) |
| <input type="checkbox"/> D. Pension and profit sharing plans | |

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12/20/ 2010

3. **Types of Investments.** Applicant offers advice on the following: (check those that apply)

- | | |
|---|--|
| <input checked="" type="checkbox"/> A. Equity Securities | <input checked="" type="checkbox"/> H. United States government securities |
| <input checked="" type="checkbox"/> (1) exchange-listed securities | |
| <input checked="" type="checkbox"/> (2) securities traded over-the-counter | <input type="checkbox"/> I. Options contracts on: |
| <input type="checkbox"/> (3) foreign issues | <input type="checkbox"/> (1) securities |
| <input type="checkbox"/> B. Warrants | <input type="checkbox"/> (2) commodities |
| <input checked="" type="checkbox"/> C. Corporate debt securities
(other than commercial paper) | <input type="checkbox"/> J. Futures contracts on: |
| <input checked="" type="checkbox"/> D. Commercial paper | <input type="checkbox"/> (1) tangibles |
| <input checked="" type="checkbox"/> E. Certificates of deposit | <input type="checkbox"/> (2) intangibles |
| <input checked="" type="checkbox"/> F. Municipal securities | <input type="checkbox"/> K. Interests in partnerships investing in: |
| <input type="checkbox"/> G. Investment company securities: | <input checked="" type="checkbox"/> (1) real estate |
| <input type="checkbox"/> (1) variable life insurance | <input checked="" type="checkbox"/> (2) oil and gas interests |
| <input type="checkbox"/> (2) variable annuities | <input type="checkbox"/> (3) other (explain on Schedule F) |
| <input checked="" type="checkbox"/> (3) mutual fund shares | <input type="checkbox"/> L. Other (explain on Schedule F) |

4. **Methods of Analysis, Sources of Information, and Investment Strategies.**

A. Applicant's security analysis methods include: (check those that apply)

- | | |
|---|--|
| (1) <input checked="" type="checkbox"/> Charting | (4) <input checked="" type="checkbox"/> Cyclical |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input type="checkbox"/> Other (explain on Schedule F) |
| (3) <input checked="" type="checkbox"/> Technical | |

B. The main sources of information applicant uses include: (check those that apply)

- | | |
|---|---|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines | (5) <input type="checkbox"/> Timing services |
| (2) <input checked="" type="checkbox"/> Inspections of corporate activities | (6) <input checked="" type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input checked="" type="checkbox"/> Company press releases |
| (4) <input checked="" type="checkbox"/> Corporate rating services | (8) <input type="checkbox"/> Other (explain on Schedule F) |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- | | |
|--|---|
| (1) <input checked="" type="checkbox"/> Long term purchases
(securities held at least a year) | (5) <input type="checkbox"/> Margin transactions |
| (2) <input checked="" type="checkbox"/> Short term purchases
(securities sold within a year) | (6) <input type="checkbox"/> Option writing, including covered options, uncovered options or spreading strategies |
| (3) <input type="checkbox"/> Trading (securities sold within 30 days) | (7) <input type="checkbox"/> Other (explain on Schedule F) |
| (4) <input type="checkbox"/> Short sales | |

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Applicant:

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12/20/ 2010**5. Education and Business Standards.**

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients?

Yes

No

☒☐

(If yes, describe these standards on Schedule F.)

6. Education and Business Background.

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- | | |
|-----------------|--|
| • name | • formal education after high school |
| • year of birth | • business background for the preceding five years |

7. Other Business Activities. (check those that apply)

- ☐ A. Applicant is actively engaged in a business other than giving investment advice.
- ☐ B. Applicant sells products or services other than investment advice to clients.
- ☐ C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

8. Other Financial Industry Activities or Affiliations. (check those that apply)

- | | |
|---|--|
| <input type="checkbox"/> A. Applicant is registered (or has an application pending) as a securities broker-dealer. | |
| <input type="checkbox"/> B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser. | |
| <input type="checkbox"/> C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a: | |
| <input checked="" type="checkbox"/> (1) broker-dealer | <input type="checkbox"/> (7) accounting firm |
| <input type="checkbox"/> (2) investment company | <input type="checkbox"/> (8) law firm |
| <input checked="" type="checkbox"/> (3) other investment adviser | <input type="checkbox"/> (9) insurance company or agency |
| <input type="checkbox"/> (4) financial planning firm | <input type="checkbox"/> (10) pension consultant |
| <input type="checkbox"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant | <input type="checkbox"/> (11) real estate broker or dealer |
| <input type="checkbox"/> (6) banking or thrift institution | <input type="checkbox"/> (12) entity that creates or packages limited partnerships |

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

- D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest?

Yes

No

☐☒

(If yes, describe on Schedule F the partnerships and what they invest in.)

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Applicant:

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Date:

12/20/ 2010**9. Participation or Interest in Client Transactions.**

- ☐ A. As principal, buys securities for itself from or sells securities it owns to any client.
- ☐ B. As broker or agent effects securities transactions for compensation for any client.
- ☐ C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- ☐ D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- ☒ E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restricts, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

Describe, on Schedule F, your code of ethics, and state that you will provide a copy of your code of ethics to any client or prospective client upon request.

- 10. Conditions for Managing Accounts.** Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of assets or other conditions for starting or maintaining an account?.....

Yes

☐

No

☒

(If yes, describe on Schedule F.)

- 11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

Reference Schedule F for details

- B. Describe below the nature and frequency of regular reports to clients on their accounts.

Reference Schedule F for details

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Applicant:

Buttonwood Advisors, LLC

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12/20/ 2010**12. Investment or Brokerage Discretion.**

A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:

- | | Yes | No |
|--|-------------------------------------|-------------------------------------|
| (1) securities to be bought or sold? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (2) amount of securities to be bought or sold? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (3) broker or dealer to be used? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (4) commission rates paid? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

B. Does applicant or a related person suggest brokers to clients? ☒ Yes ☐ No

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for its; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for products and research services received.

13. Additional Compensation.

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- | | | |
|---|-------------------------------------|-------------------------------------|
| A. Is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? | Yes | No |
| | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| B. Directly or indirectly compensates any person for client referrals? | Yes | No |
| | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

(For each yes, describe the arrangements on Schedule F.)

14. Balance Sheet. Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities (unless applicant is registered or registering only with the Securities and Exchange Commission); or
- Requires prepayment of more than \$500 in fees per client and 6 or more months in advance

	Yes	No
Has applicant provided a Schedule G balance sheet?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Schedule F of
Form ADV
Continuation Sheet for Form ADV Part II**

Applicant: Buttonwood Advisors, LLC	SEC File Number: 801-71615	Date: 12/20/10
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1.	Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Buttonwood Advisors, LLC	IRS Empl. Ident. No.: 27-1658033												
	Item of Form (Identify)	Answer												
	1.D.	<p>Advisory Services and Fees</p> <p>Buttonwood Advisors provides continuous and regular investment advisory services on a discretionary basis to individuals and families, and their related entities. These services begin with identification of each client's goal and objectives, risk tolerance, tax situation, holding structures, etc., and the establishment of an appropriate strategic asset allocation.</p> <p>Implementation of the investment portfolio includes the use of various investment tools and strategies including bank deposits, fixed income funds/separately managed accounts, equity funds/separate managed accounts, ETF's and other index strategies, hedge funds, private equity funds, real asset funds, and other appropriate investment vehicles. Buttonwood performs research and due diligence on managers across these asset classes and provides recommendations to the client for the appropriate course of action. Systems have been established to continuously review and monitor portfolios and third party manager performance.</p> <p>Fees are negotiable, are based on assets under management and are dependent on the makeup of the investment portfolio. Generally, investment advisory fees can range from .02% to .70%. Clients are billed quarterly in advance. Fees are calculated and are charged on a quarterly basis, either in advance or in arrears at the clients request, based on the account's fair market value at the end of each calendar quarter. The quarterly fee is determined by multiplying the account's fair market value by the annual fee rate, then dividing the product of this by four. Unless otherwise agreed to in writing, fees will be deducted from Client's investment account.</p> <p>Additional charges, if any, which may be imposed by third parties (custodial fees, brokerage commissions, transaction fees, etc.) are paid by the Client. Buttonwood may invest all or a portion of Client's assets into open-end mutual funds, exchange traded funds, or other securities that have additional charges within the security. Buttonwood shall not be compensated on the basis of a share of the capital gains upon or capital appreciation of the funds or any portion of the funds of the client.</p> <p>The investment advisory contract may be terminated by either party on 30 days written notice. Upon termination, the client will be promptly refunded the pro rata amount of any unearned fees. Client can terminate advisory contract without penalty within five (5) business days after entering into the contract.</p>												
	Item 5	<p>Education and Business Standards</p> <p>Buttonwood employees involved in providing investment advice to clients generally are required to have at least a bachelor's degree from an accredited university, be a Chartered Financial Analyst or have industry experience or other qualifications as deemed acceptable by Buttonwood management.</p>												
	Item 6	<p>Education and Business Background</p> <p>David C. Dameron YOB: 1964 Education: BA in Economics and Business Administration, Furman University – South Carolina, May 1986. Employment:</p> <table> <tr> <td>Buttonwood Advisors, LLC</td><td>President</td><td>08/2010 to Present</td></tr> <tr> <td>1792 Securities, LLC</td><td>CEO</td><td>08/2010 to Present</td></tr> <tr> <td>EPS Advisors, LLC</td><td>President</td><td>09/2009 to Present</td></tr> <tr> <td>Spire Securities</td><td>Supervising Principal</td><td>10/2009 to 04/2010</td></tr> </table>	Buttonwood Advisors, LLC	President	08/2010 to Present	1792 Securities, LLC	CEO	08/2010 to Present	EPS Advisors, LLC	President	09/2009 to Present	Spire Securities	Supervising Principal	10/2009 to 04/2010
Buttonwood Advisors, LLC	President	08/2010 to Present												
1792 Securities, LLC	CEO	08/2010 to Present												
EPS Advisors, LLC	President	09/2009 to Present												
Spire Securities	Supervising Principal	10/2009 to 04/2010												

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant: Buttonwood Advisors, LLC	SEC File Number: 801-71615	Date: 12/20/10
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

	<p>American Securities Group President 04/2009 to 10/2009</p> <p>Elliott Davis Brokerage Services Register Representative 08/2008 to 03/2009</p> <p>GNI Capital Partners, Inc CCO 04/2006 to 04/2009</p> <p>Hamilton Joseph, LLC CCO 04/2006 to 11/2007</p> <p>MetLife Register Representative 06/2004 to 02/2006</p> <p>David E. Scott YOB: 1971 Education: B.S. in Accounting, Suffolk University - Boston, September 1995 Employment: Chief Compliance Officer for Buttonwood Advisors, LLC since 08/2010 Wertz York Capital Management Group, LLC CCO 02/2010 to Present D.E. Scott & Associates, LLC Managing Member 12/2005 to Present Strategic Value Partners, LLC Chief Compliance Officer 08/2004 to 12/2005</p>
Item 8.C.	<p>Other Financial Industry Activities or Affiliations</p> <p>Buttonwood Holdings, LLC, the parent of Buttonwood Advisors, LLC, also owns 1792 Securities, LLC which is a registered Broker/Dealer.</p> <p>One of the Buttonwoods managing members, David Dameron, is the sole member of EPS Advisors, LLC, an SEC registered Investment Advisor.</p>
Item 9.E.	<p>Participation or Interest in Client Transactions</p> <p>Buttonwood employees may from time to time purchase or sell, or hold positions for their personal accounts, in securities that may also be held or have been or will be purchased or sold for the accounts of Buttonwood's clients.</p> <p>Code of Ethics</p> <p>Buttonwood has developed a Code of Ethics ("Code") that is in compliance with standards set forth under SEC Rule 204A-1 and consistent with our own core values of integrity, confidentiality and excellence in everything we do. The Code includes an Insider Trading Policy to establish principles of conduct and to detect and avoid conflicts of interests that may arise between employees and clients as a result of personal investing activities. The Code is designed to ensure, among other things, that employees conduct their investing activities in accordance with applicable law and in a manner where clients' interests are placed first and foremost. Buttonwood's Code applies to all employees of Buttonwood and any account in which an employee has control or a beneficial interest as well as the accounts of family members of each employee's immediate household, as further described in the Code.</p> <p>Generally, the Code requires employees to report all accounts and securities holdings covered by the Code at the commencement of their employment and annually thereafter. In addition, on a quarterly basis, all employees are required to report all securities transactions executed during the quarter.</p> <p>Certain securities are exempt from the requirements of the Code including open-end mutual funds which are neither managed nor affiliated with Buttonwood, money market funds, money market instruments, unit investment trusts that are invested in open-end mutual funds and U.S. Government securities.</p> <p>The Code imposes specific prohibitions on employee trades including (i) trades based on material non public information, (ii) trades intended to manipulate the market; (iii) trades in securities on Buttonwood's restricted list, (iv) trades in securities subject to an open order or during the blackout period, and (v) trades in initial public offerings. Buttonwood has exempted certain types of securities</p>

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:
Buttonwood Advisors, LLC

SEC File Number:
801-71615

Date:
12/20/10

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

Item 11.A.

from some of the requirements and prohibitions of the Code. As part of its Code of Ethics, Buttonwood has established an Insider Trading Policy. Buttonwood's Insider Trading Policy includes specific requirements regarding the possession of material non-public information ("MNI") in order to avoid situations that may violate applicable statutes or regulations or create an appearance of impropriety. Buttonwood's Insider Trading Policy strictly forbids any employee from (i) conducting trades, either personally or on behalf of others, including clients of Buttonwood, while in possession of MNI; or (ii) communicating MNI to others. A copy of Buttonwood's Code of Ethics will be provided to any client or investor or prospective client or investor upon request.

Review of Accounts

The Adviser will meet with the account holder (in person or telephonically) at least once per quarter to review their account and make any necessary updates.

Item 11.B.

Nature and Frequency of client account reports

Clients will receive at least quarterly, account statements directly from account custodian. Copies of these statements will be provided by the custodian to the Adviser as well.

Item 12.B.

Investment or Brokerage Discretion

Buttonwood does maintain discretion for all advisory accounts regarding securities to be bought or sold, the amounts to be bought or sold and the commission rates paid.

Buttonwood does not generally direct what brokers and custodians are utilized to hold client assets and execute client trades. We work with several brokers and custodians, and are flexible on bringing in existing client relationships as desired. We may recommend a particular broker for execution of a particular trade or investment based on the ability of the broker to most effectively execute the trade or investment. Any such decisions will be based on an assessment of the alternatives and a desire to get the best and most cost-effective execution for our client.

In the event that the transactions for a client's accounts are effected through 1792 Securities, LLC, there exists the potential for conflict of interest if the accounts incur higher commission or transaction costs than the accounts would otherwise have incurred had the client determined to effect account transactions through alternative clearing arrangements that may have been available.

Item 13.B.

Additional Compensation

On occasion Buttonwood may enter into a written agreement with the solicitor. When using third-party solicitors, Buttonwood will take reasonable steps to ensure that the solicitor is not subject to a statutory disqualification under the provisions of the Advisers Act, including obtaining representations from the solicitor.

The written agreement will describe the solicitation activities and compensation; obligate the solicitor to comply with Buttonwood's instructions with respect to the use and distribution of related marketing materials; require the solicitor to comply with relevant Advisers Act marketing requirements with respect to its efforts pertaining to Buttonwood funds or account management services and require the solicitor to provide the client with Part II of Buttonwood's Form ADV and a separate disclosure statement.

The solicitor is required to provide to Buttonwood, for each client, a signed and dated acknowledgement from the client evidencing receipt of Buttonwood's Form ADV, Part II and the solicitor's disclosure document.

Other Information

Proxy Voting

Buttonwood does not vote client proxies and has instructed the Custodian to forward all proxy

**Schedule F of
Form ADV
Continuation Sheet for Form ADV Part II**

Applicant: Buttonwood Advisors, LLC	SEC File Number: 801-71615	Date: 12/20/10
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

	material directly to the Client. Buttonwood shall forward to the Client any proxy materials it receives that pertain to the Assets in the Client's Account.
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