



March 27, 2024

# Wrap Fee Brochure

## Wellspring Wealth Management Form ADV Part 2A – Appendix 1

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This Form ADV 2A – Appendix 1 (“Wrap Fee Brochure”) provides information about the about the qualification and business practices of Wellspring Wealth Management LLC when offering services pursuant to a wrap program. This Wrap Fee Brochure will accompany the Wellspring Wealth Investment Adviser Disclosure Document, which provides complete details on the business practices of the Adviser. If you did not receive the complete Wellspring Wealth Disclosure Document or if you have any questions about the contents of this brochure, please contact us.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Wellspring Wealth Management LLC (“Wellspring Wealth”) is an SEC-registered investment advisor. However, this registration does not imply a certain level of skill or training. Additional information about Wellspring Wealth Management LLC is also available on the Internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 - Material Changes**

The Material Changes section of this brochure lists the material changes made since the last release of this brochure. This “summary” of changes will be made available to you at least annually.

If you would like to receive a complete copy of the Form ADV Part 2 – Appendix 1, Wrap Fee Brochure, you may obtain it by contacting us by telephone at: 770-410-4088, by email at [info@wellspringwealth.com](mailto:info@wellspringwealth.com) or on the internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search for us on this site by a unique identifying number, known as a CRD number. The CRD number for Wellspring Wealth is 134834. Please contact J. David Glover, Managing Partner, if you have any questions about the contents of this brochure.

There have been no other material changes to the brochure since our last filing, December 8, 2023:

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### Item 3 – Services, Fees and Compensation

Wellspring Wealth Management LLC (“Wellspring Wealth”) provides tailored investment advisory services to you. This Wrap Fee Brochure is provided as a supplement to our Form ADV Part 2A (Disclosure Document). This Wrap Fee Brochure is provided along with our complete Disclosure Document to provide full details of the business practices and fees when selecting us as your investment adviser.

As part of the investment advisory fees noted in Item 5 of our Disclosure Document, we include normal securities transaction fees as part of the overall investment advisory fee. Securities regulations often refer to this combined fee structure as a “wrap fee.” An investment adviser when combining or bundling these fees together becomes a “sponsor” of a wrap fee program.

The sole purpose of this Wrap Fee Brochure is to provide additional disclosure relating to the combination of securities transaction fees into the single “bundled” investment advisory fee. This Wrap Fee Brochure references items found in our Disclosure Document in which this Wrap Fee Brochure serves as an Appendix. Please see Item 4 - Advisory Services of our Disclosure Document for details on our advisory business and related services.

#### *Description of the Wrap Fee Program*

The Wellspring SWM Program provided by us is offered in a wrap fee structure whereby normal securities transaction costs are included in the overall investment advisory fee paid to us. As the level of trading in your account may vary from year to year, the annual cost to you may be more or less than engaging for advisory services where the transaction costs are borne separately by you. The cost of our wrap fee program varies depending on services to be provided to you, however, you are not charged more if there is higher trading activity in your account. A wrap fee structure has a potential conflict of interest as we may have an incentive to limit the number of trades placed in your account. Please see Item 5 – Fees and Compensation of our Disclosure Document for complete details on fees.

#### *Fees for the Program*

Investment advisory fees are paid quarterly in advance based upon the terms of your investment advisory agreement. Account advisory fees are negotiable and vary by client and range from 0.25% up to 1.50% annually based on several factors, including: the complexity of the services provided, the level of assets to be managed, the amount of assets to be managed, and the overall relationship with us. Advisory relationships with multiple objectives, specific reporting requirements, portfolio restrictions, and other complexities may be charged a higher fee.

The fee charged is one quarter of the annual fee percentage. New accounts are billed the remaining days in the current billing quarter. Accounts are billed on a three-month quarter starting with the month the account is opened. The fee is calculated based on the number of days the assets are in the account during the calendar quarter. Terminated accounts are entitled to a prorated refund of any pre-paid quarterly fee based upon the number of days remaining in the billing quarter. Account fees are negotiable and vary by client.

*Fee Comparison*

As disclosed above, a wrap free program includes normal securities trading costs incurred in connection with the discretionary investment management services provided by us. Securities transaction fees for your directed trades may be charged back to you. You may incur certain fees or charges imposed by third parties in connection with investments made on behalf of your account(s). Under this Wrap Fee Program, we include securities transaction costs as part of your wrap account's overall investment advisory fee. Participation in the Wrap Fee Program may cost you more or less than purchasing such service separately. The number of transactions made in your account, as well as the commissions charged for each transaction, determines the relative cost of the Program versus paying for execution on a per transaction basis and paying a separate fee for advisory services. The Wrap Fee Program fee may be higher or lower than fees charged by other sponsors of comparable investment advisory programs.

*Other Charges*

In addition, all fees paid to us for investment advisory services or part of the Wrap Fee Program are separate and distinct from the expenses charged by mutual funds or exchange-traded funds (ETFs) to their shareholders, if applicable to your account holdings. These charges are described in each fund's prospectus. These charges will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. You may also incur other costs assessed by LPL or other parties for account related activity fees, such as wire transfer fees or fees for trades executed away from LPL. We do not control nor share in these fees. You should review both the fees charged by the fund(s) and the fees charged by us to fully understand the total fees to be paid. Please see Item 5 – Fees and Compensation in our Disclosure Document (included with this Wrap Fee Brochure).

Wellspring Wealth is the sponsor and portfolio manager of the Wellspring SWM Wrap Fee Program. We receive investment advisory fees paid by you for participating in the Wrap Fee Program and we pay LPL for costs associated with the normal trading activity in your account(s). If recommended for your portfolio, we also receive compensation for wrap fee programs sponsored by a third-party manager which is separate from this Wrap Fee Program sponsored by us.

**Item 4 – Account Requirements and Types of Clients**

Please see Item 7 – Types of Clients in our Form ADV Part 2A Disclosure Document.

**Item 5 – Portfolio Manager Selection and Evaluation**

Wellspring Wealth serves as the sponsor and portfolio manager for the services under this Wrap Fee Program. Please see Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss in our Form ADV Part 2A Disclosure Document. We do not charge a performance-based fee.

We do not vote proxies for you. You retain the responsibility for receiving and voting proxies for securities held in your accounts. Your account custodian will send these to you or your designee. We may provide advice to you at your request regarding a securities proxy.

**Item 6 – Client Information Provided to Portfolio Managers**

Wellspring Wealth is the sponsor and sole portfolio manager for this Wrap Fee Program. We do not share your information with other portfolio managers since we are the sole portfolio manager for this program. Please see the Wellspring Wealth Privacy Policy for more information on information handling.

## Item 7 – Client Contact with Portfolio Managers

There are no restrictions on your ability to contact and consult with us. We are a full-service investment advisory firm. You always have direct access to our portfolio managers.

## Item 8 – Additional Information

### *Disciplinary Information*

As an investment advisor regulated by the SEC, Wellspring Wealth has not been subject to an SEC disciplinary event.

### *Other Financial Industry Activities and Affiliations*

We receive operational support from our parent company, Wellspring Wealth LLC. Wellspring Wealth LLC employs our associated persons.

Our IARs are also registered representatives and investment adviser representatives with LPL Financial. In such capacity, they may transact securities as well as provide the Retirement Plan Consulting Program (“RPCP”) through LPL Financial and receive normal and customary commissions and fees.

Some of our IARs are also licensed insurance agents of Wellspring Associates LLC, a registered insurance agency (see Supplemental Brochure Form ADV Part 2B). In such capacity, they may transact insurance products and receive normal and customary commissions. You are under no obligation to purchase products from our IARs.

For more information on activities and affiliations please see Item 10 – Other Financial Industry Activities and Affiliations in our Form ADV Part 2A Disclosure Document.

### *Code of Ethics*

We have adopted a Code of Ethics that covers our employees, directors, and advisory representatives. Our Code requires that we conduct all business dealings in an ethical fashion and encourages us to meet not only the technical requirements but also the spirit of the Code. We have a duty of care, loyalty, and honesty. We must act in your best interest.

Our Code requires us to comply with all federal securities laws. In addition, we are prohibited from defrauding, misleading, or manipulating you in providing our services. Further, we may not favor the interests of one client over another.

Our Code has guidelines regarding personal securities transactions, designed to prevent us from profiting personally, directly or indirectly, as a result of knowledge about a security or transactions. We are prohibited from acquiring securities in an initial public offering without prior written approval. We may at times buy or sell securities that are also held by you. Your orders are given priority over ours. Our personal trading is reviewed by our compliance department as well as the compliance department of LPL Financial. A copy of our Code of Ethics is available to you upon request.

### *Review of Accounts and General Reports*

Your IAR conducts internal reviews of your account on a regular basis. Please see Item 13 – Review of Accounts in our Form ADV Part 2A Disclosure Document.

You will be provided with transaction confirmation notices and regular summary account statements directly from your account custodian. Periodically or as otherwise requested you may also receive printed or

electronic reports from us which contain certain account or market-related information, such as an inventory of account holdings or account performance. You should compare the account statements you receive from your account custodian with any documents or reports you receive from us.

*Client Referrals and Other Compensation*

We have entered into referral agreements with other professionals for compensation. The majority of these compensated referral sources are form IARs of Wellspring Wealth Management LLC. Please see Item 14 – Client Referrals and Other Compensation in our Form ADV Part 2A Disclosure Document.

*Financial Information*

We do not have a financial impairment that would preclude us from meeting our contractual commitments to you.

In addition, we do not act as custodian, have access to client account distributions beyond the direct debit of fees, or require the prepayment of fees from you of more than \$1,200 six months or more in advance. As a result, we are not required to provide you with our balance sheet.

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