



**Part 2A of Form ADV: *Firm Brochure***

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d/b/a Greenspring Advisors**

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12/14/2017

This brochure provides information about the qualifications and business practices of Greenspring Wealth Management, Inc. If you have any questions about the contents of this brochure, please contact us at 443-564-4600 or [josh.itzoe@greenspringwealth.com](mailto:josh.itzoe@greenspringwealth.com). 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.

Additional information about Greenspring Wealth Management, Inc. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 132669.

## Item 2     Material Changes

This Firm Brochure provides you with a summary of Greenspring Wealth Management, Inc.'s advisory services and fees, professionals, certain business practices and policies, as well as actual or potential conflicts of interest, among other things. This Item is used to provide our clients with a summary of new and/or updated information; we will inform of the revision(s) based on the nature of the information as follows.

**Material Changes:** Should a material change in our operations occur, depending on its nature we will promptly communicate this change to clients (and it will be summarized in this Item). "Material changes" requiring prompt notification will include changes of ownership or control; location; disciplinary proceedings; significant changes to our advisory services or advisory affiliates – any information that is critical to a client's full understanding of who we are, how to find us, and how we do business.

Material changes since our March 15, 2017 brochure are below:

- The firm now offers a subscription service: Feemetri(k)s™
- The firm has added the dba Greenspring Advisors
- The firm has updated assets under management (Item 4)

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## **Item 4     Advisory Business**

Greenspring Wealth Management, Inc. is a SEC-registered investment adviser with its principal place of business located in Maryland. Greenspring Wealth Management, Inc. began conducting business in 2004.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- John Patrick Collins Jr., Partner & Managing Director, Private Client Group
- Joshua Philip Itzoe, Partner & Managing Director, Institutional Client Group

Greenspring Wealth Management, Inc. offers the following advisory services to our clients:

### **PRIVATE MONEY MANAGEMENT SERVICES**

Our firm provides continuous advice to a client (individuals and trusts, estates, non-profit organizations and charitable organizations) regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy and create and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

We manage these advisory accounts on a discretionary or non-discretionary basis. Account supervision is guided by the client's stated objectives (e.g. conservative, moderate, balanced, growth, aggressive), as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares

- United States governmental securities
- Options contracts on securities
- Interests in partnerships investing in real estate

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

## **COMPREHENSIVE WEALTH MANAGEMENT SERVICES**

Our firm also provides Comprehensive Wealth Management Services to clients which include all of the services listed for Private Money Management clients plus certain financial planning services which may involve tax planning, retirement planning, risk management analysis, estate planning, cash flow planning, business planning and/or education planning.

## **RETIREMENT PLAN CONSULTING SERVICES**

We also provide several advisory services separately or in combination. The primary clients for these services will be the sponsors of pension, profit sharing and 401(k) plans.

Retirement Plan Consulting Services are generally comprised of fiduciary services and non-fiduciary services at both the plan level and participant level. With regard to fiduciary services, we provide clients (i.e. Plan Sponsors) with plan-level non-discretionary investment advice services, plan-level discretionary investment management services under Section 3(38) of ERISA, participant-level discretionary investment management services under Section 3(38) of ERISA, and participant-level non-discretionary investment advice services.

With regard to non-fiduciary services, we provide plan-level services and participant-level services. Clients (i.e. Plan Sponsors) may choose to use any or all of the services described below with the exception of choosing to use either plan-level non-discretionary investment advice services or plan-level discretionary investment management services under Section 3(38) of ERISA as determined by the scope of the engagement.

## **FIDUCIARY SERVICES**

### **I. PLAN-LEVEL NON-DISCRETIONARY INVESTMENT ADVICE SERVICES**

**A. Investment Policy Design** - Greenspring will assist Client in the development of an investment policy statement (IPS). The IPS establishes the investment policies and objectives for the Plan and shall set forth the number of general investment options and asset class categories to be offered under the Plan. Client shall have the ultimate responsibility and authority to establish such policies and objectives and to adopt and amend the IPS.

**B. Investment Selection** - Greenspring will provide non-discretionary investment advice to Client about asset classes and investment alternatives available for the Plan in accordance with the Plan's investment policies and objectives. Greenspring will utilize multiple analytic tools and databases at its disposal. Client shall have the final decision-making authority regarding the initial selection, retention, removal and addition of investment options.

**C. ERISA 404(c) Investment Selection** – Greenspring will assist Client with the selection of a broad range of investment options consistent with ERISA Section 404(c) and the regulations thereunder. Client shall have the final decision-making authority regarding the selection of investment options. Client retains the sole responsibility to provide all notices to participants required under ERISA section 404(c).

**D. Investment Monitoring** - Greenspring will assist Client in monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformance to the guidelines set forth in the IPS and make recommendations to maintain or remove and replace investment options. Greenspring will meet with the Client in-person, telephonically, or by electronic means at least annually to discuss the reports and the investment recommendations. Client has the authority and will be solely responsible for the actual selection or replacement of investment options.

**E. Selection of QDIA** - Greenspring will provide non-discretionary investment advice to Client with respect to the selection of a qualified default investment alternative ("QDIA") for participants who are automatically enrolled in the Plan or who otherwise fail to make an investment election. Client shall have the final decision-making authority regarding the selection of the QDIA and Client retains the sole responsibility to provide all notices to participants required under ERISA Section 404(c)(5).

## **II. PLAN-LEVEL DISCRETIONARY INVESTMENT MANAGEMENT SERVICES UNDER SECTION 3(38) OF ERISA**

**A. Investment Policy Design** - Greenspring will develop an investment policy statement (IPS) for Client. The IPS establishes the investment policies and objectives for the Plan and shall set forth the number of general investment options and asset class categories to be offered under the Plan. Greenspring shall have the ultimate responsibility and authority to develop the IPS and shall have the sole authority to amend it.

**B. Investment Selection** - Greenspring will provide discretionary investment advice to Client about asset classes and investment alternatives available for the Plan in accordance with the Plan's investment policies and objectives. Greenspring will utilize multiple analytic tools and databases at its disposal and will have decision-making authority regarding the initial selection, retention, removal and addition of investment options.

**C. ERISA 404(c) Investment Selection** – Greenspring will select a broad range of investment options consistent with ERISA Section 404(c) and the regulations thereunder. Client retains the sole responsibility to provide all notices to participants required under ERISA section 404(c).

**D. Investment Monitoring** - Greenspring will monitor investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformance to the guidelines set forth in the IPS and determine whether to maintain or remove and replace investment options.

**E. Selection of QDIA** - Greenspring will consult with Client as to whether the Plan should have a qualified default investment alternative (“QDIA”) for participants who are automatically enrolled in the Plan or who otherwise fail to make an investment election and as to the type of investment to serve as a QDIA (e.g., target date fund, balanced fund, or managed account). If Client decides to have a QDIA under the plan and decides upon the type of investment that will serve as a QDIA, the Greenspring will select the investment to serve as the QDIA. Client retains the sole responsibility to provide all notices to participants required under ERISA Section 404(c)(5).

### **III. PARTICIPANT-LEVEL DISCRETIONARY INVESTMENT MANAGEMENT SERVICES UNDER SECTION 3(38) OF ERISA**

**A. Discretionary Investment Management** - Greenspring will provide ERISA section 3(38) discretionary investment management services to Plan participants as a designated investment manager.

### **IV. PARTICIPANT-LEVEL NON-DISCRETIONARY INVESTMENT ADVICE SERVICES**

**A. Investment Selection** - Greenspring will provide non-discretionary investment advice to Plan participants about Plan investment alternatives. Greenspring will utilize multiple analytic tools and databases at its disposal. Plan participants shall have the final decision-making authority regarding the initial selection, retention, and changes in investment selections.

## **NON-FIDUCIARY SERVICES**

### **I. PLAN-LEVEL SERVICES**

**A. Committee Formation, Education and Support** - Greenspring will help the Client establish or refine a Committee as needed. On a periodic basis, Greenspring will educate Plan fiduciaries on their duties and responsibilities and how to manage them as well as providing legislative and regulatory updates as necessary. Education will include general training regarding the fiduciary duty and prohibited transaction provisions of ERISA as well as the

importance of the documents and instruments governing the Plan. Greenspring will periodically meet with the Client to review and discuss various aspects of the Plan, which may include preparation of meeting deliverables for the Client.

B. **Fee Analysis, Benchmarking and Negotiation** – Greenspring will periodically assist the Client in evaluating the reasonableness of Plan fees. This may include documenting and benchmarking both direct and indirect fees (e.g. revenue sharing payments) to help the Client understand what the Plan is paying and how it compares to other plans and products. Greenspring may also recommend specific steps that can be taken to reduce those fees, if applicable. When appropriate, Greenspring will assist the Client in negotiating fee arrangements and cost structures.

C. **Vendor Benchmarking, Search and Selection** - Greenspring will periodically assist the Client by providing an analysis and comparison of the Plan's current vendor(s) products, services, and pricing to other plans and service providers.

D. **Plan Conversion Services** - As needed, Greenspring will assist the Client with the conversion to a new provider's platform.

E. **Operational Assistance and Issue Resolution** - As needed, Greenspring will assist the Client with resolving operational or administrative issues that may arise with the Plan. Greenspring may provide these services or, alternatively, may arrange for the Plan's other providers to provide these services, as agreed upon between Greenspring and the Client.

## **II. PARTICIPANT-LEVEL SERVICES**

A. **Participant Education and Communication**- Greenspring will periodically provide education, presentations, webinars, or written investment materials. Information provided may include a description of investment alternatives (along with the objectives and risk and return characteristics of the assets comprising the investment portfolio), hypothetical asset allocation models, or other general financial and investment concepts consistent with Department of Labor Interpretive Bulletin 96-1.

## **FINANCIAL PLANNING**

We provide financial planning services. Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, certain questions, information and analysis are considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service receive a written report which provides the client with a detailed financial plan designed to assist the client achieve his or her financial goals and objectives.

In general, the financial plan can address any or all of the following areas:



**PERSONAL:** We may review family records, budgeting, personal liability, estate information and financial goals.

**TAX & CASH FLOW:** We may analyze the client's income tax and spending and planning for past, current and future years; then illustrate the impact of various investments on the client's current income tax and future tax liability.

**INVESTMENTS:** We may analyze investment alternatives and their effect on the client's portfolio.

**INSURANCE:** We may review existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.

**RETIREMENT:** We may analyze current strategies and investment plans to help the client achieve his or her retirement goals.

**DEATH & DISABILITY:** We may review the client's cash needs at death, income needs of surviving dependents, estate planning and disability income.

**ESTATE:** We may assist the client in assessing and developing long-term strategies, including as appropriate, living trusts, wills, review estate tax, powers of attorney, asset protection plans, nursing homes, Medicaid and elder law.

We gather required information through in-depth personal interviews. Information gathered includes the client's current financial status, tax status, future goals, returns objectives and attitudes towards risk. We carefully review documents supplied by the client, including a questionnaire completed by the client, and prepare a written report.

Should the client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion.

We also provide general non-securities advice on topics that may include tax and budgetary planning, estate planning and business planning.

Typically the financial plan is presented to the client within six months of the contract date, provided that all information needed to prepare the financial plan has been promptly provided.

### **FINANCIAL CONSULTING SERVICES**

Clients can also receive investment and financial consulting advice on a more focused basis.

This may include advice on only an isolated area(s) of concern such as estate planning,

retirement planning, or any other specific topic. We also provide specific consultation and administrative services regarding investment and financial concerns of the client.

### **SELECTION OF OTHER ADVISORS**

Greenspring may direct clients to third party money managers. Greenspring is not compensated from the advisors to which it directs those clients although our advisory fees will be billed against these assets. Before selecting other advisors for clients, Greenspring will always ensure those other advisors are properly licensed or registered as an investment advisor.

### **SUBADVISORY SERVICES**

Additionally, our firm may also act as a subadviser to other advisers unaffiliated with Greenspring on a discretionary basis. These third-party advisers would outsource portfolio management services to Greenspring. This relationship will be memorialized in each contract between Greenspring and the third-party adviser.

### **FEEMETRI(K)S™ SERVICES**

Greenspring offers Feemetri(k)s™, an information and technology platform that is designed to assist 401k and 403b plan decision-makers (i.e., “fiduciaries”) in evaluating the reasonableness of the fees that are charged to their plan. The information is based upon input provided by the plan sponsor and provides multiple points of comparison with plans of comparable size in terms of total assets and number of participants. Greenspring Wealth Management, Inc. and Feemetri(k)s™ is not responsible for verifying the accuracy of the information provided by the plan sponsor and the use of this information does not constitute an endorsement by Greenspring Wealth Management, Inc. and Feemetri(k)s™ of the accuracy or reasonableness of such information. The information provided is for informational purposes. It does not constitute investment advice and is not a recommendation or offer of any particular security, strategy or investment product nor does it constitute a recommendation of any particular plan service provider. The plan sponsor should determine whether the selection of a particular investment, plan service or plan service provider is prudent for their plan or should seek professional advice in making that determination.

### **AMOUNT OF MANAGED ASSETS**

As of 12/14/2017, we were actively managing \$588,766,094 of clients' assets on a discretionary basis plus \$2,330,612,614 of clients' assets on a non-discretionary basis.

## **Item 5 Fees and Compensation**

### **INVESTMENT SUPERVISORY SERVICES**

#### **Wealth Management Services**

The annualized fee for Wealth Management Services will be charged as a percentage of

assets under management, according to the following schedule:

<b><u>Assets Under Management</u></b>	<b><u>Annual Fee</u></b>
First \$300,000	1.25%
\$300,001 to \$1,000,000	1.00%
\$1,000,001 to \$3,000,000	0.75%
\$3,000,001 and above	0.50%

Based on the fee schedule above, a minimum annual fee of \$5,000 is required Wealth Management Services. If a client's assets under management are not sufficient to generate the minimum annual fee, they have the option paying the difference (until their assets are sufficient) to receive the desired level of service. For instance, if a client desires to receive Wealth Management Services and their assets generate an annualized fee of \$4,000, they have the option of paying the difference (i.e. an additional \$1,000) to reach the minimum annual fee of \$5,000 until the assets under management are sufficient to generate the minimum annual fee.

**Limited Negotiability of Advisory Fees:** Although Greenspring Wealth Management, Inc. has established the aforementioned fee schedule(s), we retain the discretion to negotiate lower fees on a client-by-client basis. Client facts, circumstances and needs will be considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule will be identified in the contract between the adviser and each client.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

**Termination and Refunds:** All advisory fees are billed on a quarterly basis in advance. If services are terminated mid-billing period, charges will be prorated based on the number of days that services were provided prior to receipt of notice of termination. The unearned portion of the fee based on the above proration will be refunded to the client.

**Advisory Fee Disclaimer:** Lower fees for comparable services may be available from other sources.

### **RETIREMENT PLAN CONSULTING FEES**

Our fees for Retirement Plan Consulting Services are based on a percentage of assets under advisement, according to the following schedule:

<b><u>Assets Under Management</u></b>	<b><u>Annual Fee</u></b>
First \$2,000,000	0.50%
\$2,000,001 to \$10,000,000	0.40%
\$10,000,001 to \$25,000,000	0.30%

\$25,000,001 and above

0.20%

Alternatively, we may charge an annual fee for Retirement Plan Consulting Services which generally ranges from \$20,000 to \$200,000 depending on the services requested and the size of the plan.

Plan sponsors are invoiced in advance at the beginning of each calendar quarter unless their retirement plan provider's billing system requires billing to occur in arrears. There are two ways that a Plan might pay our fee.

### **Employer pays**

An Employer may pay our fee, paying it from the Employer's money without using the Plan's assets. Concerning a Governmental Plan, we may refuse to accept payment from an Employer if we believe that the Employer lacks authority to pay our fee.

### **Plan pays**

A Plan may pay our fee. To do so, the Plan's Named Fiduciary or Trustee must have and use a power to pay us, or to instruct a corporate directed trustee or insurer to pay us. If the Plan pays our fee, the Named Fiduciary or Trustee decides how to allocate that expense among the Plan's accounts, which may include Participants' Plan Accounts.

We never have authority to "deduct" or collect our fee from a Plan's or any person's assets. Only the Plan Sponsor can pay our fee or direct the Plan to pay our fee.

A total minimum annual fee of \$20,000 is generally required although exceptions may be granted to this minimum at the discretion of Greenspring. This minimum fee may prevent Greenspring Wealth Management, Inc. from providing services to very small ERISA plans.

**Limited Negotiability of Advisory Fees:** Although Greenspring Wealth Management, Inc. has established the aforementioned fee schedule(s), we retain the discretion to negotiate lower fees on a client-by-client basis. Client facts, circumstances and needs will be considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule will be identified in the contract between the adviser and each client.

**Termination and Refunds:** Unless the plan provider requires advisory fees to be paid in arrears, all advisory fees are billed on a quarterly basis in advance. If services are terminated mid-billing period, charges will be prorated based on the number of days that services were provided prior to receipt of notice of termination. The unearned portion of the fee based on the above proration will be refunded to the client for fees billed in advance.

**Advisory Fee Disclaimer:** Lower fees for comparable services may be available from other sources.

## **INSTITUTIONAL INVESTMENT CONSULTING**

The annualized fee for Institutional Investment Consulting Services will be charged as a percentage of assets under management, according to the following schedule:

<b><u>Assets Under Management</u></b>	<b><u>Annual Fee</u></b>
First \$300,000	1.25%
\$300,001 to \$1,000,000	1.00%
\$1,000,001 to \$3,000,000	0.75%
\$3,000,001 and above	0.50%

Based on the fee schedule above, a minimum annual fee of \$5,000 is required for Institutional Investment Consulting Services. If a client's assets under management are not sufficient to generate the minimum annual fee, they have the option paying the difference (until their assets are sufficient) to receive the desired level of service. For instance, if a client desires to receive Institutional Investment Consulting Services and their assets generate an annualized fee of \$4,000, they have the option of paying the difference (i.e. an additional \$1,000) to reach the minimum annual fee of \$5,000 until the assets under management are sufficient to generate the minimum annual fee.

***Limited Negotiability of Advisory Fees:*** Although Greenspring Wealth Management, Inc. has established the aforementioned fee schedule(s), we retain the discretion to negotiate lower fees on a client-by-client basis. Client facts, circumstances and needs will be considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule will be identified in the contract between the adviser and each client.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

***Termination and Refunds:*** All advisory fees are billed on a quarterly basis in advance. If services are terminated mid-billing period, charges will be prorated based on the number of days that services were provided prior to receipt of notice of termination. The unearned portion of the fee based on the above proration will be refunded to the client.

***Advisory Fee Disclaimer:*** Lower fees for comparable services may be available from other sources.

## **FINANCIAL PLANNING FEES**

Greenspring Wealth Management, Inc.'s Financial Planning fee will be determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

Our Financial Planning fees are calculated and charged on a fixed fee basis, typically ranging from \$2,000 to \$15,000, depending on the specific arrangement reached with the client.

Alternatively, our Financial Planning fees may be calculated and charged on an hourly basis, ranging from \$150 to \$500 per hour. Although the length of time it will take to provide a

Financial Plan will depend on each client's personal situation, we will provide an estimate for the total hours at the start of the advisory relationship.

We require one-half of the negotiated financial planning fee to be paid at the outset of the engagement with the balance is due upon completion of the plan. Fees paid in advance will never be more than six months in advance. Fees that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination.

***Financial Planning Fee Offset:*** Greenspring Wealth Management, Inc. reserves the discretion to reduce or waive the hourly fee and/or the minimum fixed fee if a financial planning client chooses to engage us for our Private Money Management or Comprehensive Wealth Management Services.

The client will be billed quarterly in advance based on our total estimated Financial Planning fees.

The client will be billed quarterly in arrears based on actual hours accrued.

## **Item 6 Performance-Based Fees and Side-By-Side Management**

Greenspring Wealth Management, Inc. does not charge performance-based fees. As a matter of policy and practice, Greenspring does not generally block client trades and, therefore, will typically implement client transactions separately for each account. Due to this practice, certain client trades may be executed before others and, depending on the type of security traded, may be executed at a different price and/or commission rate. Additionally, Greenspring clients may not receive volume discounts which may be available to advisers that block client trades.

## **Item 7 Types of Clients**

Greenspring Wealth Management, Inc. provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Pension and profit sharing plans including plan participants
- Trusts, estates, non-profit and/or charitable organizations
- Corporations or other businesses not listed above

As previously disclosed in Item 5, our firm has established certain initial minimum account requirements, based on the nature of the service(s) being provided. For a more detailed understanding of those requirements, please review the disclosures provided in each applicable service.

## Item 8      **Methods of Analysis, Investment Strategies and Risk of Loss**

### **METHODS OF ANALYSIS**

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

***Fundamental Analysis.*** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

***Quantitative Analysis.*** We use mathematical models in an attempt to obtain more accurate measurements of a company's quantifiable data, such as the value of a share price or earnings per share, and predict changes to that data.

A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect.

***Qualitative Analysis.*** We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data.

A risk in using qualitative analysis is that our subjective judgment may prove incorrect.

***Asset Allocation.*** Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

***Mutual Fund and/or ETF Analysis.*** We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in



value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

***Third-Party Money Manager Analysis.*** We examine the experience, expertise, investment philosophies, and past performance of independent third-party investment managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we may survey the manager's compliance and business enterprise risks.

A risk of investing with a third-party manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a third-party manager's portfolio, there is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

***Risks for all forms of analysis.*** Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

## ***INVESTMENT STRATEGIES***

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

***Long-term purchases.*** We purchase securities with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

***Short-term purchases.*** When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

A short-term purchase strategy poses risks should the anticipated price swing not materialize;



we are then left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss.

In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

***Risk of Loss.*** Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

## **Item 9 Disciplinary Information**

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

## **Item 10 Other Financial Industry Activities and Affiliations**

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Neither Greenspring nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither Greenspring nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Greenspring has no other registration relationships to our advisory business that create conflicts of interest.

### **D. Selection of Other Advisors or Managers and How This Advisor is Compensated for Those Selections**

Greenspring may direct clients to third party money managers. Greenspring is not compensated from the advisors to which it directs those clients although our advisory fees will be billed against these assets. Before selecting other advisors for clients, Greenspring will always ensure those other advisors are properly licensed or registered as an investment advisor.

Since our founding, Greenspring has aspired to give back by making meaningful financial and relational investments in our local communities. To further our stewardship efforts and commitment to charitable giving, Greenspring has a grant program where employees of the

firm will serve on a committee to determine the grant awards. From time to time Greenspring clients may apply for grants; however, status as a client does not guarantee a grant award.

## **Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Greenspring Wealth Management, Inc. and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

Greenspring Wealth Management, Inc.'s Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to [josh.itzoe@greenspringwealth.com](mailto:josh.itzoe@greenspringwealth.com), or by calling us at 443-564-4600.

Greenspring Wealth Management, Inc. and individuals associated with our firm are prohibited from engaging in principal transactions.

Greenspring Wealth Management, Inc. and individuals associated with our firm are prohibited from engaging in agency cross transactions.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security or securities which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory

accounts.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
2. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
3. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
4. Our firm requires prior approval for any IPO or private placement investments by related persons of the firm.
5. We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee.
6. We have established procedures for the maintenance of all required books and records.
7. Clients can decline to implement any advice rendered, except in situations where our firm is granted discretionary authority.
8. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
9. We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.
10. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
11. Any individual who violates any of the above restrictions may be subject to termination.

## **Item 12 Brokerage Practices**

For discretionary clients, Greenspring Wealth Management, Inc. requires these clients to provide us with written authority to determine the broker dealer to use and the commission costs that will be charged to these clients for these transactions.

As a matter of policy and practice, Greenspring does not generally block client trades and, therefore, will typically implement client transactions separately for each account. Due to this practice, certain client trades may be executed before others and, depending on the type of

security traded, may be executed at a different price and/or commission rate. Additionally, Greenspring clients may not receive volume discounts which may be available to advisers that block client trades.

Greenspring generally recommends that investment management accounts be maintained at TD Ameritrade or Fidelity. Prior to engaging Greenspring to provide investment management services, the client will be required to enter into a formal Investment Advisory Agreement with Greenspring setting forth the terms and conditions under which Greenspring shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/ custodian.

Factors that the Greenspring considers in recommending TD or Fidelity (or any other broker-dealer/custodian to clients) include historical relationship with Greenspring, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by Greenspring's clients shall comply with Greenspring's duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where Greenspring determines, in good faith, that the commission/transaction fee is reasonable. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including, but not limited to, the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Greenspring will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Greenspring's investment management fee. Greenspring's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

### **Research and Additional Benefits**

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, Greenspring may receive from TD or Fidelity (or another broker-dealer/custodian, investment platform, and/or mutual fund sponsor) without cost (and/or at a discount) support services and/or products, certain of which assist the Greenspring to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by Greenspring may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by Greenspring in furtherance of its investment advisory business operations.

As indicated above, certain of the support services and/or products that may be received may assist Greenspring in managing and administering client accounts. Others do not directly provide such assistance, but rather assist Greenspring to manage and further develop its business enterprise.

Greenspring's clients do not pay more for investment transactions effected and/or assets maintained at TD or Fidelity as a result of this arrangement. There is no corresponding commitment made by Greenspring to TD or Fidelity or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

Greenspring works with many different vendors in the retirement plan industry to serve the needs of our clients. There is no direct link between our firm's relationship with these vendors and the advisory services we provide to our clients, although we may receive economic benefits through these relationships that may not otherwise be available.

These benefits include the following products and services (provided without cost or at a discount): research related products and tools; consulting services; access to an electronic communications network for client account information; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Greenspring by third party vendors. These vendors may also pay for business consulting and professional services received by Greenspring's related persons.

These vendors may also pay or reimburse expenses (including travel, lodging, meals, and entertainment expenses) for Greenspring's personnel to attend conferences or meetings relating to their services.

Some of the products and services made available by these vendors may benefit Greenspring but may not benefit our client accounts. These products or services may assist us in managing and administering client accounts. Other services made available by these vendors are intended to help us manage and further develop our business enterprise. The benefits received by Greenspring or our personnel do not depend on the amount of business directed to these vendors. Clients should be aware, however, that the receipt of economic benefits by Greenspring Wealth Management, Inc. or our related persons in and of itself creates a potential conflict of interest and may indirectly influence our choice or recommendation of these vendors for retirement plan provider services.

Greenspring's Chief Compliance Officer, Joshua P. Itzoe, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest such arrangement may create.

## **Item 13    Review of Accounts**

### **PRIVATE MONEY MANAGEMENT AND COMPREHENSIVE WEALTH MANAGEMENT SERVICES**

**REVIEWS:** While the underlying securities within Private Money Management and Comprehensive Wealth Management Services accounts are continually monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market,

political or economic environment.

These accounts are reviewed by: Patrick Collins, Joshua Itzoe, Bob Bogue, Molly Goetz, Tim Voelkel, Matt Morehead and Jeff Bernfeld.

**REPORTS:** In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer, we provide quarterly reports summarizing account performance, balances and holdings.

### **RETIREMENT PLAN CONSULTING SERVICES**

**REVIEWS:** Greenspring Wealth Management, Inc. will review the client's Investment Policy Statement (IPS) whenever the client advises us of a change in circumstances regarding the needs of the plan. Greenspring Wealth Management, Inc. will also review the investment options of the plan according to the agreed upon time intervals established in the IPS. Such reviews will generally occur quarterly, but no less than annually.

These accounts may be reviewed by: Joshua Itzoe, Matt Cellini, Tim Voelkel, Patrick Collins, Bob Bogue, Molly Goetz, Tim Voelkel, Matt Morehead and Jeff Bernfeld.

**REPORTS:** Greenspring Wealth Management, Inc. will provide reports to Retirement Plan Consulting Services clients based on the terms set forth in the client's Investment Policy Statement (IPS).

### **FINANCIAL PLANNING SERVICES**

**REVIEWS:** While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Financial Planning clients unless otherwise contracted for.

**REPORTS:** Financial Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted for.

## **Item 14 Client Referrals and Other Compensation**

### **CLIENT REFERRALS**

Our firm may pay referral fees to independent persons or firms ("Solicitors") for introducing clients to us. Whenever we pay a referral fee, we require the Solicitor to provide the prospective client with a copy of this document (our *Firm Brochure*) and a separate disclosure statement that includes the following information:

- the Solicitor's name and relationship with our firm;
- the fact that the Solicitor is being paid a referral fee;
- the amount of the fee; and
- whether the fee paid to us by the client will be increased above our normal fees in order to compensate the Solicitor.

As a matter of firm practice, the advisory fees paid to us by clients referred by solicitors are not increased as a result of any referral.



It is Greenspring Wealth Management, Inc.'s policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

See Item 12 for information related to additional benefits related to brokerage services used by the firm.

## **Item 15 Custody**

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

Our firm does not have actual or constructive custody of client accounts.

## **Item 16 Investment Discretion**

### **Investment Discretion**

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- Determine the security to buy or sell; and/or
- Determine the amount of the security to buy or sell; and/or
- Determine the broker-dealer where trades will be executed; and/or
- Determine the amount of commission paid for trade execution

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

## **Item 17 Voting Client Securities**

### **VOTING CLIENT SECURITIES**

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

We may provide clients with consulting assistance regarding proxy issues if they contact us with questions at our principal place of business.

## **Item 18    Financial Information**

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

As an advisory firm that maintains discretionary authority for client accounts, we are also required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. Currently, there are no such financial conditions that exist.

Greenspring Wealth Management, Inc. has not been the subject of a bankruptcy petition at any time during the past ten years.