

## Form ADV Part 3: Relationship Summary Red Spruce Capital, LLC

### Introduction

Red Spruce Capital, LLC (“Red Spruce Capital” or “we”) is an investment adviser registered with the U.S. Securities and Exchange Commission. We offer our clients investment advisory services. Clients should understand that the services we provide and fees we charge are different than those of a broker-dealer, and that it is important to understand the difference between the two. Free and simple tools are available to research firms and financial professional at <https://www.investor.gov/CRS>, which also provides educational materials about investment advisers, broker-dealers and investing.

### What Investment Services and Advice Can You Provide Me?

**Description of Services:** Red Spruce Capital offers investment advisory services to retail investors. Our investment advisory services include: Asset Management Services

**Asset Management Services:** We provide asset management services which involves us managing and trading your designated account(s). We will discuss your investment goals and design a strategy to try and achieve your investment goals. We will continuously monitor your account when providing asset management services and contact you at least quarterly to discuss your portfolio. For more information, please see **Item 4 of our Form ADV Part 2A**. We provide asset management services on a **discretionary** basis, meaning we will have the authority to determine the type and amount of securities that can be bought or sold for your portfolio without obtaining your consent for each transaction. For more information about investment authority, please see **Item 16 of our Form ADV Part 2A**.

**Limited Investment Offerings:** We do not recommend one type of security to clients. Instead, we recommend investment portfolios designed to be suitable for each client relative to that client’s specific circumstances and needs. However, we are limited in investment selection in that we can only invest your account in securities which are available on your custodian/broker-dealer’s platform. When providing you services, we do not recommend or offer advice on any proprietary products.

**Account & Fee Minimums:** There are no minimum investment amounts or conditions required for establishing an account managed by us.

**Conversation Starters:** *Given my financial situation, should I choose an investment advisory service? Why or why not? How will you choose investments to recommend to me? What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

### What Fees Will I Pay?

**Description of Principal Fees & Costs:** We charge fees for our asset management services based on a percentage of assets under management, billed to you in advance on a quarterly calendar basis, and calculated based on the fair market value of your account as of the last business day of the previous quarter. The annual fee for asset management services will be 1.00%. Fees may be negotiable at the sole discretion of the Advisor based on the relationship of the client with the investment adviser representative. Because our fee is based upon the value of your account we have an incentive to encourage that you increase the level of assets in your account. When engaging us for asset management services, you will also incur any internal fees of fund expenses for any exchange traded funds or mutual funds in your account.

**Additional Information:** You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. For more information about the fees we charge and the other fees and expenses you will incur, please see **Item 5 of Form ADV Part 2A**.

**Conversation Starters:** *Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

***What Are Your Legal Obligations to Me When Acting as My Investment Adviser?  
How Else Does Your Firm Make Money and What Conflicts of Interest Do You Have?***

**Standard of Conduct:** When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you.

Here are some examples to help you understand what this means. To the extent we encourage you to hire us to manage any of your investment assets, we make money from the fees that you pay us by hiring us, and therefore we have an incentive to encourage that you hire us to manage your assets. To the extent we recommend you roll over an account from a current retirement plan to an individual retirement account ("IRA") managed by us and subject to our asset-based investment advisory fees, this is a conflict of interest because we have a financial incentive to recommend that you hire us to manage your assets. When we provide asset management services, we will ask that you establish an account with Pershing, LLC to maintain custody of your assets and to effect trades for your account. Our recommendation to use Pershing, LLC is not based solely on your interest of receiving the best execution possible. We also recommend Pershing, LLC because they provide us with tools and services that help us to effectively manage your account. As a result, we do not have to develop these tools and services, which save us money. See **Item 12** of our [Form ADV Part 2A](#) for more information. We actively manage our own personal accounts while at the same time managing your accounts and other client accounts. This creates different conflicts of interest for which we have developed procedures to mitigate and control for these conflicts. For more information see **Item 11** of [Form ADV Part 2A](#).

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

**Additional Information:** For more information about our conflicts of interests and the way we are compensated, please see **Item 5** and **Item 10** of our [Form ADV Part 2A](#).

***How Do Your Financial Professionals Make Money?***

**Description of Salary/Payment of IARs:** We compensate our investment adviser representatives based on the level of assets that the representative manages. This creates a conflict of interest as it gives your representative an incentive to recommend you invest more in your account.

***Do You or Your Financial Professionals Have Legal or Disciplinary History?***

Neither us, nor our investment adviser representatives have a legal or disciplinary history to report. You can look up more information about us and our investment adviser representatives at <https://www.investor.gov/CRS>.

**Conversation Starters:** *As a financial professional, do you have any disciplinary history? For what type of conduct?*

***Additional Information About Red Spruce Capital***

Additional information about us and a copy of this relationship summary are available on the Internet at [www.redsprucecapital.com](http://www.redsprucecapital.com). You can also find our disclosure brochures and other information about us at <https://adviserinfo.sec.gov/firm/summary/158720>. If you have any questions or want a copy of our ADV Part 2A Disclosure Brochure and/or an up-to-date copy of this relationship summary, we can be reached by phone at (610) 727-4270.

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