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March 31, 2011

This Brochure provides information about the qualifications and business practices of Cresap Inc. If you have any questions about the contents of this Brochure, please contact us at 610-341-1320 or mcresap@cresap.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Cresap Inc. is an investment adviser registered in the State of Pennsylvania. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information about which you determine to hire or retain an adviser.

Item 2 Material Changes

On July 28, 2010, the United States Securities and Exchange Commission (“SEC”) published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure, dated March 31, 2011, is our new document prepared according to the SEC’s new requirements and rules. As such, this document is different in form and structure and includes certain new information that our previous brochure did not require.

In the future, this firm will provide our clients with a summary of material changes that are made to the Brochure. We will also reference the date of our last annual update of our Brochure.

In the past we have offered or delivered information about our qualifications and business practices to our clients on at least an annual basis. As required by the new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may also provide ongoing disclosure information about material changes as necessary.

We will provide you with a new Brochure as necessary based on changes or new information, at any time, without charge, upon request from you.

Currently, our Brochure may be requested by contacting Mark Cresap, President, at 610-341-1320 or mcresap@cresap.com

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Item 4. Advisory Business

Cresap Inc. is a corporation that has been registered with FINRA (formerly NASD) since 1990. The firm has also been registered in the state of Pennsylvania as an investment advisor since 2006. The fact of registration as an investment advisor should not imply a particular level of skill or training, but is simply a regulatory requirement.

Cresap Inc. is an introducing broker dealer that custodies all client assets and routes all securities transactions through a clearing firm. Our clearing firm is First Clearing Corp. (FCC) a subsidiary of Wells Fargo Corporation.

With very limited exception, client assets managed by Cresap Inc. are custodied at FCC and are deployed in certain programs, or platforms, offered by FCC to its various correspondent firms. Assets owned by the client are held in the client's name and are not co-mingled with other assets. As of 3/14/2011, the total value of client advisory assets in these programs were \$57.7 million.

Non-Discretionary Assets

By far the majority of the firm's client advisory assets are managed on a non-discretionary basis. This means that the financial advisor must receive the approval of the client prior to executing a buy or sell transaction. As of 3/14/2011, 98% of the firm's client advisory assets were managed on a non-discretionary basis.

The majority of the firm's client assets that are managed on a non-discretionary basis are held in the Asset Advisor program made available through FCC. Assets eligible for purchase in the Asset Advisor program include, but are not limited to, common and preferred stocks, exchange traded funds, closed-end funds, corporate and government bonds, certificates of deposit, options and certain mutual funds that may be purchased at net asset value (no sales charge). Total client assets currently (3/14/11) in the Asset Advisor program total \$55.6 million. This represents 99% of all non-discretionary assets.

The remaining 1% of non-discretionary assets are held in the Custom Choice program, which is limited to open-ended mutual funds. These funds may be purchased at net asset value (no sales charge).

Discretionary Assets

Discretionary management of assets means that the financial advisor associated with Cresap Inc. has the authority to make investment portfolio decisions without the clients' prior approval of the specific transactions. The client grants this authority to the advisor through a written agreement. About 2% client advisory assets (or \$1.3 million) are managed on a discretionary basis.

The majority of these assets (approximately \$1 million) are held in the Professional Investment Management (PIM) program. The Advisor has authority to make decisions using a broad array of security types.

On a very limited basis, the firm may provide access to outside money managers through the facilities of FCC. In this arrangement, the account is managed by an outside manager, selected by the individual client from an FCC approved list. About .5% (one half of one percent ...or approximately \$300,000) of client assets are currently managed by an outside manager.

One advisor associated with the firm provides advice to 401K plans not custodied at FCC.

How Advisory Accounts are Managed

With the exception of the single outside manager mentioned above, investment advice is provided to the client directly from the advisor, who is qualified to provide such advice by virtue of passing the requisite investment advisory examination and is under the supervision of Cresap Inc.

An advisor, who may work in partnership with one or more other advisors, will work with a client to develop an investment strategy designed to meet the client's goals. Client strategies may differ significantly. One client may wish to secure a steady stream of income, while another may wish to achieve growth and is willing to accept more risk in the process.

The firm does not require advisors under its supervision to follow any particular, overarching investment strategy. It does, however, review accounts to ensure that the management of each portfolio is consistent with the fiduciary standard. This is a standard of care that requires that the advisor always places the interests of the client first and discloses all forms of compensation and possible conflicts of interest.

Item 5 Fees and Compensation

Fees charged on advisory accounts are based on the value of the account, and are expressed on an annualized basis. This is explained in greater detail below.

The amount of the advisory fee is set by agreement between the advisor and the client. This applies to any advisory account at the firm.

With respect to non-discretionary (client directed) accounts there are two options currently offered by Cresap Inc. to clients:

The first is Asset Advisor, a program that accommodates a broad range of investment recommendations. The fee is set based on negotiation between the client and the advisor.

The firm's actual charges on Asset Advisor accounts are set at various levels below 1.5%. The fee is set based on negotiation between the client and the advisor.

The second non-discretionary option is Custom Choice, which provides a broad array of open-end mutual fund options.

The firm's actual charges on Custom Choice accounts are set at various levels below 1.2%. The fee is set based on negotiation between the client and the advisor.

With respect to advisor directed (discretionary) accounts, Cresap Inc. uses the Private Investment Management (PIM) product made available by FCC. The firm's actual charges on PIM are set at various levels below 3%. The fee is set based on negotiation between the client and the advisor.

For all advisory accounts held in the aforementioned programs at our clearing firm (FCC), fees are deducted at the time the account is opened (inception) and on a quarterly basis thereafter. Inception fees are pro-rated from the time the account is opened until the end of the calendar quarter in which it is opened. Quarterly fees are processed within the first 15 days of each quarter.

Fees are based on the value of assets held in the account on the last day of the quarter. If an account was worth \$400,000 on 12/31, and was subject to a 1% annual fee, the fee billed in January would be calculated as follows:

$\$400,000$ (value on 12/31) X 1% = \$4000 (annualized fee)

$\$4000$ (1/4 or one quarter) = \$1000 (quarterly fee)

Unlike regular brokerage accounts at Cresap, Inc., there are no commissions or any other charges imposed on transactions that occur within advisory accounts. This applies to all securities, including mutual funds, purchased or sold in advisory accounts. There are no custody charges or inactivity charges. The only cost to the client is the advisory fee, negotiated by the client and advisor, and set forth in the account opening documents signed by the client.

Item 7 Types of Clients

The vast majority of the firms' advisory clients are individual retail investors.

As described earlier, investment strategies are developed by the client and advisor on the basis of that client's needs and objectives. There is no particular type of security, investment strategy, or risk analysis process that is emphasized by the firm, or imposed upon advisors by the firm.

Item 9 Disciplinary Information

There are no legal or disciplinary events that are material to a client's evaluation of the firm's advisory business.

Item 10 Other Financial Industry Activities and Affiliation

All persons that function as advisors to advisory accounts at Cresap Inc. are also registered representatives of Cresap Inc., the broker/dealer. As registered representatives of Cresap Inc., these individuals could recommend to clients that they open or maintain traditional brokerage accounts instead of advisory accounts. Brokerage accounts charge commissions on a transaction by transaction basis, while advisory accounts are charged a flat fee. The decision as to which account is appropriate is made by client and advisor. Certain advisors of Cresap Inc. are also employees of Bryn Mawr Trust Company. Their advisory business is conducted exclusively through Cresap Inc. and is in no way related to, nor does it conflict with, the banking business of Bryn Mawr Trust Company.

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

Advisors of Cresap Inc. may own or purchase the securities that they recommend to clients. The firm has rules in place to ensure that advisors in no way benefit from price movements resulting from transactions in client accounts.

Item 12 Brokerage Practices

All brokerage transactions in advisory accounts are executed free of charge to the client. The firm receives no benefit from these transactions. All transactions are routed by FCC to the appropriate market for best execution. Cresap Inc. receives no consideration from any person or entity in exchange for brokerage transactions.

The firm does not aggregate orders in advisory accounts because they are executed on an account by account basis at different times. The firm would aggregate orders if purchase of a block of a security for multiple accounts would result in a more favorable average price for the accounts in question.

Item 13 Review of Accounts

All accounts are reviewed on a periodic basis by a principal of the firm.

A non-periodic review might be triggered by an exception report or alert generated by the firm's (FCC proprietary) supervision system.

Clients receive monthly statements and quarterly statements prepared by FCC. Cresap Inc. does not prepare statements.

Item 14 Client referrals and other compensation

The firm does not give or receive compensation or any other consideration for referrals.

Item 15 Custody

All advisory client statements are prepared by the custodian (FCC) and should be reviewed carefully by the client. At present, there is one exception where an advisor is receiving a consulting fee for providing advice to outside retirement plans. The advisor does not have discretion and the firm/FCC does not have custody. It is purely a consulting fee arrangement.

Item 16 Investment Discretion

Please refer to Item 4, Advisory Business

Item 17 Voting Client Securities

The firm does not have the authority to vote client securities. The client will receive proxies from an agent of the clearing firm. Clients may contact their advisor with any questions pertaining to the proxy.

Item 18 Financial Information

Cresap Inc. maintains net capital in accordance with the requirements imposed by the SEC , FINRA. As of December 31, 2010 (latest audited financials) the firm had net capital five times greater than FINRA's minimum requirement. The firm has no contractual obligation with clients that imposes any financial burden on the firm.

Item 19 The Firm Management

The firm was founded and is owned by Mark Cresap. Mr. Cresap has more than 30 years of experience in the securities business and holds FINRA supervisory licenses for general securities, municipal bonds, financial operations and options. Mr. Cresap was formerly Chair of the FINRA District Business Committee and is currently a member of the FINRA Small Firms Advisory Board. Mrs. Cresap graduated with a B.A. from Williams College in 1974.

The firms' two vice presidents are Marisa Gold and Richard Hess. Ms. Gold holds a FINRA supervisory license for general securities. Mr. Hess holds FINRA supervisory licenses for general securities, municipal bonds and options.