

Item 1 – Cover Page

**LeDonne Advisory Services**  
**200 Business Park Drive, Suite 106**  
**Armonk, New York 10504**  
**914-730-0196**

03/28/12

This brochure provides information about the qualifications and business practices of LeDonne Advisory Services and its proprietor, Edmond LeDonne. If you have any questions about the contents of this brochure, please contact Edmond LeDonne at (914) 730-0196.

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. Edmond LeDonne is a registered investment adviser. 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 with which you determine to hire or retain an adviser. Edmond LeDonne founded LeDonne Advisory Services in 1990. His BBA degree is from Iona College, New Rochelle, New York.

Additional information about Edmond LeDonne also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

## Item 2 – Material Changes

On July 28, 2010, the United States Securities and Exchange Commission published Amendments to Form ADV., which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated 03/28/2012 is an annual updated document prepared according to the SEC's requirements and rules.

In the future, this item will discuss only specific material changes that are made to the brochure and provide clients with a summary of these changes. We will also reference the date of our last annual update of this brochure.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC rules, we will ensure that you receive a summary of any material changes to this and subsequent brochures within 120 days of the close of the business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new brochure as necessary based on changes or new information, at any time, without charge.

Currently, this brochure may be requested by contacting Edmond LeDonne, Proprietor, LeDonne Advisory Services at (914) 730-0196.

Additional information about Edmond LeDonne is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with LeDonne Advisory Services who are registered, or are required to be registered, as investment adviser representatives of LeDonne Advisory Services. We will further provide you with a new brochure as necessary based on changes or new information, at any time, without charge.

### Item 3 – Table of Contents

Item 1 - Cover Page .....	i
Item 2 – Material Changes .....	ii
Item 3 – Table of Contents .....	iii
Item 4 – Advisory Business .....	1
Item 5 – Fees and Compensation .....	1
Item 6 – Performance-Based Fees and Side by Side Management .....	2
Item 7 – Types of Clients .....	2
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....	3
Item 9 – Disciplinary Information .....	3
Item 10 – Other Financial Industry Activities and Affiliations .....	4
Item 11 – Code of Ethics .....	4
Item 12 – Brokerage Practices .....	5
Item 13 – Review of Accounts.....	5
Item 14 – Client Referrals and Other Compensation .....	5
Item 15 – Custody .....	6
Item 16 – Investment Discretion .....	6
Item 17 – Voting Client Securities .....	6
Item 18 – Financial Information .....	7
Item 19 – Requirements for State-Registered Advisers.....	7

The two supplements shown below are not applicable to LeDonne Advisory Services. Therefore, LeDonne Advisory Services is not required to include those two supplements in this brochure.

-Part 2A, Appendix 1: The “Wrap Brochure” - LeDonne Advisory Services does not sponsor a wrap fee program. Therefore, Part 2A, Appendix 1 is not applicable to LeDonne Advisory Services.

- Part 2B: The “Supplement. – LeDonne Advisory Services has no supervised persons, therefore a biographical and disciplinary information page, which is Part 2B: The “Supplement. is not applicable to LeDonne Advisory Services.

#### Item 4 – Advisory Business

LeDonne Advisory Services provides a copy of ADV Part 2 to every client and a copy will be provided to any prospective client upon request. Fees are negotiable. The factors considered are the size of the account and the type of assets managed. Assets under management as of 12/31/2011: \$53,832,832.

#### Item 5 – Fees and Compensation

All fees are subject to negotiation. The factors considered are the size of the account and the type of assets managed. The specific manner in which fees are charged by LeDonne Advisory Services is established in a client's written agreement with LeDonne Advisory Services. LeDonne Advisory Services bills its fees quarterly, semi-annually or annually. Fees are generally billed at the end of the fee period or within the last 3 months of the fee period, unless client directs otherwise. In no case are fees charged more than six months in advance. Clients may also elect to be billed directly for fees or to authorize LeDonne Advisory Services to bill advisory fees directly to the client's custodian account or broker account". Management fees shall not be prorated for each capital contribution and withdrawal made during the applicable calendar fee period quarter unless otherwise agreed to in writing. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

LeDonne Advisory Services charges a fee for investment advice. Edmond LeDonne does not hold himself out to the public as a financial planner because the only financial planning done is to determine an investment strategy for clients based on their needs. Edmond LeDonne manages clients' funds and securities for either a fixed fee or for a percentage of assets market value. At present all fees are based on a percentage of assets market value.

Fees are negotiable. Generally, the annual fee ranges from 1/2 of 1.00% to 1.00%, per year depending on the composition of assets.

LeDonne Advisory Services Management's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses, which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage and custody accounts and securities transactions. Mutual funds and exchange-traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to LeDonne Advisory Services Management fee, and neither LeDonne Advisory Services nor Edmond LeDonne shall receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that Edmond LeDonne considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

Item 6 – Performance-Based Fees and Side-By-Side Management

LeDonne Advisory Services does not charge performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Item 7 – Types of Clients

LeDonne Advisory Services provides portfolio management services to individuals, IRA's, Trusts and Retirement plans.

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

Edmond LeDonne usually meets with new clients to establish the investment guideline range for common stock investments. These include individual common stock investments supplemented with closed-end common stock mutual funds, IShares, Exchange Traded funds including holdings outside the U.S. All accounts maintain common stock holdings in precious metals and the reasons are set forth for new clients and existing clients.

At our initial client meeting, we establish the need for current income and advise the client of the impact that fluctuating interest rates can have on the income level from fixed income investments. Also explained is the need for Treasury Inflation Protected bonds (TIPS), TIP funds and floating rate bonds for use in periods of unusually low interest rates such as the present.

Fixed income investments can include Insured Bank Certificates of Deposit, U.S. Treasury & Government Agency Obligations, Investment quality municipal and corporate bonds, U.S. Treasury TIPS, Floating Rate corporate bonds and TIP bond funds.

The client's top federal income tax bracket usually determines the usage of municipal bonds and contact with the clients tax accountant is often necessary

Assessment of bond maturity risk is explained to the client including the potential serious loss of the principal value of longer-term bonds during periods of sharply rising interest rates.

Changes in the client's investment guidelines are usually made when their written year-end review is made, unless a need to make a change is determined during the year.

Finally, we consider it an essential part of the investment advisor's responsibility to attempt to identify the market risks and act promptly.

For example, the risk of loss was reduced sharply with pre 2008 sale of AIG and almost complete sale of U.S. Bank stocks, addition of precious metals and increased energy holdings in recognition of sharply rising U.S. debt levels and the possibility of increased inflation and sharply higher interest rates.

While we have always been considered as long-term investors, the increased volatility of the past several years including the sharp common stock price declines in 2008 and the sharp recovery since then, has increased our trading volume.

#### Item 9 – Disciplinary Information

Edmond LeDonne has never been disciplined. Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Edmond LeDonne or the integrity of his management. Edmond LeDonne has never been disciplined, so he has no further information applicable to Item 9.

Item 10 – Other Financial Industry Activities and Affiliations

Edmond LeDonne has no other financial industry activities and affiliations other than with his firm, LeDonne Advisory Services, except for Fiduciary relationships, which fall under the jurisdiction of the Probate Court.

Item 11 – Code of Ethics

LeDonne Advisory Services' Code of Ethics sets forth standards of conduct and requires compliance with securities laws. Its policies and procedures relating to personal investment activities are shown below. Edmond LeDonne is the firm's founder and there are three additional employees.

**Confidentiality:** LeDonne Advisory Services does not share or sell client information in any manner.

**Conflicts of interest:** Edmond LeDonne will receive economic benefit from any of the broker/dealers that he recommends: Benefits to Edmond LeDonne include research related services, tools used to place trades, duplicate documents, and having the clients' advisory fee deducted from the clients' accounts.

**Trading:** Edmond LeDonne buys and sells some of the same securities that he trades for clients. He bases investment decisions on the client's investment objective. LeDonne Advisory Services does not own any securities, nor will it buy or sell securities for its own account in the future. Edmond LeDonne may trade for his own accounts in securities, which are recommended to and/or purchased for his clients. The Firm's Code of Ethics is designed to assure that the personal securities transactions will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions. Trading is continually monitored to reasonably prevent conflicts of interest between Edmond LeDonne, his employees and his clients.

**Fiduciary duty:** Edmond LeDonne has a fiduciary duty to his clients. LeDonne Advisory Services' Code of Ethics involves the confidentiality of client information, a prohibition on insider trading, a prohibition of rumormongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things.

**Records:** Edmond LeDonne will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order. It is LeDonne Advisory Services Management's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Edmond LeDonne will also not cross trades between client accounts.

## Item 12 – Brokerage Practices

Soft dollar benefits are not limited to those clients who may have generated a particular benefit although certain soft dollar allocations are connected to particular clients or groups of clients. And/or soft dollar benefits are not proportionally allocated to any accounts that may generate different amounts of the soft dollar benefits.

Trades are limited to general securities (including municipal bonds, corporate bonds, US Treasury Obligations), closed-end mutual funds and Insured Certificates of Deposit. Edmond LeDonne manages accounts on a discretionary basis in most accounts but has no authority to withdraw funds and/or securities from clients' accounts. No limitations are placed on the amount of securities that can be bought or sold within any pre-agreed portfolio allocation. LeDonne Advisory Services evaluates commissions paid to brokerage firms on their competitiveness and execution, not necessarily that they have the lowest cost.

Clients are free to select any custodian or broker of their choosing. They understand that if custodianship is with a broker, all trades must be executed with that broker. For that reason, most clients elect to maintain bank custodian accounts where the advisor can select the broker based on their competitiveness, execution and cost.

In some cases, we purchase attractive corporate or municipal bonds thru a reputable bond dealer, which may not be available thru the client's broker where custody is maintained. Some brokers have increased their minimum trade commission to \$100. On small trades, we currently pay 40% to 50% less.

## Item 13 – Review of Accounts

Clients' statements of transactions and holdings are reviewed monthly. Clients receive a fiscal or calendar year-end annual written portfolio evaluation.

## Item 14 – Client Referrals and Other Compensation

Neither LeDonne Advisory Services nor Edmond LeDonne pays for referrals.



Item 15 – Custody

The majority of clients maintain custodian accounts at 2 large banks and the balance maintain custodianship of their accounts with brokerage firms. The clients and LeDonne Advisory Services receive monthly statements directly from the custodian. We advise our clients to carefully review these monthly statements. LeDonne Advisory Services does not provide any other statements to clients.

Item 16 – Investment Discretion

LeDonne Advisory Services usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account. When selecting securities and determining amounts, Edmond LeDonne observes the investment policies, limitations and a restriction of the clients for which it advises. Investment guidelines and restrictions are usually provided to LeDonne Advisory Services in writing.

Item 17 – Voting Client Securities

Unless requested to the contrary by the client, we normally vote proxies on behalf of our advisory clients.

Item 18 – Financial Information

Sample Language Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Edmond LeDonne's financial condition. Edmond LeDonne has no financial commitment that impairs his ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

Item 19 – Requirements for State-Registered Advisers

LeDonne Advisory Services is registered in the state of New York. Information about LeDonne Advisory Services and Edmond LeDonne has been provided in this brochure.

Part 2A of Form ADV-LeDonne Advisory Services