

Disclosure Brochure

Vioni Capital Management, LLC

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This brochure provides information about the qualifications and business practices of Vioni Capital Management, LLC. If you have any questions about the contents of this brochure, please contact us at (941) 362-0870 or ron@vionicapital.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 Vioni Capital Management, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Vioni Capital Management, LLC is a registered investment adviser. Registration of an investment adviser does not imply a certain level of skill or training.

Material Changes

We have revised our Disclosure Brochure, effective January 1, 2012. This revision updates our last Disclosure Brochure, dated January 1, 2011, revised August 1, 2011, and includes:

1. A change in our relationship with Ancora Securities, Inc. Ronald E. Vioni, Mark A. Usher, and Dana D. Duckman are no longer registered representatives of Ancora Securities, Inc. Vioni Capital Management, LLC continues to recommend Ancora Securities, Inc. as a brokerage firm for clients in need of brokerage, but our associated persons no longer have the ability to earn commissions from your securities transactions handled by Ancora Securities, Inc.
2. Minor clarifications about our advisory services (including the amount of assets we manage), fee billing, our methodology, selection of brokerage and custodial services, and account reviews.

Contact Ronald E. Vioni, Managing Member and Chief Compliance Officer at (941) 362-0870 or ron@vionicapital.com for a complete copy for a complete copy of our Disclosure Brochure.

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Advisory Business

Vioni Capital Management, LLC is a registered investment adviser specializing in customized portfolio management for individual investors, family offices, and institutions. Ronald E. Vioni, managing member and owner, founded the firm in March 2009.

At Vioni Capital, our objective is to develop customized portfolios that meet your goals. We implement strategies for asset allocation and selection of specific investments. We provide customized portfolio recommendations based your investment parameters, time horizon, risk tolerance and return objectives. We also offer personal consultations where you may want advice on a particular issue in the areas of finance and investments. Our services may include both internally managed accounts and selective allocations to external investments, such as private equity investments. At your option, you may impose specified investment objectives and guidelines and/or conditions. For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio or prohibit transactions in the securities of a specific industry. We ask that you detail in writing any specific requirements before engaging our services.

Ongoing, we manage your accounts on a discretionary basis or a non-discretionary basis depending on your preference. In fact, on December 31, 2011, we managed \$40 million in client assets on a discretionary basis and \$2 million on a non-discretionary basis.

We will advise you on any type of investment in your portfolio at the inception of our relationship based on our understanding of your particular investment needs.

If one of your accounts is a plan subject to ERISA, we ask that you appoint Vioni Capital Management as “Investment Adviser” for purposes of ERISA. We will need to have copies of the plan documents and any amendments governing the operation and administration of plan assets. We do not provide advice for assets outside of the plan and will not vote proxies for securities held in the plan. We ask that you take steps to name Vioni Capital Management as a fiduciary in the plan’s ERISA fidelity bond covering the account.

Fees and Compensation

Management Fees

Management fees are based on the value of assets managed and fees are calculated as a percentage of assets under management. Fees are negotiable. Annually, we charge up to 0.50% to manage mutual funds and fixed income securities and up to 0.25% to manage variable annuities. The fees for the remaining portfolio are:

<u>Assets Under Management</u>	<u>Annual Fee</u>
First \$499,999	1.50%
Next \$500,000	1.00%
Next \$4 million	0.75%
Next \$5 million	0.60%
Next \$10 million	0.50%
Next \$30 million	0.40%
Over \$50 million	Negotiable

The minimum annual fee is \$1,500. We may negotiate fees (including the annual minimum fee) on a client-to-client basis depending on the size, complexity, and nature of the portfolio managed. We may charge a lesser management fee based upon certain criteria (i.e. eleemosynary institutions.) We may aggregate assets for household totals and other circumstances. While we believe that our fees are competitive, you may obtain lower fees for comparable services from other sources.

You may negotiate fees for services other than account management before engaging Vioni Capital Management for those services.

Fee Billing

We charge fees quarterly in advance at one-fourth of the annual rate based on your account value on the last day of the previous calendar quarter. The initial fee will be billed based on your account value as of the day management begins and will be at least \$375 (one-fourth of the annual minimum fee). If you sign the Investment Advisory Agreement at any time other than on the first day of a calendar quarter, the initial fee is pro-rated based on the number of days from the first day of management to the end of the calendar quarter, subject to the minimum annual fee. Subsequent fees are calculated as of the first day of each calendar quarter.

Additions to your account at any time other than on the first day of a calendar quarter are subject to fees on a pro-rated basis based on the number of days from the first day of management to the end of the calendar quarter. However, at our discretion, insignificant fluctuations in money deposited may not be subject to management fee pro-ration. No fee refunds will be given for withdrawals from your account made during the calendar quarter and while the Investment Advisory Agreement is in effect. You are responsible for all expenses of your account in addition to custodian fees and brokerage commissions.

If you have more than one account and/or family-related accounts, the total values are aggregated to determine the fee percentages and then pro-rated equally amount the accounts. You may arrange for the fee to be deducted from just one account for all accounts as long as there are no conflicts with ERISA requirements.

When you sign the Investment Advisory Agreement, you will authorize Vioni Capital Management to invoice your custodian or broker/dealer for management fees. By signing a “Letter of Authorization” or other document, you will authorize your custodian or broker/dealer to automatically deduct the fees from your account and send to Vioni Capital Management. If your account does not have a sufficient cash or money market balance to cover the fees or is restricted from automatic debiting of fees, you may deposit additional funds (subject to certain restrictions for IRA accounts and Qualified Retirement Plans) or make payment in an alternative manner acceptable to Vioni Capital Management. If you do not deposit additional funds or otherwise make the payment, securities in your account will be sold in an amount sufficient to cover the fees. Your account’s custodian or broker/dealer will reflect the amount of the deduction on your account’s statement.

Other Charges

Our management fees are separate from charges assessed by third parties, such as broker/dealers, custodians, mutual fund companies, etc. Brokerage and other transaction costs charged by broker/dealers executing the transactions and custodians maintaining your assets are in addition to the management fees and are non-negotiable. Mutual funds, variable annuities or other platforms charge may assess other fees and expenses, such as 12B-1 fees and/or commissions in connection with the placement of your funds into certain investments.

Terminating Advisory Services

Our advisory services continue until terminated in writing by you or us. On the effective date of termination any fees due to you will be refunded promptly on a prorated share, based on the remaining days of the quarter that have been prepaid. We will discontinue all services and responsibilities to your account. You release Vioni Capital Management from all responsibilities as of the effective date of termination. We will instruct your brokerage firm to deliver securities and funds held in the account as instructed by you. If you want to liquidate your account, the account proceeds will be payable to you on settlement of all transactions in the account. Commissions and transactions charges that may have been negotiated by Vioni Capital Management with your brokerage firm may not be in effect upon liquidation or termination.

Also, you have the right to terminate our advisory services without penalty within five (5) business days after entering into the Investment Advisory Agreement. Termination will not affect the validity, liability and obligations of the Investment Advisor Agreement for actions taken before the termination. Your death will not terminate the Investment Advisory Agreement or authority granted to Vioni Capital Management until we have received actual written notification of your death.

Performance-Based Fees and Side-By-Side Management

We do not accept performance-based fees – that is, fees based on a share of capital gains or appreciation of the assets of a client.

We do not participate in side-by-side management. Side-by-side management refers to the practice charging performance-based fees for account management while at the same time managing accounts that are not charged performance-based fees.

Types of Clients

We provide our advisory services to individual investors, family offices, and non-profit and for-profit institutions. We have no requirements for opening or maintaining an account, other than the minimum annual fee.

Methods of Analysis, Investment Strategies, and Risk of Loss

Our methodology uses a combination of fundamental research and technical metrics enabling us to identify individual equities that generate portfolio alpha while minimizing

beta. We target companies that possess sustainable competitive advantages, strong financials and long-term consistent dividend performance. Stocks added to our focus list generally trade at or below their long-term multiples to cash flow and generally provide rising dividends. Not all of our selections will be below their mean price to cash flow or have an above average dividend yield. We generally incorporate the concept of mean reversion.

We have developed a total return investment strategy designed to preserve purchasing power, retain capital value as well as provide growth and income over time. Our strategy is primarily equity-based, utilizing a disciplined bottom-up selection process, focusing on each company's financial strength, earnings predictability and dividend growth. Ultimately, the portfolio is chosen through human direction rather than quantitative models.

We generally seek U.S. companies with global footprints and self-sustaining business models, particularly those that derive value from demographic and technological trends rather than business or commodity cycles. We believe that risk management starts with the best quality companies at reasonable prices, emphasizing superior dividend records and having a culture of returning shareholder value. Our target is a low beta portfolio, typically fewer than 35 holdings, that performs in line with or better than the S&P. We prefer to optimize returns rather than maximize returns.

Investing in securities involves risk of loss that you should be prepared to bear. Investment values will fluctuate, are subject to market volatility, and may be worth more or less than original cost. All securities with the exception of U.S. Treasury bills involve the loss of principal. In addition, while we believe our methodology and investment strategy will be profitable, there is no assurance that this will always be the case.

While your account may allow margin transactions, we generally do not recommend it. We want you to understand the risks of margin transactions and recommend that you read your broker/dealer's written disclosure document describing margin trading and its related risks. Some of our recommendations may include trading options. Here again, we want you to understand the risks involved when trading options and recommend that you read "*Characteristics and Risks of Standardized Options*" published by the Options Clearing Corporation. We will be happy to answer any questions.

Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Vioni Capital Management or the integrity of our management. We have no information that applies to this item.

Other Financial Industry Activities and Affiliations

We are required to disclose material relationships that we may have with related financial industry participants. We have no material relationships and are not affiliated with any other financial institutions.

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

Vioni Capital Management has adopted a formal Code of Ethics. This Code of Ethics includes requirements to make sure that we meet our fiduciary responsibilities:

1. Our representatives will put your interests before his interests.
2. You have the unrestricted right to specify your investment objectives, guidelines, and/or conditions on the overall management of your account.
3. Our representatives and their immediate family members will not make investment decisions for their personal portfolio(s) if the decision is based on information that is not also available to the investing public.
4. Vioni Capital Management and its representatives generally may not participate in private placements or initial public offerings (IPO's) without pre-clearance from our Compliance Officer.^{1, 2}

¹ This investment policy has been established recognizing that some securities being considered for purchase and/or sale on behalf of our clients trade in sufficiently broad markets to permit transactions by clients to be completed without an appreciable impact on the markets of the securities. Under certain circumstances, exceptions may be made to this policy. Records of these trades, including the reasons for the exceptions, will be maintained in the manner set forth above.

² This policy does not apply to certain types of securities, such as obligations of the U.S. Government, and shares in open-end mutual funds. Open-end mutual funds are purchased or redeemed at a fixed net asset value price per share specific to the date of purchase or redemption. Transactions in mutual funds by advisory representatives are not likely to have an impact on the prices of the fund shares in which clients invest

5. Vioni Capital Management requires that its representatives comply with all applicable federal and state regulations governing registered investment advisers.

The full text of our Code of Ethics is available to you request

On occasion, Vioni Capital Management or its representatives may also buy or sell securities that they recommend to clients or may recommend securities transactions in which related persons have some financial interest. This practice would create a conflict of interest if the transactions were structured to trade on the market impact caused by recommendations made to our clients. Our Chief Compliance Officer reviews our personal transactions quarterly. Our Code of Ethics requires pre-approval in some cases. We believe that we have adopted sufficient controls so that our personal transactions are consistent with advice given to clients.

Brokerage Practices

Selection of Brokerage and Custodial Services

You are free to select any broker/dealer for your brokerage account. Usually, we recommend Ancora Securities for your brokerage account and Pershing, LLC as your account's custodian. This relationship provides access to Pershing's investment advisory platform, Pershing Advisor Solutions, as well as software that facilitates order creation, client management, compliance, accounting, and performance measurement. Further, if your brokerage transactions are placed with Ancora Securities and cleared by Pershing, there is a minimum ticket charge (\$17.50/trade + 0.01/share) for each transaction rather than a commission charge based on Ancora Securities' and Pershing's regular commission schedule. Ancora Securities and Pershing do not share this charge with Vioni Capital Management. We believe this to be a reasonable charge, although you may find charges cheaper at other brokerage firms. In addition, we believe that Ancora Securities achieves favorable execution prices on its transactions, but it may not be the most favorable in the industry. Unfavorable transaction execution could be costly to you.

There are other reasons to recommend Ancora Securities and Pershing. They provide research and other value-added services. These services are provided to all clients of Vioni Capital Management, not just those who are required to pay for these services.

Ancora Securities or Pershing may make available other products and services that benefit Vioni Capital Management but may not directly benefit client accounts. Some of

these other products and services assist Vioni Capital Management in managing and administering clients' accounts. These include software and other technology that provide access to client account data, facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of Vioni Capital Management's fees from its clients' accounts; and assist with back-office functions, recordkeeping and client reporting. Many of these services may be used to service all or a substantial number of Vioni Capital Management's client accounts regardless of where the account is held. We try to act in our clients' best interests at all times. Our suggestion that you maintain your accounts at a particular institution is based in part on the benefit to Vioni Capital Management of the availability of these products and services and not solely on the nature, cost or quality of custody and brokerage services provided, which may create a potential conflict of interest.

Aggregation of Orders

Most transactions for each client account are entered on a transaction-by-transaction basis. If we decide to purchase or sell the same securities for several clients at approximately the same time, we might combine ("aggregate" or "batch") these orders, including our own. By aggregating orders of the same securities, we may be able to obtain a better overall execution price. we may be able to obtain lower transaction costs that might or might not have been obtained had multiple orders been placed independently. When aggregating, the brokerage firm generally averages price and transaction costs, allocating among clients as we have told them to do. We receive no additional compensation or remuneration resulting from the aggregation of client trades.

Review of Accounts

Ronald E. Vioni, President, and Mark A. Usher, Investment Adviser Representative, review accounts. The frequency and level of review is determined by the complexity of your portfolio, changes in economic or market conditions, tax laws, and your individual situation. The brokerage firm handling your account and/or mutual fund manager send you account statements at least quarterly, but usually monthly. These account statements show money balances, investment values, and transactions.

Client Referrals and Other Compensation

For benefits that we receive from Ancora Securities and Pershing, see “*Brokerage Practices*” above.

We may pay individuals for client referrals, if those individuals are qualified and have entered a solicitation agreement with Vioni Capital Management. In these types of arrangements, Vioni Capital Management agrees to pay the individual for the referral, which is dependent on the prospective client entering into an advisory agreement with us. Compensation to the individual is a percentage of our management fees. The individual is required to provide to the prospective client a written statement describing the compensation that will be paid to him. He is not permitted to offer investment advice on behalf of Vioni Capital Management. Clients obtained through a referral will not pay higher fees than clients not obtained through referrals.

Custody

We do not take custody of your funds and securities. Because of this, we do not accept securities or forward securities to your brokerage firm or custodian. The only checks payable to Vioni Capital Management that we are permitted to accept are those payable for advisory fees. You will not give us authority to withdraw securities or funds (other than advisory fees) from your account. If your brokerage firm is Ancora Securities, your funds and securities are held by Pershing, LLC. Pershing, LLC’s headquarters is located at One Pershing Plaza, Jersey City, New Jersey 07399.

Investment Discretion

Usually, you will grant Vioni Capital Management discretion over the selection and amount of securities to be bought or sold. This investment authority may be subject to specified investment objectives and guidelines and/or conditions imposed by you. For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio, restrictions or prohibitions of transactions in the securities of a specific industry. Please detail any exceptions in writing prior to engaging our services.

Voting Client Securities

We do not accept authority to vote securities on your behalf. Your brokerage firm or custodian sends proxies or other solicitations about your securities directly to you. If you

have questions about a particular solicitation, you can contact your representative for advice. You are not obligated to follow your representative's advice on voting your securities.

Financial Information

Vioni Capital Management is required to provide you with certain financial information or disclosure about its financial condition. Vioni Capital Management has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients nor has it been the subject of a bankruptcy proceeding.

Requirements for State-Registered Advisers

This Item does not apply to Vioni Capital Management.