

# Abbondandolo Wealth Management Corp

## Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of Abbondandolo Wealth Management Corp. If you have any questions about the contents of this brochure, please contact us at (516) 674-9229 or by email at: [vito.abbondandolo@cpa.com](mailto:vito.abbondandolo@cpa.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 Abbondandolo Wealth Management Corp is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Abbondandolo Wealth Management Corp's CRD number is: 168081*

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*Registration does not imply a certain level of skill or training.*

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## **Item 2: Material Changes**

There are no material changes in this brochure from the last annual updating amendment of Abbondandolo Wealth Management Corp on February 7, 2014. Material changes relate to Abbondandolo Wealth Management Corp's policies, practices or conflicts of interests only.

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## Item 4: Advisory Business

### A. Description of the Advisory Firm

Abbondandolo Wealth Management Corp is a Corporation organized in the state of New York. The firm was formed in May of 2013, and the principal owner is Vito Abbondandolo.

### B. Types of Advisory Services

Abbondandolo Wealth Management Corp (hereinafter "AWM") offers the following services to advisory clients:

#### *Investment Supervisory Services*

AWM offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. AWM creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs an asset allocation plan to aid in the selection of a portfolio that matches each client's specific situation. Investment Supervisory Services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Regular portfolio monitoring

AWM evaluates the current asset allocation of each client with respect to their risk tolerance levels and time horizon. AWM will request discretionary authority from clients in order to modify asset allocations without permission from the client prior. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

#### *Services Limited to Specific Types of Investments*

AWM generally limits its money management to mutual funds, equities, bonds, fixed income, debt securities, ETFs, real estate, REITs and government securities. AWM may use other securities as well to help diversify a portfolio when applicable.

***Selection of securities is outsourced to SEI Investments Management Corporation (SEI)***

AWM outsources the selection of securities to SEI Advisor Network. SEI Advisor Network provides AWM with turnkey wealth management services through outsourced investment strategies. AWM clients will pay a separate fee to SEI in addition to the advisory fee paid to AWM. Total fees are disclosed to AWM clients in SEI's investment proposal.

**C. Client Tailored Services and Client Imposed Restrictions**

AWM offers the same suite of services to all of its clients. However, specific client investment strategies and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent AWM from properly servicing the client account, or if the restrictions would require AWM to deviate from its standard suite of services, AWM reserves the right to end the relationship.

**D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and any other administrative fees. AWM does not offer a Wrap Fee Program for its Investment Advisor Services. However, AWM is a participating Investment Advisor in SEI Advisor Network's unaffiliated Wrap Fee Program. Under a Wrap Fee Program, SEI arranges for the investor participant to receive investment advisory services, the execution of securities brokerage transactions, custody and reporting services for a single specified fee. Participation in a Wrap Fee Program cost the participant more or less than purchasing such services separately.

**E. Amounts Under Management**

AWM has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$0.00	\$46,273,156.00	12/31/2014

## Item 5: Fees and Compensation

### A. Fee Schedule

#### *Investment Supervisory Services Fees*

Total Assets Under Management	Annual Fee
First \$1,000,000	1.00%
\$1,000,001 - \$2,000,000	0.90%
\$2,000,001 - \$3,000,000	0.80%
\$3,000,001 - \$4,000,000	0.70%
\$4,000,001 - \$5,000,000	0.60%
Above \$5,000,000	0.50%

These fees are negotiable depending upon the needs of the client and complexity of the situation and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract. AWM uses the last day of previous quarter for purposes of determining the market value of the assets upon which the advisory fee is based. Fees are paid quarterly in arrears. Clients may terminate the contract without penalty, for full refund, within five business days of signing the contract. Thereafter, clients may terminate the contract with thirty days' written notice. The above fees are in addition to the fees paid to SEI.

Because fees are charged in arrears, no refund policy is necessary. Advisory fees are withdrawn directly from the client's accounts with client written authorization.

### B. Payment of Fees

#### *Payment of Investment Supervisory Fees*

Advisory fees are withdrawn directly from the client's SEI accounts with client written authorization. Fees are paid quarterly in arrears.

### C. Clients Are Responsible For Third Party Fees

Clients are responsible for the payment of all SEI third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by AWM. Please see Item 12 of this brochure regarding broker/custodian.



#### **D. Prepayment of Fees**

AWM collects its fees in arrears. It does not collect fees in advance.

#### **E. Outside Compensation For the Sale of Securities to Clients**

Neither AWM nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

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

AWM does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

### **Item 7: Types of Clients**

AWM generally provides management supervisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals

#### ***Minimum Account Size***

There is no account minimum.

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

#### **A. Methods of Analysis and Investment Strategies**

##### ***Methods of Analysis***

AWM's methods of analysis include fundamental analysis.

*Fundamental analysis* involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

##### ***Investment Strategies***

AWM uses long term trading and short term trading.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **B. Material Risks Involved**

### ***Methods of Analysis***

**Fundamental analysis** concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

### ***Investment Strategies***

Long term trading is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Short term trading generally holds greater risk and clients should be aware that there is a material risk of loss using any of those strategies.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **C. Risks of Specific Securities Utilized**

AWM generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. They can be of bond "fixed income" nature (lower risk) or stock "equity" nature (mentioned above).

**Equity** investment generally refers to buying shares of stocks by an individual or firms in return for receiving a future payment of dividends and capital gains if the value of the stock increases. There is an innate risk involved when purchasing a stock that it may decrease in value and the investment may incur a loss.

**Treasury Inflation Protected/Inflation Linked Bonds:** The Risk of default on these bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal.

**Fixed Income** is an investment that guarantees fixed periodic payments in the future that may involve economic risks such as inflationary risk, interest rate risk, default risk, repayment of principal risk, etc.

**Debt securities** carry risks such as the possibility of default on the principal, fluctuation in interest rates, and counterparties being unable to meet obligations.

**Stocks & Exchange Traded Funds (ETF):** Investing in stocks & ETF's carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy).

**Real Estate** funds face several kinds of risk that are inherent in this sector of the market. Liquidity risk, market risk and interest rate risk are just some of the factors that can influence the gain or loss that is passed on to the investor. Liquidity and market risk tend to have a greater effect on funds that are more growth-oriented, as the sale of appreciated properties depends upon market demand. Conversely, interest rate risk impacts the amount of dividend income that is paid by income-oriented funds.

**REITs** have specific risks including valuation due to cash flows, dividends paid in stock rather than cash, and the payment of debt resulting in dilution of shares.

**Precious Metal ETFs** (e.g., Gold, Silver, or Palladium Bullion backed "electronic shares" not physical metal): Investing in precious metal ETFs carries the risk of capital loss.

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various other types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Short term trading** risks include liquidity, economic stability and inflation.

**Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

### **A. Criminal or Civil Actions**

There are no criminal or civil actions to report.

### **B. Administrative Proceedings**

There are no administrative proceedings to report.

### **C. Self-regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.

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

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

Neither AWM 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 AWM 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**

Neither AWM nor its representatives have any material relationships to this advisory business that would present a possible conflict of interest.

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

AWM may direct clients to third-party investment advisers. Clients will pay AWM its standard fee in addition to the standard fee for the advisers to which it directs those clients. This relationship will be memorialized in each contract between AWM and each third-party advisor. The fees will not exceed any limit imposed by any regulatory agency. AWM will always act in the best interests of the client, including when determining which third-party investment adviser to recommend to clients. AWM will ensure that all recommended advisers are licensed or notice filed in the states in which AWM is recommending them to clients.

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

### **A. Code of Ethics**

AWM has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and

Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Our Code of Ethics is available free upon request to any client or prospective client.

#### **B. Recommendations Involving Material Financial Interests**

AWM does not recommend that clients buy or sell any security in which a related person to AWM or AWM has a material financial interest.

#### **C. Investing Personal Money in the Same Securities as Clients**

As part of its Code of Ethics, AWM has implemented a restricted list to ensure that neither it nor its representatives will trade in securities that AWM also recommends to clients.

#### **D. Trading Securities At/Around the Same Time as Clients' Securities**

Please see Item 11C above.

### **Item 12: Brokerage Practices**

#### **A. Factors Used to Select Custodians and/or Broker/Dealers**

The Custodian is selected based on the transaction fees relative to other custodians and access to mutual funds and ETFs. Additional factors used to choose the Custodian are the Custodian's support services, reputation and cost-benefit compared to other custodians. A robust trading platform is another consideration in selecting a custodian.

The Custodian will be chosen primarily based on its relatively low transaction fees and, strength of trading platform, access to mutual funds and ETFs, support services, and reputation. AWM will never charge a premium or commission on transactions, beyond the actual cost imposed by Custodian..

##### ***1. Research and Other Soft-Dollar Benefits***

While AMW has no formal soft dollars program in which soft dollars are used to pay for third party services, AMW may receive research, products, or other services from its broker/dealer in connection with client securities transactions ("soft dollar benefits") consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended, and may consider these benefits in recommending brokers. There can be no assurance that any particular client will benefit from any particular soft dollar research or other benefits. AMW benefits by not having to produce or pay for the research, products or services, and AMW will have an incentive to recommend a broker dealer based on receiving research or services. Clients should be aware that AMW's acceptance of soft dollar benefits may result in higher commissions charged to the client.

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## ***2. Brokerage for Client Referrals***

AWM receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

## ***3. Clients Directing Which Broker/Dealer/Custodian to Use***

AWM does not trade client's accounts or recommend broker/custodians, and therefore does not direct brokerage.

### **B. Aggregating (Block) Trading for Multiple Client Accounts**

AWM does not trade client's accounts or recommend broker/custodians, and therefore does not have the ability to block trade purchases across accounts.

## **Item 13: Reviews of Accounts**

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

Client accounts are reviewed at least quarterly only by Vito Abbondandolo, President. Vito Abbondandolo is the chief advisor and is instructed to review clients' accounts with regard to clients' respective investment policies and risk tolerance levels. All accounts at AWM are assigned to this reviewer.

### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client will receive at least quarterly from the custodian, a written report that details the client's account including assets held and asset value which will come from the custodian. AWM itself does not provide clients with reports.

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

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

AWM does not receive any economic benefit, directly or indirectly from any third party for advice rendered to AWM clients.

### **B. Compensation to Non – Advisory Personnel for Client Referrals**

AWM does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

## **Item 15: Custody**

SEI will deduct the client's fees. If the client chooses to be billed directly by the custodian, AWM would have constructive custody over that account and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy. Clients will receive statements from the custodian. AWM does not provide account statements to clients in addition to those provided by the custodian.

## **Item 16: Investment Discretion**

For those client accounts where AWM will have investment discretion, the client has given AWM written discretionary authority over the client's accounts with respect to securities to be bought or sold and the amount of securities to be bought or sold. Details of this relationship are fully disclosed to the client before any advisory relationship has commenced. Discretionary authority is executed by agreement through the custodian account application and the investment advisory contract.

## **Item 17: Voting Client Securities (Proxy Voting)**

AWM will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## **Item 18: Financial Information**

### **A. Balance Sheet**

AWM does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither AWM nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

AWM has not been the subject of a bankruptcy petition in the last ten years.