

**PANDOLFO CAPITAL, LLC  
("PC")  
WRAP PROGRAM ACCOUNTS**

**PC Private Wrap Fee Program Brochure**

Sponsored by:  
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This brochure provides clients with information about Pandolfo Capital, LLC ("PC") and PC's Wrap Program (the "Program"). You should consider the information in this brochure carefully before becoming a Program client. Please note that this information has not been approved or verified by any governmental authority.

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## **Program Description**

PC's Wrap Program has been designed to help meet PC's client's financial circumstances and investment objectives.

## **PC Services**

*PC's Wrap Program Accounts.* The PC's Wrap Assets will be managed by PC on a discretionary basis. PC will review the Wrap Assets on a regular and continuous basis and make recommendations as PC deems appropriate. PC typically recommends equities, ETF's, fixed income securities, and some mutual funds that are appropriate given the client's financial circumstances and investment goals for the Wrap Program Accounts, but may also recommend other securities or money management programs from time to time. PC selects mutual funds for inclusion in its recommended list of funds based on style, past performance, experience and track records of fund managers, and risk ratings as established by independent rating services. PC's recommendations of other securities will be based on the client's particular needs and PC's independent review of the appropriateness of the securities to assist the client to meet those needs.

Wrap Program Accounts that are managed on a discretionary basis do allow PC to implement recommendations without the client's prior approval. PC will act as the Client's agent to implement such recommendation without Client's instructions. The client agrees to review trade confirmations received from the client's custodian and notify PC immediately of any errors.

## **Brokerage and Custody of Program Accounts**

PC will direct transactions for Wrap Program Accounts to such broker-dealers as they may select, unless the client gives specific directions otherwise. In directing or recommending brokerage, PC seeks "best execution" for client accounts, which is a combination of a number of judgmental factors including price, execution quality and client needs. Recognizing the value of these judgmental factors, brokers selected or recommended may charge commissions that are higher than the lowest commissions that might otherwise be available.

PC has a relationship with TD AMERITRADE Institutional, a division of TD AMERITRADE, Inc. ("TD AMERITRADE") member *FINRA*/SIPC. TD AMERITRADE is an unaffiliated SEC-registered broker-dealer and *FINRA* member. This firm will provide custody and execution services in accordance with the terms set forth in your agreement. PC reasonably believes that in the case of managed accounts, TD AMERITRADE's commission and transaction costs, as well as professionalism, allow PC to seek best execution and competitive prices.

## **Program Fees**

The annual fee for Adviser's investment management services, based on the market value of the Client's account at the beginning of the calendar quarter, is as follows:

### ***Fixed Income Portfolio Management***

<b>Asset Value</b>	<b>Fees (basis points)</b>
First \$1,000,000	75 b.p.
Thereafter	50 b.p.

### ***Mutual Funds/Exchange Traded Funds (ETF's) Portfolio Management***

<b>Asset Value</b>	<b>Fees (basis points)</b>
First \$1,000,000	125 b.p.
Thereafter	100 b.p.

### ***Capital Preservation/ /Income /Balanced Portfolio Management***

<b>Asset Value</b>	<b>Fees (basis points)</b>
First \$1,000,000	125 b.p.
Thereafter	100 b.p.

**What costs are covered by the Program Fees?** The Program Fees pay for PC's advisory services to clients under the Program and transaction fees of the Program.

**What costs are not covered by the Program Fees?** The Program Fees do not cover brokerage fees to the extent trades are conducted through brokers or dealers other than TD AMERITRADE at the request of the client. Finally, the Program Fees do not include expenses of mutual funds that may be included in the client's portfolio.

**How are fees charged?** The fee for investment management will be based on the time weighted value of the account for the previous quarter and is payable quarterly in advance. The first advisory fee is based on the value of the account on the first day of management by PC and is payable within one month after execution of the agreement. The first advisory fee will be assessed on pro-rata basis taking into account the time for which the account was not managed by PC and the time left in the quarter.

Fees may be negotiable. The Client's fees will take into account the aggregate number of portfolios under management with Adviser. Fees will be automatically deducted from the account. Clients will be provided with monthly statements from account custodian reflecting deduction of the advisory fee.

**Is there a minimum fee and are fees negotiable?** Program accounts are not subject to a minimum annual fee. Clients are required to invest a minimum amount of \$1,000,000 in the Program. In some instances minimums may be negotiable, at the discretion of PC.

**Additional Information about Program Fees.** PC generally does not offer the services provided under the Program separately. However, clients may be able to purchase services similar to those offered under the Program from other service providers either separately or as part of a similar wrap fee program. These services or programs may cost more or less than the Program, depending on the fees charged by such other service providers. PC hereby discloses that Clients may receive the same or comparable services from other advisors at a lower fee. PC discloses that it may utilize various firms for the execution of securities transactions and to custody assets. In certain cases, Adviser may recommend that clients execute transactions through unaffiliated broker-dealers further described in Item 12(B) of Schedule F. In any event, Client is under no obligation to act upon Adviser's recommendations and if the Client elects to act on any of the recommendations, the Client is under no obligation to effect the transaction through Adviser, or any of the unaffiliated broker-dealers listed in Item 12(B) of Schedule F.

This account is a wrap account, the Client will not incur transaction charges imposed by unaffiliated third parties. The Client may pay custodial fees, charges imposed directly by a mutual fund, index fund, or exchange traded fund which shall be disclosed in the funds prospectus (i.e., fund management fees and other fund expenses), wire transfer fees and other fees and taxes on brokerage accounts and securities transactions.

Either party may terminate the agreement at any time by providing written notice to the other party. Full refunds will only be made in cases where cancellation occurs within five (5) business days of signing the Adviser's investment advisory agreement. After five (5) business days, clients will receive pro-rata refunds, which take into account work completed by the Advisor on behalf of the client. The client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the client. Refunds will be given on a pro-rata basis.

### **About PC and its Affiliations**

#### **Key Personnel**

Peter C. Pandolfo, Jr. is the key member of the firm. He manages all Wrap Program Assets as further described in Schedule F of Form ADV. He conducts daily reviews of all client accounts.

### **EDUCATIONAL AND BUSINESS BACKGROUND**

**Peter Charles Pandolfo, Jr.**

**Y.O.B. 1968**

#### **Education**

Rutgers University, Camden, NJ – 1992 B.S. in Accounting

#### **Licensing**

Series 7, 63, and 65; 05/94, 05/94, and 06/94

#### **Business Background last 5 years**

Pandolfo Capital, LLC NJ, 12/08 to Present, Managing Member and Chief Compliance Officer  
Merrill Lynch & Co., Princeton, NJ - 06/99 to 11/08, Financial Advisor