

# 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@awmny.com](mailto:vito@awmny.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 03/08/2019. Material changes relate to Abbondandolo Wealth Management Corp. 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 an SEC Registered Investment Advisor organized in the state of New York. The firm was founded in May of 2013, and the principal owner is Vito Abbondandolo.

### **B. Types of Advisory Services**

Abbondandolo Wealth Management Corp (hereinafter "AWM") provides investment advisory services based on a strategic asset allocation approach. Since our inception we have operated as a fee-only firm. We have no proprietary products and none of the associated conflicts of interest. We design customized portfolios with the liberty to recommend an appropriate mix of investment alternatives based on client needs.

#### ***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
- Tax Management

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 when required 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.

### **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**

AWM does not participate in wrap fee programs.

### **E. Amounts Under Management**

As of December 2019, our clients assets under management totaled \$ 78,093,248 which were comprised as followed:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$0.00	\$ 78,093,248.00	December 2019

## **Item 5: Fees and Compensation**

### **A. Fee Schedule**

AWM is a fee-only investment advisor. We do not receive compensation from any investment vehicle. We have no soft dollar arrangements (see item 12) with any money manager or broker-dealer. We receive fees solely from our clients and therefore are free from any potential conflicts of interest that other forms of compensation might create

### ***Investment Supervisory Services Fees***

<b>Total Assets Under Management</b>	<b>Annual Fee</b>
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. Advisory fees are prorated if services are rendered for only part of the quarter.

#### **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
- ❖ Trusts
- ❖ Pensions

*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**

AWM advocates a strategic asset allocation investment approach that does not rely on short term market forecasts. We recommend that clients diversify their portfolios across a variety of major asset classes. Variations in the patterns of returns across

these asset classes mitigate the volatility risk at the portfolio level.

Our investment philosophy maintains that an investment portfolio's asset allocation (choice of asset classes and the allocation of money across them) is a primary determinant of its long-term investment performance. The markets primarily drive investment results, rather than exercise of skill in either security selections or market timing.

Client involvement in the design of the portfolio is critical to their success. We arrive at the allocation for each client through education and consultation with the client. Once the design process is complete, we follow a consistent and disciplined investment management process for the implementation and ongoing management of client portfolios in areas such as rebalancing, portfolio review, and manager selection

For qualified retirement plan clients, we construct investment options for plan participants through consultation with the plan sponsor. By following the methodology described above, we arrive at a number of options with varying risk/return profiles. These portfolio options include various asset classes and investment management styles that, in total, are expected to offer participants the opportunity to diversify their retirement investments in a manner appropriate to their objectives, risk tolerances, and return expectations.

While our investment strategy helps to reduce the risks associated with investing, it cannot eliminate risk altogether. All investments involve risks, including the possible loss of principal. During their investment lifetimes, investors should be prepared to encounter market environments in which they experience losses, perhaps significant ones.

## **B. Material Risks Involved**

We mitigate the investment risks in client portfolios through the breadth of diversification across asset classes and across securities within asset classes. By designing portfolios that capture the benefits of multiple-asset-class investing, we help our clients pursue their financial goals with less volatility.

Because of the diversification used in our investment strategy, our clients likely will face a unique behavioral risk that would not be present if they chose a more traditional U.S. stock and bond portfolio. We refer to this risk as "frame-of-reference" risk. It refers to the difficulty that a U.S.-based investor may have adhering to a globally diversified strategy during periods when the investor's domestic market is outperforming the global strategy.



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

When implementing client investment strategies, we generally use some type of pooled vehicle, such as open-end mutual funds, exchange traded funds (ETFs), and will recommend separate account managers where appropriate. We do not make recommendations of individual stocks or individual bonds.

## **Item 9: Disciplinary Information**

As a Registered Investment Advisor, we are required to disclose any legal or disciplinary events that might be material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

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

AWM and its management have never been named, charged, convicted of, pled no contest to, or been the subject of any order or judgment in a criminal or civil action in a domestic, foreign, or military court of competent jurisdiction.

### **B. Administrative Proceedings**

AWM and its management have never been involved in an administrative proceeding before the SEC or any other federal, state, or foreign financial regulatory authority.

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

AWM and its management have never been involved in any self-regulatory organization (SRO) proceeding.

## **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**

We have no relationships or arrangements with any persons or entities that would create a material conflict of interest with clients.

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

We receive fees only from our clients and receive no commissions or compensation from any other source, including any other investment advisors that we may recommend.

# **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, neither AWM 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. AWM currently uses SEI Private Trust Company based in Oaks, PA as Custodian.

SEI was chosen primarily based on its relatively low transaction fees and, strength of trading platform, access to mutual funds, money managers and ETFs, support services, and reputation. AWM will never charge a premium or commission on transactions, beyond the annual cost imposed by Custodian. AWM will visit custodian as needed but at least annually to conduct due diligence review.

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

AWM does not participate in "soft dollar" arrangements. By virtue of custodian client assets at SEI, we receive support services that enable us to monitor and service our client accounts. This support includes:

- a dedicated service group and an account services manager dedicated to our accounts
- electronic download of trades, balances, prices, and positions in SEI's portfolio management software
- electronic access to SEI's proprietary internet site and their software-based system.
- client statements, confirmations, and year-end summaries
- the ability to have advisory fees directly debited from client accounts {in accordance with Federal and State requirements)

- client access to SEI's online service
- discounted or gratis attendance at SEI sponsored conferences, meetings, and other educational events.

## ***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**

AWM regularly reviews client accounts. Our Investment Advisor Representative (IAR's) conduct a review of client accounts at least monthly. (The IAR's are identified in our Form ADV 2B, the brochure supplement). For these reviews, the IAR's examine the overall portfolio structure as asset allocation to ensure that they are consistent with the client's Investment Policy Statement (IPS). The IAR's also review each recommended investment position to ensure that it continues to be an appropriate investment for the portfolio. We also review our clients' Investment Policy Statements on an annual basis. In the process we review the clients:

- Investment objectives
- Time horizon
- Risk tolerance
- Broad portfolio balance
- Asset allocation
- modeled portfolio behavior
- Discretionary authority

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

On a more frequent basis, various triggering factors can occur that may necessitate review of client accounts. These factors include, but are not limited to; significant changes in the general price levels of the various securities markets and significant additions to or withdrawals from a client's account.

## **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 may, via written arrangement, retain third parties to act as solicitors for AWM's investment management services. All compensation with respect to the foregoing will be fully disclosed to each client to the extent required by applicable law. AWM will ensure each solicitor is properly registered in all appropriate jurisdictions. All such referral activities will be conducted in accordance with Rule 206(4)-3 under the Advisers Act, where applicable.

# **Item 15: Custody**

AWM policy is to never take custody of our clients' assets. This key separation of duties provides important protection for client assets.

# **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 never been the subject of a bankruptcy petition in the last ten years.