

Part 2A of Form ADV: Firm Brochure

Item 1 Cover page

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This brochure provides information about the qualifications and business practices of Weinstat Wealth Management, Inc. If you have any questions about the contents of this brochure, please contact us at 516-666-0144 and or [MWeinstat@WeinstatWealthManagement.com](mailto:MWeinstat@WeinstatWealthManagement.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 is available at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Item 2 Material changes

Not applicable.

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#### Item 4 Advisory Business

Weinstat Wealth Management, which will in the future be referred to as WWM for this brochure, is an independent, fee only, investment advisory firm. The firm started as WWM on January 1, 2011 but is a successor organization from Weinstat and Weinstat CPA's and RIA. W&W started on June 30, 1984. The reason for the succession/change in ownership structure was to greater reflect the true nature of the firm which is now investment advising. Michael Weinstat is the 100% shareholder. WWM advises on purchasing no load mutual funds and equities. WWM also advises on fixed income. WWM services are tailored to the needs of individuals. This is done by discussing with the clients on an as needed basis. Clients do not impose restrictions on investing in certain securities. WWM has discretionary authority on all accounts. While WWM has discretionary authority to do what is best for the client, WWM will always take each individuals needs and concerns into account.

There are no wrap fee programs. All assets are managed on a discretionary basis, 100%. No client assets are managed on a non-discretionary basis, 0.

Assets under management as of February 13, 2024 are \$ 102,698,000

#### Item 5 Fees and Compensation

WWM is compensated strictly on a fee only basis. The fees are 1% of assets under management for equity and mutual fund assets. The fees are calculated on a quarterly basis. In the vast majority of cases, the fees are not negotiable. If a client has assets

under management in excess of \$ 10 million, then the fee can be negotiated. For fixed income, the fee is ½ of 1% of assets under management. Fees can either be paid by the clients directly or deducted from the clients account. The method is decided by the client. Client fees are either paid directly by the client or deducted from the account every three months. However, if the client withdraws funds from the account and as a result of that, goes below the minimum, then WWM reserves the right to raise the fee for equity accounts to 1.5% per annum. The fee will not be raised if the account goes below the minimum as a result of market fluctuations. The minimum for new equity accounts as of February 9, 2021 is \$ 750,000. The minimum for new mutual fund accounts is \$ 400,000. Exceptions can be made for children or grandchildren of current clients and for people under 50.

No other fees are paid to WWM by the client or received from any other party. Certain other expenses are incurred by the client. Certain no load mutual funds have a transaction fee of \$ 25. These transaction fees were disclosed to the client prior to accepting them as a client. Mutual fund expenses are incurred such as management fees of the fund and its operating expenses. A transaction fee of \$ 4.95 for certain equity accounts. For accounts that are above \$ 1 million in value or use email confirmations, there is no fee on equity trades. This was also disclosed to the client prior to them becoming a client.

All transaction fees are paid to Fidelity Investments. WWM does not receive any compensation for sales of securities or any referral fees.

Please see item 12 where brokerage practices are discussed.

All fees are paid after services are provided.

## Item 6 Performance based fees and side by side management

Historically, WWM (or to be precise, the firm WWM succeeded) has on rare occasion received performance based fees.

Performance based fees by WWM are only agreed upon at the request of the client. In theory, there is an incentive to perform riskier strategies with respect to this account. However, in reality, since WWM has an investment philosophy for its 100% owner to own everything that their clients own for equities and equity mutual funds, this incentive does not translate to any conflicts of interest or riskier strategy. In other words, in reality, the strategy is the same. At the present time, there are no performance based fees. There is no side by side management.

## Item 7 Types of clients

Generally, WWM provides advisory services to individuals. Trusts and Estates can be done if the opportunities arise. There is now one client that is a charitable trust. Three clients with a living Trust.

The minimum is \$ 400,000 for mutual funds and fixed income. The minimum is \$ 750,000 for equity accounts. Exceptions to the minimum are made for family members of current clients. The definition of family members are considered to be children or grandchildren of the clients. Exceptions can also be made for people under 50.

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

Multiple methods of analysis are used as well as strategies. The most general strategy is to maximize clients after tax returns over the long term. For the mutual funds, WWM seeks managers who can over the long term, provide a solid absolute return while at the same time, beating the market averages as well as doing better than most of their peer group. WWM prefers managers who will go anywhere and are less constricted by style boxes. Previous annual and quarterly reports are reviewed. Since managed equity accounts are also provided as a service, WWM also reviews the holdings of the mutual fund holdings on a quarterly basis. When given the opportunity, WWM participates in conference calls of the mutual funds and attends meetings when held in New York City, pre pandemic. The risk of the analysis with mutual funds is primarily market risk. That is one of the advantages of being with a mutual funds is that you have some built in diversification within the fund itself. There is a risk that even with the research, the mutual fund will not do well relative to the market or its peers so that even in a strong bull market, in one particular year or even over several years, the mutual fund may not do well. There is also a risk that during a down market, the mutual fund will do worse than the broad market. Over a given amount of time, when a mutual fund does not perform well, either relative to the broad market or to its peers, the fund is sold.

For equities, each equity is thoroughly researched. The starting point is generally doing statistical research on Yahoo finance. Yahoo finance also provides many links to articles relating to the equity. If the stock passes the first test, the next step is reading the value line report and on occasion Morningstar's report. Barron's is also read as part of the research process. The company's annual reports are also read. Depending on the equity, WWM will also read the SEC reports which entails the company's financial reports as well as the footnotes. Depending on the equity, WWM will listen in on conference call after earnings are announced as well as company web casts. Despite WWM extensive research, there are risks to owning individual securities, both market risk and the risk that even with extension research, things will not go as expected. As an example, there are negative earnings surprises which will cause the stock price to go fall over night prior to when WWM has a chance to sell it. It has been explained to clients over the years that much of the action occurs after market hours so that in many instances, the opening stock price is not the same as the closing price. As another example, on occasion when a Wall Street analyst downgrades an equity, the stock price can fall by a significant amount over the short term.

It is explained to clients that investing in securities and mutual funds entails loss of principal. In some cases, the loss of principal will be permanent. Clients should be willing to bear the risk of a total loss of principal for individual securities. During bear markets, clients should be prepared to lose a portion of their assets for several years. Even during bull markets, there is a risk of loss and clients should be able to tolerate the extreme volatility that the equity market presents. Even during bull markets, there is a risk that many securities purchases will have unrealized losses for an extended period of time.



None of the investment strategies that WWM uses involves any unusual risk. On rare occasions, at the clients request only, WWM will use margin transactions. WWM only invests in liquid securities listed on major exchanges so there is no liquidity risk. WWM does not use frequent trading strategies, so the transaction costs are minimal. Most clients have zero transaction costs. WWM does not use options or any other risky strategy such as leveraged ETF's. WWM looks to maximize after tax performance.

#### Item 9 Disciplinary Information

There has never been a disciplinary action taken against WWM or its predecessor, Weinstat and Weinstat.

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

WWM has no financial industry activities or any other affiliations.

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

There are no conflicts of interests as an independent, fee only adviser.

The 100% shareholder, Michael Weinstat owns for his own accounts, all no load mutual equity funds and with one exception, all equities that WWM advises for his clients. The one exception are one equity that are held in two of the client's accounts that are deemed

to be more suitable for them specifically. The only reason for this is to add some diversification to these accounts. Other than this exception, Michael Weinstat owns all the equities and equity mutual funds that the clients own to demonstrate the confidence that WWM has in the mutual funds and the equities that are recommended to the clients. The NAV/price for the mutual funds purchased for the clients is identical to that purchased by Michael Weinstat at the time of the initial purchase of the mutual fund. Equities are purchased and sold with stop loss orders which are placed at a specific price so the price paid and sold by the clients are either the same or similar. The only difference will be as a result of execution by the custodian of the assets or because of market volatility. If there is a difference, it is by only a few cents per share and the total amount is not material in terms of dollars on the trade. Michael Weinstat, the 100% shareholder, puts in his trades only after the orders have executed for the clients. This also applied to family members. For mutual funds, since everyone receives the same NAV, this is not necessary.

All equities are public companies with prices listed on a major exchange.

WWM has a code of ethics and will provide a copy to any client upon request.

## Item 12 Brokerage Practices

The factors that are considered are price and service.

No compensation is received by WWM by anyone other than the clients.

Fidelity Investments is the brokerage/custodian that WWM uses. In addition to the cheap price provided by Fidelity, it is convenient for WWM since there is a Fidelity branch within a ten minute drive from the office of WWM. This convenience benefits the clients of WWM.

WWM purchases securities individually for each and every client. For equities, stop loss orders are used which means that each client gets the same price or if the price isn't the same, it is very close. The only exceptions are when the stop loss order does not execute for a particular client at exactly that same price. This is rare but it does happen on occasion. When this happens, the client's price will differ by 1-5 cents per share. Not aggregating may cost the clients more in transaction costs.

#### Item 13 Review of Accounts

Reviews of the mutual fund accounts are done on a monthly basis by Michael Weinstat.

Reviews of the equities are done on a daily basis and frequently, many times a day by Michael Weinstat.

The factors that require a review are a combination of the market volatility and a company's earnings. Each time an equity holding reports earnings, Michael Weinstat will review the holding and decide whether to keep the holding and if yes, whether to either trim the position or whether to add to the position. Michael Weinstat also frequently listens in to the conference calls of the equity positions following the release of the earnings announcement. The vast majority of clients receive quarterly reports from WWM in addition to the monthly statements from the custodian of the assets. High net worth clients receive mid quarter updates which go into details of the earnings of the equity holdings.

The quarterly reports contain numerical information that gives details of the client's performance. A personalized letter is enclosed. The letter describes what is going on in the stock market and the economy. The letter goes into details about why things are why they are. Past letters have touched on topics as the Real Estate bubble, the tech bubble and political situations and how they affect the economy and the stock market.

#### Item 14 Client referrals and other compensation

WWM does not receive any compensation from anyone else other than from clients. WWM does not compensate anyone for referrals, either directly or indirectly.

#### Item 15 Custody

Custody of client assets are maintained by Fidelity Investments. Statements are sent to clients on a monthly basis. Clients should review the statements each month and compare them to the reports that are received from WWM.

#### Item 16 Investment Discretion

WWM has full discretionary authority for all, 100% of clients. WWM will not accept a client without this authorization. This is discussed at length before accepting any client. It is not necessary to have a separate power of attorney since as part of the Fidelity Investments Institutional adviser agreement, it states that its advisers have full discretionary authority. WWM encourages its clients to read the instructions to the adviser agreement thoroughly before signing it.

#### Item 17 Voting Client Securities

WWM will not vote client securities unless asked to do so. Clients receive the proxies directly from the custodian. Clients can contact WWM at any time if they have any questions on how to vote.

#### Item 18 Financial Information

There are no financial conditions that will preclude conditions that will preclude WWM doing any of its commitments to its clients. WWM nor its shareholder has ever been part of a bankruptcy procedure.

#### Item 19 Succession

Michael Weinstat the 100% owner of WWM is 61 years old and has no plans to retire for at least 20 years. In the event that something suddenly unforeseen happens to Michael Weinstat and he either dies or is incapacitated, then Michael Kramer of Mott Capital Management, Inc. is able and willing to take over the management of WWM clients assets. Mott Capital has expertise in managing equity accounts and has a similar philosophy as WWM. The phone number of Mott Capital Management, is 516-642-5788.