

Item 1: Cover Page

Abbot Financial Management, Inc.

Form ADV Part 2A Investment Advisor Brochure

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Firm Contact: Andrew J. Novelline, President and Chief Compliance Officer

This Brochure provides information about the qualifications and business practices of Abbot Financial Management, Inc. If you have any questions about the contents of this brochure, please contact Andrew J. Novelline, President and Chief Compliance Officer at (978) 688-9010 or e-mail anovelline@abbotfm.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any State securities authority.

Additional information about Abbot Financial Management, Inc. is also available on the SEC's website at www.advisorinfo.sec.gov, using our unique identifier, CRD #111040.

Please note that use of the term "registered investment advisor" and a description of Abbot Financial Management, Inc. and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Brochure and a Brochure Supplement for each of the Firm's associates who advises you for more information on the qualifications of the Firm and our associates and employees.

Item 2: Summary of Material Changes

In this Item of Abbot Financial Management, Inc.'s ("AFM", "the Firm", "we", "us", "our", etc.) Form ADV 2, we are required to discuss any material changes that have been made since our last Annual Amendment, made in October 2018.

Material Changes since the Last Update

Since the last Form ADV Annual Amendment Filing, the Firm has made the following material changes to report:

- In July 2019, Dennis C. Wassung Jr. joined our Firm as a Portfolio Manager.
- We now provide Retirement Plan Consulting to employee benefit plans.
- We amended the document for content and readability. As a result, we will be delivering this new brochure to all clients.

Full Brochure Available

The Firm's Form ADV may be requested at any time, by contacting Andrew Novelline, President and Chief Compliance Officer at (978) 688-9010 or anovelline@abbotfm.com.

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Item 4: Advisory Business

Information about the Firm

Abbot Financial Management, Inc. (“AFM”, the “Firm,” “we,” “us,” or “our”) is an investment advisor registered with the Securities and Exchange Commission (“SEC”) under the Investment Advisers Act of 1940, as amended.

The Firm is a corporation formed in the Commonwealth of Massachusetts in 1983. Our Firm’s principal owners are Andrew Novelline, President and Chief Compliance Officer, and William Novelline, Jr., Chairman and Treasurer.

We are committed to providing individuals, including high net worth individuals, families, retirement plans, and charitable organizations with a consistent, dependable investment return from a high-quality portfolio of stocks, bonds, exchange traded funds, and mutual funds. While being sensitive to each individual client’s risk parameters, it is our goal to protect and grow principal.

As explained more fully in this Brochure, we provide asset management and financial planning services. We provide our services through investment advisor representatives, or “IARs.” More information about each IAR providing advisory services may be obtained in the Brochure Supplement (Form ADV Part 2B) for the IAR, which is provided by the IAR before or at the time the IAR is engaged. IARs are required to obtain training and licenses to sell certain investments and services. Clients should carefully review the Brochure Supplement for the IAR that is engaged and determine the investments and services the IAR is licensed or qualified to sell.

The Firm and our employees act as fiduciaries who take into consideration the best interests of our clients. When dealing with our clients, we act with competence, dignity, integrity and in an ethical manner. We use reasonable care and exercise independent professional judgement when conducting investment analysis, making investment recommendations, trading, promoting our services, and engaging in other professional activities. As a fiduciary, we have an obligation to deal fairly with our clients, including the following responsibilities:

- To render impartial advice;
- To make appropriate recommendations based on a client’s needs, financial circumstances and investment objectives;
- To exercise a high degree of care and diligence to ensure that information is presented in an accurate manner and not in a way to mislead;
- To have reasonable basis, information, and understanding of the facts in order to provide appropriate recommendations and representations;
- To disclose any material conflict of interest in writing; and
- To treat clients fairly and equitably.

Advisory Services

We provide asset management services, financial planning and consulting and retirement plan consulting. Our services are provided on a discretionary basis, meaning that we possess the discretion to buy and sell individual stocks, bonds, and other investments. Each of our asset management services is briefly described below.

Asset Management

As part of our asset management service, we create individual investment portfolios, which may consist of individual stocks or bonds, exchange traded funds (“ETFs”), options, mutual funds and other public and private securities or investments. Each client’s portfolio is tailored to an individual investment strategy and to specific goals and objectives and may include some or all of the previously mentioned securities. Once the appropriate portfolio has been determined, we review the portfolio at least annually and, as necessary, we rebalance the portfolio based upon the client’s needs and stated goals and objectives. An IAR selected by our client may exercise discretion over the investment of the portfolio.

Financial Planning and Consulting

AFM may provide financial and estate planning advice to its investment management clients. We do not receive additional compensation for such services.

Retirement Plan Consulting

We offer various levels of advisory and consulting services to employee benefit plans and these services are designed to assist plan sponsors (“Plan Sponsors”) in meeting their management and fiduciary obligations to the participants of such plans (“Participants”) under the Employee Retirement Income Securities Act (“ERISA”) and the Pension Protection Act of 2006 (“PPA”). Generally, investment advice provided to Plan Sponsors is regulated under ERISA and the PPA. Plan Sponsors must make the ultimate decision to retain us for retirement plan consulting and other advisory services including, but not limited to, services at the participant level. The Plan Sponsor is free to seek independent advice about the appropriateness of any recommended services for the plan.

For each plan, our services may include some or all of the following areas: overview, investor circumstances, tax policy, reviews, diversification and investment constraints, selection/retention criteria for investments, investment monitoring and control procedures and duties and responsibilities.

Services include: Management of vendor relationships; Request for Proposals (“RFPs”); Assistance on plan design strategies; Fiduciary consulting and oversight; Investment management; and Employee education and Communication services.

Advisory services provided to retirement plans may be solely provided by IARs, or in combination with third parties and their retirement plan services

Tailored Advice; Restrictions

We work with clients to structure an investment portfolio based on the needs of each individual. At the onset of each relationship, AFM uses client questionnaires and profiles, a review of existing investments and financial status, in order to assess the client’s risk tolerance, time frame and goals when a portfolio allocation is recommended. Each client portfolio is tailored to the individual needs of that client. We review each client’s individual investments and investment profile at least annually. When a client’s investment profile or needs change and we have notice or receive additional information, we modify our advice, as appropriate.

Clients may impose reasonable restrictions on investing in certain securities or types of securities, so long as the restrictions are practicable and permit us to manage the account without undue difficulty. This may include certain sectors that must be avoided in that specific client’s portfolios. However, in circumstances where we do not directly manage a client’s portfolio, individually imposed restrictions are generally not permitted.

Wrap Fee Program

We do not participate in any Wrap fee programs.

Assets Under Management

As of July 30, 2019, we manage approximately \$200,282,730; all assets are managed on a discretionary basis.

Item 5: Fees and Compensation

This item describes the fees we charge for our advisory services and how our fees are calculated and paid.

Investment Advisory Services

Asset Management Fees

Annual fees are payable in advance quarterly and may, if authorized, be deducted directly from client accounts. The fees are based upon a percentage of the market value of assets under management including cash and cash equivalents at time of the appraisal which is the close of the calendar month.

1.25% of the first \$1 million
1.00% of assets between \$1 million and \$3 million
0.75% of assets between \$3 million and \$5 million
0.50% of assets between \$5 million and \$10 Million and over

In some circumstances, fees charged are negotiable based upon a client's unique situation, for example, the size of the aggregate related party portfolio size, family holdings or pre-existing relationships with clients.

Investment advisory agreements can be terminated by either party within 30 days after written notice; the unearned portion of a prepaid fee will be refunded on a prorata basis.

Financial Planning Fees

We may provide financial and estate planning advice to our investment management clients, at no additional fee. Services may be provided both on an ongoing or a one-time basis based on the client's goals, needs and objectives.

Retirement Plan Consulting Fees

We charge an annualized fee of 0.35% to 0.50% of the plan's assets for the retirement plan consulting services, generally payable quarterly in arrears and paid by Plan Sponsors. Alternatively, we charge a fixed fee for these services, to be negotiated on a case-by-case basis. The type and amount of the fees charged to the client are negotiable and are generally based on the size and complexity of the plan, the number of plan participants, the location of the participants, the estimated number of meetings required, and other factors that may be deemed relevant by us when negotiating with the client. An estimate of the total cost and fees will be determined at the start of the advisory relationship.

Other Charges and Expenses

For asset management services provided by us, clients should expect to pay the following additional expenses charged by third parties:

- Custodial and similar fees and costs customarily associated with the maintenance of a custody or brokerage account.
- Internal expenses associated with products such as mutual funds and ETFs, including investment management and 12b-1 fees. These internal expenses are typically calculated as a percentage of the fund's assets under management. Some of these fees are retained by the product issuers,

and some are paid to third parties, such as a custodian, for services including the maintenance of shareholder accounts and the distribution of prospectuses and similar items. More information about specific expenses charged by a fund or ETF may be found in the applicable prospectus. Because these expenses are directly deducted from a fund's assets, they have the effect of reducing the performance of the investment.

- Products, primarily mutual funds, may have multiple share classes, each class with different fee and compensation structures, which may include deferred sales charges. Charges for internal expenses may also differ among share classes, including investment management fees and 12b-1 fees. Mutual fund shares may be subject to these fees and expenses, and we may acquire shares other than those designated specifically for advisory or institutional accounts. Lower cost share classes for the same mutual fund may be available through another arrangement.
- Other types of charges and expenses may be incurred, including mark-ups and mark-downs, odd-lot differentials, spreads paid to market makers from whom securities were obtained, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage and securities transactions.

Fees and Expenses (Mutual Funds Share Class)

Funds generally offer multiple share classes available for investment based upon certain eligibility and/or purchase requirements. For instance, in addition to retail share classes (typically referred to as class A, class B and class C shares), funds may also offer institutional share classes or other share classes that are specifically designed for purchase by investors who meet certain specified eligibility criteria, including, for example, whether an account meets certain minimum dollar amount thresholds or is enrolled in an eligible fee-based investment advisory program. Institutional share classes usually have a lower expense ratio than other share classes.

The appropriateness of a particular fund share class selection is dependent upon a range of different considerations, including but not limited to: the asset-based advisory fee that is charged, whether transaction charges are applied to the purchase or sale of funds, operational considerations associated with accessing or offering particular share classes (including the presence of selling agreements with the fund sponsors and the Firm's ability to access particular share classes through the custodian), share class eligibility requirements; and the availability of revenue sharing, distribution fees, shareholder servicing fees or other compensation associated with offering a particular class of shares.

Item 6: Performance-Based Fees and Side-by-Side Management

“Performance-based fees” are fees based on the capital gains or capital appreciation in an account. We do not charge performance-based fees. “Side-by-side management” refers to the practice of managing both accounts that are charged a performance-based fee and accounts that are charged other types of fees, such as asset-based fees and hourly fees. Because we do not charge performance-based fees, we do not engage in side-by-side management.

Item 7: Types of Clients

We have the following types of clients:

- Individuals, including high net worth individuals;
- Trusts, Families, Estates, and Charitable Organizations; and
- Pension, Retirement and Profit-Sharing Plans.

We do not have minimum requirements for opening and maintaining accounts or otherwise engaging us.

Item 8: Methods of Analysis, Investment Strategies, Risk of Loss

Methods of Analysis

Each of our IARs has developed individual methods of analysis and investment strategies. Before selecting an advisor, each client should obtain specific information about the investment analysis and strategies used by a particular advisor and consider the risk of loss associated with the advisor's strategies. Below is general information about the analysis and strategies that may be used by our advisors and the risk of loss associated with various types of investments.

Fundamental Analysis: Fundamental analysis is used to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the security is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell). Fundamental analysis does not attempt to anticipate market movements, which may present a potential risk since the price of a security may move up or down with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Technical Analysis: Using technical analysis, we analyze past market movements and use the analysis to recognize recurring patterns of investor behavior and to predict future price movement. Technical analysis does not consider the intrinsic value of a security, which may present a risk since a poorly-managed or financially unsound company may underperform regardless of market movement.

Investment Strategies

Each of our advisors use strategies that are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, time horizons, investment restrictions, and other considerations.

When purchasing securities for client portfolios, our intention is to hold the security for the long-term (held at least one year) although in some circumstances we will sell positions in less than that time frame if the situation warrants it. Higher frequency in trading can incur increased commission costs. This may also result in capital gains taxes incurred by client portfolios. We monitor the potential tax implications of placing trades and strive to keep those tax expenses to a minimum where possible.

Risk of Loss

All investments involve the risk of loss, including (among other things) loss of principal, a reduction in earnings (including interest, dividends and other distributions), and the loss of future earnings. Although we manage the assets in a manner consistent with risk tolerances, there can be no guarantee that our efforts will be successful. The investor should be prepared to bear the following investment risks of loss:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.

- **Inflation Risk:** When any type of inflation is present, a dollar next year will not buy as much as a dollar today, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties (i.e. Non-traded REITs and other alternative investments) are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

It is not possible to list all risks associated with each class of securities or assets or each market sector. Clients should consult their IAR for more information about specific risks that may be associated with the advisor's investment strategy.

Item 9: Disciplinary Information

The Firm is required to disclose legal or disciplinary events that would be material to a client's evaluation of our ability to provide investment advisory services. Neither the Firm nor its investment advisor representatives have been involved in any legal or disciplinary events related to past or present matters.

Item 10: Other Financial Industry Activities and Affiliations

Broker/Dealer and Registered Representatives

We are neither registered as a broker-dealer nor any of our management persons are registered representatives of a broker-dealer.

We are not registered and do not have an application pending as a securities broker-dealer, futures commission merchant, commodity pool operator or commodity trading advisor.

Selection of Other Advisers

We neither recommend nor select other investment advisors for our clients.

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

Code of Ethics

We have a duty to exercise our authority and responsibility for the benefit of our clients, to place the interests of our clients first, and to refrain from having outside interests that conflict with the interests of our clients. We and our employees avoid any circumstances that might adversely affect, or appear to affect, our duty of loyalty. We have adopted a Code of Ethics (the “Code”); the Code’s key provisions include:

- The interests of clients will be placed first;
- All personal securities trading will be conducted in a manner that seeks to avoid any actual or potential conflicts of interest or any abuse of an employee’s position of trust and responsibility;
- When trading in same securities, employees shall further consider such issues as liquidity and timing when making trades for their own or immediate family accounts;
- In all cases employees shall take reasonable care to ensure that client transactions are executed with price advantage. Special care will be taken when transactions involve thinly traded equities and equities with large spreads between bids and offers. The trades of employees are extremely rarely significant enough to affect the securities market;
- Employees are required to report all transactions in personal accounts to the Chief Compliance Officer on a quarterly basis and a list of holdings on an annual basis.

Our employees must acknowledge the terms of the Code at least annually. Any individual not in compliance with the Code may be subject to termination. Exceptions may be granted to certain Code provisions only in situations when it is clear beyond dispute that the interests of our clients will not be adversely affected or compromised. We will provide a copy of our Code upon request.

Participation or Interest in Client Transactions and Principal/Agency Cross Trades

We do not recommend any securities to our clients in which we have a material financial interest. We do not affect any principal or agency cross securities transactions for client accounts. We also do not cross trades between client accounts.

Personal Trading Practices

Both the Firm and our employees may invest in the same securities at the same time as the securities we recommend to our clients. In order to address the potential conflict of interest this trading presents, employees are required to report all transactions in personal accounts quarterly, list all holdings annually, and consider the timing of these trades when effectuating trades for their own or immediate family member’s accounts.

Item 12: Brokerage Practices

Research and Other Soft Dollar Benefits

Soft dollars are revenue programs offered by Custodians whereby an advisor enters into an agreement to place security trades with a Custodian in exchange for research and other services. AFM does not participate in soft dollar programs sponsored or offered by any Custodian.

Brokerage for Client Referrals

We do not receive any compensation from any Custodian in connection with the recommendation for establishing an account.

Directed Brokerage

The Firm will present the options for a Custodian that we have a relationship with to a client when they are establishing an account. They may choose from one of recommended Custodians or they may direct brokerage to a separate Custodian. This may result in clients paying higher commission costs and not achieving the most favorable execution. All Clients are serviced on a “directed brokerage basis” where we will place trades within the established account(s) at the Custodian designated by the client. Not all advisers require their clients to direct brokerage. All client accounts are traded within their respective brokerage account. The Firm will not engage in any principal transactions (i.e., trade of any security from or to the Firm’s own account) or cross transactions with other client accounts (i.e., purchase of a security into one client account from another client’s account[s]).

We typically recommend to client the custodial services of TD Ameritrade Institutional, Fidelity Institutional Wealth Services, or Winslow Evans & Crocker (these accounts are custodied at Pershing, LLC). These recommended Custodians offer independent investment advisors a range of services including, but not limited to: custody of securities, trade execution, clearance and settlement of transactions.

While we do not engage in any soft dollar agreements with these Custodians, the Firm does receive some products and services from each respective entity that may benefit the client and other products and service that solely benefit the Firm. The Custodian services that may benefit the client include: access to a broad range of investment products, execution of securities transactions, and custody of client assets. The products and services that are available to us, that may benefit the Firm but not directly benefit your account, assist the Firm in managing and administering our client accounts. These products and services include investment research, both that of the Custodian and third parties. We may use this research to service all of client accounts, which include those not maintained at the Custodian. Clients at one Custodian may pay slightly higher commissions than those at another. Although, we believe all rates are very competitive in the current marketplace. Here is a breakdown by firm:

TD Ameritrade (“TDA”)

Directly Benefit Client

- Fast efficient trades when executing single orders in client accounts;
- Broad range of investment options, execution of securities transactions, and custody of assets;
- Website access for clients to view accounts and account activity;
- Efficient team approach for client requests; check disbursal, change of address, etc.

May Not Directly Benefit Client

- Direct telephone access to trader to execute trades or for any questions about certain investments we may have (executed trades over phone may have added cost);
- Software and website platform to help us manage client accounts;
- Facilitate payment of our fees from the client accounts;
- Assist with back-office functions, record keeping, client reporting; and
- Fast efficient trades when executing single orders in client accounts.

Primarily Benefit the Firm with Indirect Benefit to Client

- Access to research reports used for all clients whether custodied with TDA or not;
- Educational conferences and events from both the custodian and that of third-parties; and
- Consulting on technology, compliance, legal and other business needs.

Winslow Evans & Crocker/Pershing

Directly Benefit Client

- Direct telephone access to traders to execute trades (at no additional transaction cost);
- Efficient team approach for client requests; check disbursal, change of address, etc.;
- Security checks when clients move funds; wire transfers, gifting, etc.; and
- Website access for clients to view accounts and account activity.

May Not Directly Benefit Client

- Direct telephone access to traders, helpful for determining limit prices on block trades;
- Website home page highlights items for attention; RMD's, insufficient ACH funds, IRA contributions, bonds maturing etc.;
- Facilitate payment of our fees from the client accounts;
- Assist with back-office functions, record keeping, client reporting; and
- Fast efficient trades when executing single orders in client accounts.

Primarily Benefit the Firm with Indirect Benefit to Client

- Access to Argus and Credit Suisse research used for all clients whether custodied with WEC (Pershing) or not;
- News center provides breaking news on all listed equities; and
- Access to a streaming quote board for all listed stocks, ETF's, etc.

Fidelity Institutional Wealth Services ("Fidelity IWS")

Benefit Client

- Fast efficient trades when executing single orders in client accounts;
- Broad range of investment options, execution of securities transactions, and custody of assets;
- Website access for clients to view accounts and account activity; and
- Efficient team approach for client requests; check disbursal, change of address, etc.

May Not Directly Benefit Client

- Direct telephone access to trader to execute trades or for any questions about certain investments we may have (executed trades over phone may have added cost);
- Software and website platform to help us manage client accounts;
- Facilitate payment of our fees from the client accounts;
- Assist with back-office functions, record keeping, client reporting; and
- Fast efficient trades when executing single orders in client accounts.

Primarily Benefit the Firm with Indirect Benefit to Client

- Access to assorted research reports used for all clients whether custodied with Fidelity IWS or not;
- Educational conferences and events from both the custodian and that of third-parties;
- Consulting on technology, compliance, legal and other business needs; and
- Access to regular conference calls relating to certain investments and investment related topics.

Although each custodial platform recommended by the Firm offers a slightly different array of services to clients and the Firm, overall, we believe each Custodian offers a reasonable level of service and good value to the client. The Firm conducts annual reviews of each of the Custodians to evaluate their costs, performance of services, and other pertinent attributes. The results of these reviews will determine whether the Firm will continue to recommend each Custodian to its clients. These services are available to us because we maintain client accounts with those respective Custodians.

Trade Aggregation

When deemed appropriate, we may aggregate securities of different clients for block trading where doing so will provide better execution for all the clients involved. When clients' accounts are aggregated, each account in the aggregation is charged or credited with the average price to the total blocked transaction. This ensures that no one client's account is provided higher priority than another. It is possible, however, that block trades executed at different Custodians will result in different pricing. The Firm uses best efforts to execute block trades placed with different Custodians as close as possible in time. In other cases, account reviews are warranted before making any trade decisions. In these cases, different prices may be obtained in separate client accounts. These different prices may be more or less advantageous to a client depending on the actual market in a particular security when a trade occurs. This does not indicate that any particular client is given preferential treatment over another; it is more of a market timing issue.

Item 13: Review of Accounts

All accounts are reviewed on an individual portfolio and ongoing basis and also may be reviewed as part of our review of individual holdings. These reviews take place as part of the firm's regular research meetings conducted by the portfolio management team made up of: Andrew J. Novelline, President and Chief Compliance Officer; Robert A. McLemore, Investment Adviser Representative; Dennis C. Wassung Jr., Portfolio Manager; and William T. Novelline, Jr., Chairman and Treasurer. In these meetings, after discussion, if a security is deemed to be a candidate for sale or purchase, we will review the portfolios that hold this security and make changes as needed.

In addition to these reviews, each client account is reviewed at least quarterly. This includes reviewing:

- The market value of the portfolios;
- The suitability of the securities being held in a client account;
- The weighting of securities in a client portfolio to ensure that no one security constitutes too large a position within the portfolio; and
- Recent activity in the portfolio.

Any changes in a client's needs or investment objectives will also trigger a full portfolio review. This is usually part of the regular communication by phone, email or letter that the portfolio managers have with the clients.

Account Statements and Quarterly Appraisals

Clients receive a monthly statement from the Custodians where the client's account(s) are held. In some situations, statements from the Custodian are sent on a quarterly basis. This statement will include a list of portfolio holdings and transactions for the period. Duplicate confirmations of each trade are also sent to the client at the time of the transaction. This includes the quantity of shares of a particular security, price of security, and commission rate charged for the trade.

When applicable, Clients are also sent a quarterly appraisal by us that details holdings, costs and current market values along with their quarterly invoices. Accompanying the appraisal and the invoice is a letter written by one of the Firm's portfolio managers that may include our thoughts on current market conditions and/or individual notes about changes to that specific client account in the prior quarter.

We also send out an annual tax package that includes realized gains and losses, management fees paid, and income and expenses. The client will also receive an IRS Form 1099 from their qualified custodian.

Item 14: Client Referrals and Other Compensation

Other Compensation for Advisory Services

We do not receive any formal economic benefits (other than normal compensation) from any firm or individual for providing investment advice.

See disclosure in Item 12 regarding compensation, including economic benefits received in connection with giving advice to clients.

Referral Fees

We have been fortunate to receive many client referrals over the years. The referrals have come from current clients, estate planning attorneys, accountants, employees and other sources. The firm does not currently pay for referrals. If we were to enter an agreement that would compensate such referrals, the client would be fully informed in writing of the scope and nature of any such arrangement as required by Investment Advisers Act 206(4)-3.

Item 15: Custody

Custody – Fee Debiting

If authorized by the client, we deduct advisory fees directly from the client's account at the Custodian. We send the amount of the quarterly fee to the custodian. With the exception of the ability to debit client accounts for advisory fees, we do not and will not have custody of clients' funds or securities. Client assets shall be held in the custody of a bank, trust company or brokerage firm agreed upon by the client and us.

The Custodian sends a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of advisory fees paid directly to us.

Custody – Account Statements

As described above and in Item 13, clients receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. Clients are urged to carefully review such statements and compare such official custodial records to the reports that we provide. Our reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16: Investment Discretion

For advisory accounts, we are granted discretionary authority through the investment contract signed at the onset of the client relationship. This authorization permits us to exercise full discretion as to the nature, type and amount of securities to be purchased without preapproval by the client. However, if indicated at the onset of a client relationship, we may agree to discuss any suggested transactions with clients prior to executing them. Additionally, our exercise of discretion may be limited by any investment guidelines and objections that are furnished by a client or that we develop with the client and by any restrictions on investments that we have accepted and agreed to administer.

If we have not been given discretionary authority, we will consult with the client prior to each trade.

Item 17: Voting Client Securities

Proxy voting is an important right of security shareholders and clients should take reasonable care to ensure that such rights are properly exercised. We do not and will not accept the proxy authority to vote securities. Our clients maintain exclusive responsibility for directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted and making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to us, we forward them to our clients and request that further solicitations be sent directly to the client.

If our clients have questions related to a proxy or related matter, they are encouraged to contact us to discuss the matter.

Item 18: Financial Information

We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to clients and have not been the subject of a bankruptcy proceeding.

We do not require prepayment of fees of both more than \$1,200 per client, and more than six months in advance; and therefore, we are not required to provide a balance sheet to clients.

Form ADV Part 2B – Investment Adviser Brochure Supplement

Abbot Financial Management, Inc.

Form ADV Part 2B Investment Adviser Brochure Supplement

Andrew J. Novelline, CFA
President & Chief Compliance Officer
Effective: September 2019

This Form ADV 2B (“Brochure Supplement”) provides information about the background and qualifications Andrew J. Novelline (CRD# 4422210) in addition to the information contained in the Abbot Financial Management, Inc. (“AFM” or the “Adviser”) Disclosure Brochure. If you have not received a copy of the Disclosure Brochure or if you have any questions about the contents of the Disclosure Brochure or this Brochure Supplement, please contact us at (978) 688-9010 or by email at anovelline@abbotfm.com.

Additional information about Mr. Novelline is available on the SEC’s Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov.

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Item 2 – Education Background & Business Experience

Andrew J. Novelline, CFA, born in 1974, is dedicated to advising Clients of Abbot Financial Management, Inc. as the President and Chief Compliance Officer. Mr. Novelline earned a B.S. degree in Finance from Boston College. Mr. Novelline joined Abbot Financial Management in September 1999 as an Investment Adviser Representative.

Prior to that, he spent two years working for Thomas Real Estate Advisors, Inc. in San Francisco as a financial analyst and project manager. During that time, Mr. Novelline worked extensively on projects for the Pacific Stock Exchange and Stanford University.

Chartered Financial Analyst (“CFA”)

The Chartered Financial Analyst (“CFA”) designation is a professional credential bestowed by the CFA Institute on financial and investment professionals. To earn the CFA charter, candidates must complete the program of study, pass all three levels of examinations, and meet other professional requirements. A successful candidate is awarded the “CFA Charter” and becomes a “CFA Charterholder”.

Item 3 – Disciplinary Information

There are no legal, civil or disciplinary events to discuss regarding Mr. Novelline. Mr. Novelline has never been involved in any regulatory, civil or criminal action. There have been no client complaints, lawsuits, arbitration claims or administrative proceedings against Mr. Novelline.

Securities laws require an advisor to disclose any instances where the advisor or its Advisory Persons have been found liable in a legal, regulatory, civil or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and/or dishonest, unfair or unethical practices.

As previously noted, there are no legal, civil or disciplinary events to disclose regarding Mr. Novelline. However, we do encourage you to independently view the background of Mr. Novelline on the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov by searching with his full name or his Individual CRD #4422210.

Item 4 – Other Business Activities

Andrew Novelline is dedicated to the investment advisory activities of Abbot Financial Management’s Clients. Mr. Novelline does not have any other business activities.

Item 5 – Additional Compensation

Andrew Novelline is dedicated to the investment advisory activities of Abbot Financial Management’s Clients. Mr. Novelline does not receive any additional forms of compensation.

Item 6 - Supervision

Andrew Novelline serves as the President and Chief Compliance Officer of Abbot Financial Management, Inc. Mr. Novelline can be reached at (978) 688-9010.

We have implemented a Code of Ethics and internal compliance that guide each Supervised Person in meeting their fiduciary obligations to clients. Further, we are subject to regulatory oversight by the SEC. These agencies require registration by the Firm and its Supervised Persons. As a registered entity, we are subject to examinations by regulators, which may be announced or unannounced. The Firm is required to periodically update the information provided to these agencies and to provide various reports regarding firm business and assets.

Abbot Financial Management, Inc.

Form ADV Part 2B
Investment Adviser Brochure Supplement

William T. Novelline, Jr., CFA
Chairman & Treasurer
Effective: September 2019

This Form ADV 2B (“Brochure Supplement”) provides information about the background and qualifications of William T. Novelline, Jr. (CRD# 716643) in addition to the information contained in the Abbot Financial Management, Inc. (“AFM” or the “Adviser”) Disclosure Brochure. If you have not received a copy of the Disclosure Brochure or if you have any questions about the contents of the Disclosure Brochure or this Brochure Supplement, please contact us at (978) 688-9010 or by email at anovelline@abbotfm.com.

Additional information about Mr. William T. Novelline, Jr. is available on the SEC’s Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov.

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Item 2 – Education Background & Business Experience

William T. Novelline, Jr., CFA, born in 1940 graduated from Boston College with a B.A. degree in Economics in 1962. After graduating the University of Chicago Business School he began his career in finance with Loomis Sayles & Co., L.P., a leading Boston-based investment counseling firm. In 1973 he joined David L. Babson & Co. of Boston, where he served as a Senior Investment Analyst.

Mr. Novelline founded Abbot Financial Management in 1983, with the primary focus of providing investment counseling to individuals and smaller entities. Client service and communication are paramount in Mr. Novelline’s business philosophy.

Chartered Financial Analyst (“CFA”)

The Chartered Financial Analyst (“CFA”) designation is a professional credential bestowed by the CFA Institute on financial and investment professionals. To earn the CFA charter, candidates must complete the program of study, pass all three levels of examinations, and meet other professional requirements. A successful candidate is awarded the “CFA Charter” and becomes a “CFA Charterholder”.

Item 3 – Disciplinary Information

There are no legal, civil or disciplinary events to discuss regarding Mr. Novelline. Mr. Novelline has never been involved in any regulatory, civil or criminal action. There have been no client complaints, lawsuits, arbitration claims or administrative proceedings against Mr. Novelline.

Securities laws require an adviser to disclose any instances where the adviser or its Supervised Persons have been found liable in a legal, regulatory, civil or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and/or dishonest, unfair or unethical practices. **As previously noted, there are no legal, civil or disciplinary events to disclose regarding Mr. Novelline.** However, we do encourage you to independently view the background of Mr. Novelline on the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov by searching with his full name or his Individual CRD #716643.

Item 4 – Other Business Activities

William T. Novelline, Jr. is dedicated to the investment advisory activities of Abbot Financial Management’s Clients. Mr. Novelline does not have any other business activities.

Item 5 – Additional Compensation

William T. Novelline, Jr. is dedicated to the investment advisory activities of Abbot Financial Management’s Clients. Mr. Novelline does not receive any additional forms of compensation.

Item 6 - Supervision

William T. Novelline, Jr. serves as the Chairman & Treasurer of Abbot Financial Management, Inc. Mr. Novelline is supervised by Andrew J. Novelline, President and Chief Compliance Officer. Andrew Novelline can be reached at (978) 688-9010.

We have implemented a Code of Ethics and internal compliance that guide each Supervised Person in meeting their fiduciary obligations to clients. Further, we are subject to regulatory oversight by the SEC. These agencies require registration by the Firm and its Supervised Persons. As a registered entity, we are subject to examinations by regulators, which may be announced or unannounced. The Firm is required to periodically update the information provided to these agencies and to provide various reports regarding firm business and assets.

Abbot Financial Management, Inc.

Form ADV Part 2B Investment Adviser Brochure Supplement

Robert A. McLemore
Investment Adviser Representative
Effective: September 2019

This Form ADV 2B (“Brochure Supplement”) provides information about the background and qualifications of Robert A. McLemore (CRD# 1226566) in addition to the information contained in the Abbot Financial Management, Inc. (“AFM” or the “Adviser”) Disclosure Brochure. If you have not received a copy of the Disclosure Brochure or if you have any questions about the contents of the Disclosure Brochure or this Brochure Supplement, please contact us at (978) 688-9010 or by email at anovelline@abbotfm.com.

Additional information about Mr. McLemore is available on the SEC’s Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov.

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Item 2 – Education Background & Business Experience

Robert A. McLemore, born in 1943, is responsible for advising clients of Abbot Financial as an Investment Adviser Representative. Mr. McLemore earned a Degree in Civil Engineering from Wentworth Institute of Technology.

Mr. McLemore has been in the investment business since 1984. Before joining Abbot Financial Management in May 2000, he was a Financial Consultant with Solomon Smith Barney for thirteen years. While there, Mr. McLemore worked with high net worth clients and business owners and has experience in the equities and fixed income markets.

Prior to that, Mr. McLemore was an Account Executive with Merrill Lynch & Co. for three years.

Before entering the investment business, Mr. McLemore was President of International Energy Engineering, Inc., a firm that provided consulting services to the electric power generation industry, as well as various other commercial and industrial clients.

Item 3 – Disciplinary Information

There are no legal, civil or disciplinary events to discuss regarding Mr. McLemore. Mr. McLemore has never been involved in any regulatory, civil or criminal action. There have been no client complaints, lawsuits, arbitration claims or administrative proceedings against Mr. McLemore.

Securities laws require an adviser to disclose any instances where the adviser or its Supervised Persons have been found liable in a legal, regulatory, civil or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and/or dishonest, unfair or unethical practices.

As previously noted, there are no legal, civil or disciplinary events to disclose regarding Mr. McLemore. However, we do encourage you to independently view the background of Mr. McLemore on the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov by searching with his full name or his Individual CRD #1226566.

Item 4 – Other Business Activities

Robert A. McLemore is dedicated to the investment advisory activities of Abbot Financial Management's Clients. Mr. McLemore does not have any other business activities.

Item 5 – Additional Compensation

Robert A. McLemore is dedicated to the investment advisory activities of Abbot Financial Management's Clients. Mr. McLemore does not receive any additional forms of compensation.

Item 6 – Supervision

Robert A. McLemore serves as an Investment Adviser Representative of Abbot Financial Management, Inc. Mr. McLemore is supervised by Andrew J. Novelline, President and Chief Compliance Officer. Andrew J. Novelline can be reached at (978) 688-9010.

We have implemented a Code of Ethics and internal compliance that guide each Supervised Person in meeting their fiduciary obligations to clients. Further, we are subject to regulatory oversight by the SEC. These agencies require registration by the Firm and its Supervised Persons. As a registered entity, we are subject to examinations by regulators, which may be announced or unannounced. The Firm is required to periodically update the information provided to these agencies and to provide various reports regarding firm business and assets.

Abbot Financial Management, Inc.

Form ADV Part 2B Investment Adviser Brochure Supplement

Dennis C. Wassung, Jr., CFA
Portfolio Manager
Effective: September 2019

This Form ADV 2B (“Brochure Supplement”) provides information about the background and qualifications Dennis C. Wassung, Jr. (CRD# 4127189) in addition to the information contained in the Abbot Financial Management, Inc. (“AFM” or the “Adviser”) Disclosure Brochure. If you have not received a copy of the Disclosure Brochure or if you have any questions about the contents of the Disclosure Brochure or this Brochure Supplement, please contact us at (978) 688-9010 or by email at anovelline@abbotfm.com.

Additional information about Mr. Wassung is available on the SEC’s Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov.

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Item 2 – Education Background & Business Experience

Dennis C. Wassung, Jr., CFA, born in 1972, is dedicated to advising Clients of Abbot Financial Management, Inc. as a Portfolio Manager. Mr. Wassung earned a B.S. in Mechanical Engineering from Rensselaer Polytechnic Institute in 1994. Mr. Wassung also earned an MBA from University of Southern California in 1998. Additional information regarding Mr. Wassung’s employment history is included below.

Mr. Wassung joined Abbot Financial Management in July 2019. Prior to that, he spent two years working for Essex Private Wealth Management, LLC (formerly Huntwicke Advisors, LLC) as a Portfolio Manager in Topsfield, MA. Mr. Wassung previously spent eight years at Cabot Wealth Management as a Portfolio Manager. Prior to Cabot, Mr. Wassung worked for eight years as an Equity Research Analyst at Cannacord Genuity (formerly Adams, Harkness & Hill).

Before joining the investment industry in 1999, Mr. Wassung worked six years as a Mechanical Engineer at Teradyne, Inc.

Chartered Financial Analyst (“CFA”)

The Chartered Financial Analyst (“CFA”) designation is a professional credential bestowed by the CFA Institute on financial and investment professionals. To earn the CFA charter, candidates must complete the program of study, pass all three levels of examinations, and meet other professional requirements. A successful candidate is awarded the “CFA Charter” and becomes a “CFA Charterholder”.

Item 3 – Disciplinary Information

There are no legal, civil or disciplinary events to discuss regarding Mr. Wassung. Mr. Wassung has never been involved in any regulatory, civil or criminal action. There have been no client complaints, lawsuits, arbitration claims or administrative proceedings against Mr. Wassung.

Securities laws require an advisor to disclose any instances where the advisor or its Advisory Persons have been found liable in a legal, regulatory, civil or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and/or dishonest, unfair or unethical practices.

As previously noted, there are no legal, civil or disciplinary events to disclose regarding Mr. Wassung. However, we do encourage you to independently view the background of Mr. Wassung on the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov by searching with his full name or his Individual CRD #4127189.

Item 4 – Other Business Activities

Dennis Wassung is dedicated to the investment advisory activities of Abbot Financial Management’s Clients. Mr. Wassung does not have any other business activities.

Item 5 – Additional Compensation

Dennis Wassung is dedicated to the investment advisory activities of Abbot Financial Management’s Clients. Mr. Wassung does not receive any additional forms of compensation.

Item 6 - Supervision

Dennis C. Wassung serves as a Portfolio Manager of Abbot Financial Management, Inc. Mr. Wassung is supervised by Andrew J. Novelline, President and Chief Compliance Officer of Abbot Financial Management, Inc. Mr. Novelline can be reached at (978) 688-9010.

We have implemented a Code of Ethics and internal compliance that guide each Supervised Person in meeting their fiduciary obligations to clients. Further, we are subject to regulatory oversight by the SEC. These agencies require registration by the Firm and its Supervised Persons. As a registered entity, we are subject to examinations by regulators, which may be announced or unannounced. The Firm is required to periodically update the information provided to these agencies and to provide various reports regarding firm business and assets.