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This brochure provides information about the qualifications and business practices of Covenant Wealth Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at (757) 259-0111 or rtopping@mycwa.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 Covenant Wealth Advisors, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Covenant Wealth Advisors, LLC is a registered investment advisor. "Registered" does not imply a certain level of skill or training but that CWA is registered with the SEC and as such is obligated to comply with all of the applicable provisions of the Advisers Act and the rules that have been adopted by the SEC.

Item 2: Material Changes

This section of the brochure is designed to inform investors of any material changes that were made to the brochure since its previous publication.

This is the first edition of Covenant Wealth Advisor's Form ADV Part 2 brochure. Consequently, there are not any material changes to report at this time.

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Item 4: Advisory Business

Covenant Wealth Advisors, LLC (CWA) provides financial counsel and investment management for individuals throughout the United States. We help clients manage their wealth. Over the years, we have helped clients clarify and achieve their financial goals. CWA was started and is owned by Robert G. Topping, CFP, MBA in 2002.

CWA is a registered investment advisor.¹ We have expertise in financial planning and investment management.

CWA serves a limited number of clients whose needs and philosophy mesh with our experience and expertise. Our clients trust us to provide independent and objective financial advice and investment management. We work to understand our client's needs and financial goals through interviews, dialog, and questionnaires and to manage their investment portfolios accordingly. Clients have the ability to impose restrictions on investing in certain securities or types of securities as long as it does not impose an undue burden on CWA's ability to manage the requested restrictions.

CWA does not participate in wrap fee programs.²

As of 03/30/2011, CWA manages \$103,500,000 of client assets on a discretionary basis.³ CWA does not manage assets on a non-discretionary basis.

¹ Registered investment adviser (RIA) means that CWA is registered with the SEC and is in the business of providing advice on investing in securities.

² Wrap Fee Programs are defined by the SEC as any advisory program under which a specified fee or fees not based directly upon transactions in a client's account is charged for investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and the execution of client transactions.

³ Discretionary Authority is defined by the SEC as a firm's authority to decide which securities to purchase and sell for its clients. A firm also has discretionary authority if it has the authority to decide which investment advisers to retain on behalf of the client.

Item 5: Fees and Compensation

CWA is a “fee only” advisory firm, meaning that we do not receive commissions or other compensation besides fees. While these fees may be negotiable, our annual investment management fees based on a client’s account value are as follows:

1% on the first \$750,000
.8% from \$750,000 to \$2 million
.6% from \$2 million to \$5 million
.35% over \$5 million

For example, the annual fee on \$750,000 is \$7,500 ($1.0\% \times \$750,000$); on \$1,000,000 the fee is \$9,500 ($1.0\% \times \$750,000 + .80\% \times \$250,000$) and on \$6 million the fee is \$39,000 ($1.0\% \times \$750,000 + .8\% \times \$1,250,000 + .6\% \times \$3,000,000 + .35\% \times \$1,000,000$).

There is a one-time set up fee of \$600 on accounts under \$750,000.

Fees for financial planning start at \$2,500 for investment management clients; fees for non-investment management clients will generally start at \$5,000. Limited plans that focus on only a few financial planning components may be offered at a slight discount or offered at an hourly rate (\$200/hour). When applicable, fees for ongoing financial planning and/or updating of financial plans will be quoted in advance of any engagement. Financial plans will be presented to clients in written form and presented at a face to face meeting (if desired). The time allotted to complete the financial plan is defined in each client’s Financial Planning Agreement, generally 4-8 weeks depending on the circumstances.

CWA deducts fees from client assets at the beginning of every quarter. Fees are based on the market value of each client’s account on the last day of the previous quarter. Fees for financial planning are billed separately.

Clients may incur brokerage fees and other transaction costs when trades occur. See section IX of this brochure – Brokerage Practices – for more information.

Investment management fees are payable in advance at the beginning of each quarter unless other arrangements are made in special circumstances. If an advisory contract is terminated prior to the end of a billing period, fees will be prorated to the date of termination and the unearned portion of the fee will be refunded to the client.

No employee of CWA receives compensation for the sale of securities or other investment products. None of CWA’s principal executive officers or management persons are actively engaged in businesses other than CWA.

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

CWA does not accept performance-based fees.⁴

Item 7: Types of Clients

CWA provides investment advice primarily to individuals. We have a few clients that are classified as pension and profit sharing plans, trusts, and estates. Our minimum portfolio size is generally \$750,000. There are exceptions to the minimum, particularly for clients who are adding to their portfolio on a regular basis.

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

CWA develops and designs investment portfolios after reviewing our client's financial goals, time horizons, priorities, and overall needs.

We first develop an Investment Policy Statement (IPS) that describes how their assets are to be invested based on their goals, risk tolerance, tax status, and time horizon. CWA then implements the IPS by investing in an appropriate mix of securities.

In general, we adhere to the principles of Modern Portfolio Theory (MPT), a theory of investment which attempts to maximize a portfolio's expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by carefully choosing the proportions of various assets.

While diversification (including MPT strategies) can reduce risk, there are times when almost all asset classes can decline simultaneously, especially in the short-term (three years or less). CWA cautions all clients and potential clients that investing in securities involves risk of loss; although we do our best to avoid it, clients should be prepared to bear losses when they occur.

Types of Investments in CWA Portfolios

Mutual Funds & Exchange-Traded Funds (ETFs)

A mutual fund is a professionally managed pool of money from many investors that typically invests in securities (stocks, bonds, short-term money market instruments, real estate investment trusts (REITs), commodities such as precious metals, et al). An exchange-traded fund (ETF) is similar to a mutual fund from a pooled money standpoint; however, it is an investment fund traded on stock exchanges, much like stocks. An ETF can hold assets such as stocks, commodities, or bonds, and trades close to its net asset value over the course of the trading day. Most ETFs track an index, such as the S&P 500 or MSCI EAFE. ETFs may be attractive as investments because of their low costs, tax efficiency, and stock-like features.

⁴ Performance-based fees are defined by the SEC as fees that are based on a share of capital gains on or capital appreciation of a client's assets.

CWA uses both active and passive mutual funds⁵, including index funds and/or exchange-traded funds (ETFs), as a cost-effective way to achieve portions of our diversification strategy. We monitor and review performance of these funds on at least a quarterly basis. Mutual funds effectively provide broad diversified exposure to targeted asset classes.

Equities

We believe that equities, or stocks, should also be a part of most long-term investor's portfolios. We believe that even the most conservative long-term investor needs to have some equities to provide a hedge against inflation. Additionally, we include equities in a portfolio to help achieve the portfolio's long-term growth and appreciation. We invest in equities using mutual funds and ETFs as described above.

Fixed Income Securities

We believe that fixed income securities (bonds, muni bonds, TIPs, etc.) are an important component for most portfolios. Fixed income securities can help reduce overall portfolio risk and provide for a client's short and intermediate financial needs. We typically use short and intermediate term fixed income funds rather than long-term fixed income funds because they historically have less risk without a commensurate decrease in return.

Taxes

We recognize that taxes can have a detrimental impact on an investor's net return over time and strive to make investment decisions that lessen that impact. Some of the strategies we consider include:

- The tax efficiency of the securities and mutual funds we buy and/or sell in a client's portfolio.
- Opportunities to minimize taxes through techniques such as tax loss harvesting⁶.
- Often, we will use index and other tax efficient funds in taxable accounts. Less tax efficient securities will often be used in tax-deferred accounts such as retirement accounts and IRAs.

⁵ Passive management of mutual funds refers to the construction of fund holdings to typically reflect the composition of a particular index, such as the S&P 500. Active management refers to the practice of selecting securities that fund managers believe will outperform a relevant index.

⁶ Tax loss harvesting is the practice of selling securities at a loss to offset a capital gains tax liability. Tax gain/loss harvesting is used to first limit the recognition of short-term capital gains (held one year or less), which are taxed at ordinary federal income tax rates. The second priority is to offset long-term capital gains, which typically carry a lower tax rate. To the extent harvested losses exceed all capital gains, excess losses can offset other ordinary income up to \$3,000 with any remaining losses carried forward to future years.

Material Risks of Investment Strategies

As described above, CWA employs a strategy of diversified investing by following the principles of asset allocation and Modern Portfolio Theory. Funds are invested primarily in mutual funds and exchange traded funds across asset classes (stocks, bonds, etc.) to provide the potential for long term gains with acceptable risk. The primary risks associated with this strategy are:

Nonsystematic (Individual Securities) Risk

Individual stocks or bonds may underperform the market. Nonsystematic Risk is minimized by using mutual funds and exchange traded funds that are internally diversified across a large number of individual securities.

Systematic (Market) Risk

The tendency of broad securities markets to fluctuate and potentially lose value. Systematic Risk is minimized by investing across different asset classes (domestic vs. international, stock vs. bond, etc.) and including sub-classes such as real estate, commodities and natural resources with conventional equities.

- Note: During severe economic or financial crises, broad asset classes may decline simultaneously and asset allocation strategies may be limited in preventing losses, particularly in the short-term. CWA uses investments that are designed to mitigate (but not eliminate) severe broad market declines. We also consider time horizon as a significant part of our risk strategy. Knowing that declines cannot be completely prevented, we consider our clients' time horizons to assess their ability to withstand declines over various time frames.

Interest-Rate Risk

The value of bonds tends to move inversely with movements in interest rates. For example, bonds may decline in value when interest rates rise. Interest-Rate Risk is minimized by primarily using short and intermediate term bonds of investment grade quality, which are typically less volatile than longer-term bonds.

Inflation Risk

An investor's cost of living may exceed the growth of savings. Inflation Risk is addressed by investing in asset classes that tend to outperform the cost of living over time (e.g. stocks and REITs).

Currency Risk

Exchange rates may cause the value of an investment portfolio to decline if the value of the dollar declines. Currency Risk is moderated by investing in international investments that may benefit from a falling dollar.

Alternative Strategies Risk

CWA uses several funds that with different investment strategies to reduce market volatility. These funds may use a variety of strategies including hedging (with objective of limiting risk). One reason to consider these funds is that they may be uncorrelated or less correlated

to the stock market (they don't move in sync). Some depend on anticipating market movements and employ strategies to counteract those movements. If the strategies fail to anticipate or offset actual market performance the investment may underperform the market.

CWA does not recommend investing in any one specific type security.

Item 9: Disciplinary Information

No individual at CWA has been involved in any legal or disciplinary events pertaining to the advisory business.

Item 10: Other Financial Industry Activities and Affiliations

No individual at CWA is a registered broker-dealer or is a representative of a registered broker-dealer.⁷

No individual at CWA is registered or has an application pending to register as a futures commission merchant, commodity pool operator, a commodity trading advisor, or is an associated person of the forgoing entities.

CWA does not have relationships or arrangements with any of the following that are material to its advisory business:

- Broker-dealer, municipal securities dealer, or government securities dealer or broker
- Other investment adviser or financial planner
- Futures commission merchant, commodity pool operator, or commodity trading advisor;
- Banking or thrift institution
- Accountant or accounting firm
- Lawyer or law firm
- Insurance company or agency
- Pension consultant
- Real estate broker or dealer
- Sponsor or syndicator of limited partnerships

CWA does have a relationship with Fidelity Brokerage Services LLC (Fidelity) that is material to its advisory business; for more information, see Section IX – Brokerage Practices – of this brochure.

CWA does not recommend or select other investment advisors for its clients nor does it have any type of relationship with other advisors that could create a material conflict of interest for its clients.

⁷ A broker-dealer is a company or organization engaged in the business of trading securities for its own account or the accounts of clients.

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

CWA's Code of Ethics is based on the principle that CWA owes a fiduciary duty to its clients; in other words, we have a legal and ethical responsibility to manage our client's investments in a responsible and trustworthy manner. Accordingly, CWA's employees must avoid activities, interests and relationships that run contrary (or appear to run contrary) to the best interests of clients. At all times, CWA must place our client's interests ahead of CWA's interests, engage in personal investing that is in full compliance with CWA's Code of Ethics, avoid taking advantage of our position, and maintain full compliance with the federal securities laws. All employees, directors, officers and partners of CWA, and consultants closely associated with the firm, act with competence, dignity and integrity, in an ethical manner, when dealing with clients, the public, prospects, third-party service providers and fellow employees. CWA will provide a copy of its Code of Ethics to any client or prospective client upon request.

CWA does not buy or sell securities for clients in which we have a material financial interest.

Situations may occur where CWA and its employees buy and sell the same securities that have been recommended to clients. If the possibility of a conflict of interest occurs, the client's interest will prevail. It is the policy of CWA that priority will always be given to the client's orders over the orders of an employee of CWA.

To avoid any potential conflicts of interest involving personal trades CWA has adopted a Securities Compliance Policy which includes a formal code of ethics and insider trading policies and procedures. This policy also requires all CWA employees to:

- Pre-clear certain personal securities transactions
- Report personal securities transactions on at least a quarterly basis
- Provide CWA with a detailed summary of certain holdings (both initially upon commencement of employment and annually thereafter) over which such employees have a direct or indirect beneficial interest

A copy of CWA's Securities Compliance Policy will be provided to any client or prospective client upon request.

If a CWA employee or related person were to recommend securities to clients or buy/sell securities for client accounts at or about the same time that the CWA employee or related person buys/sells the same securities for his or her own account, that situation would be handled in the manner described above.

Item 12: Brokerage Practices

Unless a client wishes to retain an existing brokerage relationship, CWA will recommend brokers that CWA has a relationship with, which include Fidelity and The Vanguard Group (for variable annuities). CWA established relationships with these firms after careful research, considering factors such as their ability to execute trades in a timely and cost-efficient fashion, the cost of executing trades (commissions), the company's financial stability, and their platform of investment choices. CWA will not commit to provide any level of brokerage business to any broker including Fidelity.

CWA has an arrangement with National Financial Services LLC and Fidelity Brokerage Services LLC (collectively, and together with all affiliates, "Fidelity") through which Fidelity provides CWA with "institutional platform services." The institutional platform services include, among others, brokerage, custody, and other related services. Fidelity's institutional platform services that assist CWA in managing and administering clients' accounts include software and other technology that:

- provide access to client account data (such as trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide research, pricing and other market data;
- facilitate payment of fees from its clients' accounts;
- assist with back-office functions, recordkeeping and client reporting.

Fidelity also offers other services intended to help CWA manage and further develop its advisory practice. Such services include, but are not limited to, performance reporting, financial planning, contact management systems, third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, access to consultants and other third party service providers who provide a wide array of business related services and technology with whom CWA may contract directly.

Many of these services are an important part of CWA's daily operations in managing our client's investment accounts. Although there is no direct affiliation or fee sharing arrangement between Fidelity and CWA, as a result of receiving such services, CWA may have an incentive to continue to utilize Fidelity's services. CWA examined this potential conflict of interest when it chose to enter into the relationship with Fidelity and determined that the relationship is in the best interests of CWA's clients. This does not diminish CWA's duty to select brokers based on the best interests of our clients. Annually we review the costs Fidelity imposes on our clients to ensure we are partnering with a company that fairly serves both our clients and our own needs.

CWA currently does not select or recommend broker-dealers based on the potential for client referrals from the broker-dealer.

CWA generally requires that clients direct us to execute brokerage transactions through Fidelity. Not all advisers require their clients to direct their brokerage activities. CWA is not affiliated

with Fidelity, nor do we have a relationship that causes a conflict of interest. Since we deal primarily with one broker dealer at present (Fidelity) CWA's ability to negotiate commissions is limited, which may cost clients more money.

CWA allows a client to direct brokerage when they are unable to move their assets from their current custodian. This specifically applies to 401k or pension accounts and annuities. In these instances, CWA gains permission to access to the accounts so that we can still manage the assets. However, in these circumstances, the client will negotiate terms and arrangements for the account. Clients should understand that if they direct the use of a particular broker or dealer:

- CWA does not have the authority to negotiate commissions or obtain volume discounts
- Best execution may not be achieved⁸
- Commission charges may vary between clients depending on the custodian holding the client account

Transactions for each client account generally will be effected independently; on occasion, however, it may be advantageous to buy or sell a large quantity of securities. In those situations, CWA may aggregate or block client transactions (purchase or sell the same security for several accounts) in an attempt to execute trades in a more timely, equitable, and efficient manner, and in an attempt to seek a better overall price execution for the client. All clients or accounts that participate in an aggregated order will receive an average share price (same price) with all other transaction costs shared on a pro-rata basis. Aggregated orders that are filled in their entirety will be allocated among clients or accounts according to an allocation statement created prior to the execution of the transaction(s). Partially filled orders will be allocated pro-rata based on the allocation statement. The CCO or another authorized principal must approve in writing any allocation that differs from the allocation statement. CWA will not favor a client or account over any other client or account as a result of the allocation.

Item 13: Review of Accounts

All client investment accounts are fully reviewed at least quarterly to ensure appropriate asset allocation based on CWA's assessments of market conditions and the circumstances of the client.

Additional factors triggering reviews, and perhaps triggering buy or sell recommendations, may include:

- Changed circumstances of the clients
- Changed general conditions in the stock and bond markets
- Changes in mutual funds or individual securities owned by clients

⁸ Best execution refers to brokers providing the most advantageous order execution for clients. Besides consideration of price other factors include (but are not limited to): timeliness of execution; timeliness and accuracy of trade confirmations; frequency and correction of trading errors; record keeping services; custody services; financial condition; credit worthiness and ability to access information.

All accounts are reviewed by the president, Mr. Robert G. Topping and/or Mr. Robert C. Smith, Associate. There are no set minimum or maximum in place with regard to the number of accounts that they will review.

Clients are kept fully informed about their portfolio's activity by receiving copies of all transaction confirmations and monthly/quarterly statements from brokerage firms and/or custodians. They also receive quarterly written reports from CWA showing how funds are allocated by asset class. Performance is reported semi annually.

Financial plans are not reviewed on a regular basis but will be reviewed upon a client's request based on a new financial planning agreement.

Item 14: Client Referrals and Other Compensation

See Section IX – Brokerage Practices – for a review of the economic benefits provided to CWA through its relationship with Fidelity. There are no other non-client relationships or arrangements that provide an economic benefit to CWA to disclose at this time.

CWA has not and presently does not compensate any individual for client referrals. If this practice changes in the future, it will be fully disclosed at that time.

Item 15: Custody⁹

In most instances, CWA does not have custody of client funds or securities. This means that client assets will be held at a qualified custodian (unaffiliated broker-dealer, bank or mutual fund company) according to a separate written agreement between the client and the custodian. Clients are kept fully informed about their portfolio activity by receiving copies of all transaction confirmations and monthly/quarterly statements directly from brokerage firms and/or custodians, namely Fidelity and/or Vanguard. They also receive reports on their portfolios from CWA at the conclusion of each quarter.

In limited circumstances, Robert Topping serves as trustee for client accounts and is therefore considered to have custody of these clients' assets. The unaffiliated account custodian sends confirmations and statements directly to an independent representative appointed by the client, on at least a quarterly basis. These accounts also undergo a surprise verification of assets at least once during each calendar year by an independent public accountant that is registered with the PCAOB.

Clients are urged to review all statements on a regular basis and ensure that the information on statements received from the brokerage firm and/or custodian matches the information on statements received from CWA, which is believed to be accurate but not guaranteed, as noted on each report.

⁹ Custody is defined by the SEC as when a firm directly or indirectly holds client funds or securities, has any authority to obtain possession of them, or has the ability to appropriate them.

Item 16: Investment Discretion

CWA maintains discretionary authority to manage securities accounts on behalf of its clients. This limited authority gives CWA the authority to determine which securities to buy or sell and the amounts of securities to buy or sell, but it does not give CWA the authority to withdraw or transfer funds from the account without direction from the client. Any occasion in which clients desire to place a limitation on this authority is handled on a case-by-case basis by Robert G. Topping. When this situation does occur, it generally involves a client's request that CWA not buy or sell a specific stock.

Prior to assuming discretionary authority, CWA obtains and documents information from the client for the purpose of determining investment suitability and investment objectives, including any client-imposed investment restrictions. Prior to signing our agreement, clients are provided with Part 2 of Form ADV and CWA's Privacy Notice. Clients then sign an investment advisory agreement and an investment policy statement, agreeing to CWA's investment strategy for their assets. New account forms the client must complete also include forms that provide CWA with the authorization to trade on behalf of the client (limited power of attorney) and, preferably, will provide the ability to CWA to directly debit advisory fees from the client's custodial account.

Item 17: Voting Client Securities

CWA does not have the authority to vote client securities. Clients receive all proxies directly from the custodian. Clients are free to contact CWA by email or phone with questions about a particular solicitation.

Item 18: Financial Information

CWA does not require prepayment of fees of more than \$1,200 per client, six months or more in advance.

CWA is not presently under any financial condition that would render it unable to meet contractual commitments to clients. If such a situation were to arise in the future, it would be fully disclosed at that time.

CWA has not been the subject of a bankruptcy petition at any time in the past.