

Form ADV Part 2A
Investment Advisor Brochure

Name of Registered Investment Advisor	Asset Advisors Corporation
Address	2814-A Hillcreek Drive Augusta, GA 30909
Phone Number	706-650-9900
Website Address	www.assetadvisors.com
E-mail Address	grush@assetadvisors.com
Date	January 31, 2012

This Form ADV Part 2A (Investment Advisor Brochure) gives information about Asset Advisors and its business for the use of clients and prospective clients. If you have any questions about the contents of this Brochure, please contact us using one of the methods listed above.

Registration is mandatory for all persons meeting the definition of investment advisor and does not imply a certain level of skill or training. 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.

If you have any questions about the contents of this Brochure, please contact us at 706-650-9900. Additional information about our firm is available on the SEC's website at:
www.adviserinfo.sec.gov.

Material Changes

Pursuant to SEC rules, we are required to update this Brochure at least annually and provide you with a summary of material changes since the previous annual amendment. There have been no material changes since our last Brochure dated April 30, 2011.

You may request a complete copy of our Brochure at any time by calling our office at 706-650-9900.

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Advisory Business

Asset Advisors Corporation has been providing investment advisory services since 1988. George Rush is President. Will Rice is Vice President and joined us in 2001. Katherine Bruyninckx is our Client Services Manager and has ably assisted us since 2006. Sabrina Rush, Treasurer and Chief Compliance Officer, joined the firm in 2011. George is the owner of the firm.

On December 31, 2011, Asset Advisors had \$524,425,014 of assets under management on a discretionary basis.

Accounts are managed separately, that is, they are not co-mingled into a large pool. Asset allocation is based on the individual needs of the client. Clients may impose reasonable restrictions on the management of their portfolio subject to Asset Advisors acceptance of those restrictions. It is the client's responsibility to notify us at any time there are changes to their financial situation that might warrant a change to their investment strategy. Clients may call us at any time during normal business hours to discuss their account, financial situation, or investment needs.

Clients receive from the custodian/brokerage firm timely confirmations and monthly statements containing a description of all transactions and all account activity. The client retains rights of ownership of all securities and funds in their account.

Fees and Compensation

Investment management fees are computed on an annualized percentage of assets under management ranging up to 1%. There are a few negotiated and fixed fees. Our fee is payable quarterly in arrears based on the ending period market valuation of the account.

These fees are for investment management only and do not include any transaction fees, brokerage commissions or other costs associated with the purchase and sale of securities, custodian fees, wire-transfer fees, interest, taxes, or other account expenses. All fees paid to Asset Advisors for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or in conjunction with internal expenses associated with exchange-traded funds (ETFs). Asset Advisors does not receive any portion of these fees. See section on Brokerage Practices for additional information.

Some clients pay our fee directly by check. Many clients authorize the custodian holding their securities to deduct our management fee directly from their account upon our instruction. The custodian will not determine whether the fee is properly calculated. Clients are sent invoices at the same time we request payment from the custodian. The custodian provides monthly account statements to the client, which reflect all fee payments to Asset Advisors. Clients are urged to review the information in their custodial statement and compare it to any reports received from Asset Advisors.

Our investment management contract provides for termination of the relationship at any time with written notice. Any fees due at the time of termination will be payable upon invoice.

As a courtesy, we prepare a few income tax returns. Fees for tax preparation are in addition to investment management fees and range from \$200 to \$1,000 (or more) based on complexity.

Performance-Based Fees And Side-By-Side Management

Some money managers charge performance-based fees. Performance-based fees are charged on a percentage of the profits in a client account. Asset Advisors does not charge performance-based fees. We prefer our simplified percentage of assets under management fee.

Side-by-side management exists when similar client portfolios have different fee arrangements. Not all clients pay the same percentage of assets under management. A few clients pay a fixed fee. Different fee percentages may create an incentive to favor accounts paying the highest fees in the allocation of investment opportunities. Asset Advisors has a duty to treat all clients fairly. We do not believe that any client that pays a lower percentage fee or a fixed fee is treated differently from our other clients.

Types of Clients

Asset Advisors provides advisory services to individuals, pension and profit sharing plans, trusts, estates, endowments and business entities.

Generally our relationships involve managing \$1 million or more for a client or their family. We are not short-term oriented in performance return or client relationships. We invest with a long-term orientation. We are blessed with clients that share the objective of preserving wealth and growing assets over the long-term. We strive to always merit client trust in caring for their investment assets.

Methods of Analysis, Investment Strategies, and Risk of Loss

Asset Advisors is a personalized firm with a limited number of clients. We carefully manage accounts to ensure that all transactions are carried out in a manner consistent with the client's objectives and risk tolerance.

Our selection of stocks and bonds relies heavily on the investment experience of our principals. Analysis utilized includes charting, fundamental, technical, and cyclical. More importantly, extensive reading and careful study of various financial and economic magazines generates many of our investment ideas.

While there is risk in all investments, some carry a greater degree of risk. Stocks generally have a higher degree of risk and loss of principal than bonds, certificates of deposit and money market

funds. Stocks have more fluctuation, i.e. volatility, of returns in a given year and will be negative in some years. Bonds and CDs may also be negative in some years. Longer holding periods may reduce the volatility of investment returns for all asset classes.

There is no guarantee that the investment strategy selected for you will result in your goals being met, nor is there any guarantee of profit or protection from loss.

Disciplinary Information

An investment advisor must disclose material facts about any legal or disciplinary event that is material to your evaluation of our advisory business or of the integrity of our personnel. Asset Advisors and its employees have not been the subject of any legal or disciplinary events. We are required to notify you promptly in the event any material disciplinary event occurs.

Other Financial Industry Activities and Affiliations

Principals of Asset Advisors are not actively engaged in another business. Asset Advisors is not registered, nor are any employees licensed as securities salespersons (“Registered Representatives”) or insurance agents. We are not in the business of selling securities and insurance products. As previously stated in the section on Fees and Compensation, we do prepare a small number of tax returns as an accommodation for existing clients. Our business is managing portfolios for a select number of clients.

Code of Ethics, Participation or Interest In Client Transactions, and Personal Trading

Code of Ethics

Asset Advisors maintains a Code of Ethics. Our Code of Ethics sets forth standards of conduct expected of all employees, requires compliance with federal securities laws, and addresses conflicts that arise from personal trading by employees. At all times, our clients’ interests are to be put before the interests of our firm and our employees. We gladly supply a copy of our Code of Ethics to clients or prospective clients upon request.

Personal Trading

Employees do invest in the same securities we buy for clients, but rarely at the same time. Allowing this flexibility to employees could cause a conflict with client investments. We have several safeguards to greatly reduce any chance of conflict.

- It is grounds for dismissal if any employee or member of their family initiates a buy or sell order that is an offset to a client order or in competition with a client order.
- Employees are restricted from buying or selling a security on the same day as a client trade in that same security except for mutual fund transactions at NAV, ETFs, U.S. Treasury and government agency bonds, municipal bond syndicate offerings and new issue CD offerings.

- Employee trades are further restricted to execution only late in a trading day, generally in the last hour, so that client trades will have first priority during the day.
- Employees are prohibited from buying stock in initial public offerings (IPOs) without approval from the Chief Compliance Officer.
- Employees are forbidden to trade in securities in which anyone in our firm has material non-public information.
- Each employee is required to give the Chief Compliance Officer a list of securities bought or sold each quarter and a year-end list of all securities holdings.

Brokerage Practices

Selection or recommendation of broker/dealers

Asset Advisors Corporation is not affiliated with any brokerage firm. We value our independence. We do custody client accounts at a select number of firms considered to be reputable and fiscally sound. Our employees are not registered representatives of any outside firm and do not receive any commissions or fees from broker dealers.

When a new client does not have a strong preference where their account is held, we may recommend that clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. Although Asset Advisors Corporation may recommend that clients establish accounts at Schwab, clients have the final say on the broker selected.

Schwab provides Asset Advisors Corporation with access to its institutional trading and custody services which are typically not available to retail investors. Schwab does not charge for custody services. Like other brokers, Schwab is compensated by account holders through commissions and other transaction-related fees on trades executed through Schwab or from securities in Schwab accounts.

Schwab Institutional makes available products and services that may benefit our firm but may not directly benefit client accounts or may be used to service all or some of our clients including clients with accounts not maintained at Schwab. These products and services include technologies that:

- provide access to client data and account information, documents and forms, and trade confirmations and account statements; facilitate trade execution and allocate aggregated trade orders for multiple accounts;
- provide research, pricing, and other market data; and
- facilitate investment management fee payment subsequent to client receipt and approval of an invoice.

Schwab Institutional may offer or provide through third party vendors: compliance, legal, and business consulting; publications, conferences, and educational events; and business entertainment of Asset Advisors Corporation personnel. Schwab may incur the cost or may discount or waive the fees it would otherwise charge for these services. These benefits from

Schwab are based on the total client assets custodied at Schwab and do not depend on the number of trades with Schwab.

In evaluating whether to recommend that clients custody their assets at Schwab, Asset Advisors may take into account the availability of some of the foregoing products and services as part of the total mix of factors it considers and not solely the nature, cost or quality of custody and brokerage services provided by Schwab. These factors may create a potential conflict of interest to recommend Schwab to accounts. Disclosure of the above factors makes them less likely to create a conflict for our clients.

Asset Advisors endeavors to act in our clients' best interest. Competition and technology continue to drive down commissions. Asset Advisors seeks to negotiate discounted commissions from the brokers we use. If a client directs us to use a certain broker, their account may not receive the lowest commission obtainable and may pay substantially higher than the lowest commission available.

Trades are usually executed with the broker that also serves as the custodian for the client account. Asset Advisors sometimes "trades away" from the custodian for bond transactions in order to access better inventory or more favorable prices, yields or spreads. Currently, only clients that custody accounts at Schwab have the option of buying bonds from other brokerage firms.

Soft Dollar Practices

Some investment managers receive compensation from a brokerage firm in the form of research, products or services ("soft dollars"). When a firm uses client brokerage commissions to obtain soft dollars, the firm receives a benefit by not having to pay for such items. A firm may have an incentive to select or recommend a broker/dealer based on soft dollars received, rather than best execution for the client. Asset Advisors does not receive any soft dollar compensation from any firms.

Asset Advisors may receive unsolicited proprietary research from brokers regarding general market commentary, industry-specific analysis, economic data or other information that may be useful in making investment decisions. This research is not provided to Asset Advisors as a result of any commissions or transaction volume directed to any particular broker.

Client Referrals From Brokers

Clients have the final say on where to custody their account. We will generally maintain the existing broker/dealer relationship when the client is referred to us by a broker. In maintaining the existing broker/dealer relationship, a conflict of interest may exist in obtaining best execution on behalf of the client as their account may not receive the lowest commission obtainable from other brokers. We might not receive future referrals from a broker/dealer if we did not maintain these existing relationships.

Directed Brokerage

In rare cases, a client may direct brokerage to a specified broker/dealer other than a firm used routinely by us. It is up to that client to negotiate the commission rate as Asset Advisors will

not. That client may not be able to negotiate the most competitive rate. As a result, that client may pay more than the rate available through a broker/dealer chosen by us. Asset Advisors cannot make any assurances that best execution will be achieved for a client-directed transaction.

Trade Aggregation

While individual portfolio management is provided each account, occasionally client trades may be executed together as a block trade in order to obtain volume discounts on execution costs. We are more likely to execute block fixed income trades than block equity trades. No advisory account within the block trade will be favored over any other advisory account, and thus, each account will participate in an aggregated order at the average share price. The aggregation may reduce slightly the costs of execution. We will not aggregate a client's order if in a particular instance we believe that aggregation would cause the client's cost of execution to be increased.

Review of Accounts

Markets are monitored continuously and accounts are reviewed monthly by officers of Asset Advisors to ensure all investment decisions are carried out in a manner consistent with the client's objectives and risk tolerance.

All clients receive trade confirmations and monthly account statements from brokerage firms where their account is held. By their own choice, some clients now receive their statements and trade confirmations electronically. The monthly statements show all transactions, including amounts deposited and disbursed from accounts, as well as the cash and securities in the account. This brokerage statement is the official record of your account for tax purposes.

Client Referrals & Other Compensation

Asset Advisors is fortunate to have gained numerous clients over many years from referrals from existing clients and professionals, for example accountants and lawyers. However, we do not compensate anyone for client referrals.

Custody

For clients where an officer of Asset Advisors serves as executor or trustee of a managed account, we have special procedures to make certain the beneficiary of that account authorizes disbursement of funds payable to anyone other than the income beneficiary - especially the amount of investment management fee paid to Asset Advisors. Additionally, the SEC now requires a surprise annual audit of such accounts by an independent auditor. We undergo this surprise audit each year to verify client assets for every account over which an officer serves as executor or trustee.

Asset Advisors is deemed to have custody of client funds if Asset Advisors directly debits investment advisory fees from client accounts. Debiting of fees is done pursuant to authorization

provided by each client. Usually monthly, but no less than quarterly, clients receive account statements directly from the custodian of their account. Custodial statements include account holdings, market values and any activity that occurred during the period, including the deduction of investment advisory fees. Asset Advisors urges clients to compare information contained in reports provided by Asset Advisors with the account statements received directly from the account custodian. Differences in portfolio value may occur due to various factors, including but not limited to: (1) unsettled trades; (2) accrued income and dividends; and (3) pricing of securities.

Investment Discretion

Asset Advisors maintains full discretion under a limited power of attorney as to the securities and amount of securities in a portfolio. We do not have authority to withdraw funds or to take custody of client funds or securities. Deposits, withdrawals and transfers of funds or securities are at the discretion of the client. We can facilitate or initiate such transactions for clients by relaying the request to the custodian or by obtaining a client's signature on an appropriate form for the custodian.

Voting Client Securities

Asset Advisors does not vote proxies for client accounts, nor does it take action with respect to bankruptcies or class action lawsuits. Clients receive proxy materials for stocks owned in their accounts directly from their custodian. It is the client's responsibility to cast their vote. Asset Advisors will, however, take action on corporate reorganizations when necessary.

Financial Information

Under certain conditions, an investment advisor must provide financial information about the firm to clients. These conditions are:

- more than \$1,200 of fees from one client required six months or more in advance;
- a financial condition likely to impair the ability to meet contractual commitments; or
- a bankruptcy occurred within the past ten years.

Asset Advisors does not have any disclosure requirements under these rules. However, we do offer to provide our corporate balance sheet to clients and prospective clients.

Form ADV Part 2B
Investment Advisor Brochure Supplement

Name of Registered Investment Advisor	Asset Advisors Corporation
Address	2814-A Hillcreek Drive Augusta, GA 30909
Phone Number	706-650-9900
Website Address	www.assetadvisors.com

This Brochure Supplement lists information about all employees who formulate investment advice, have discretionary authority over client's assets, and have direct client contact. This document provides information about the following persons that supplements the Asset Advisors' Brochure. You should have received a copy of that Brochure. Please contact Asset Advisors at 706-650-9900 if you did not receive its Brochure or if you have any questions about the contents of this Supplement.

Additional information about the following persons is also available on the SEC's website at www.adviserinfo.sec.gov.

George Andrew Rush

Robert Williams Rice, Jr.

George Andrew Rush

Education and Business Background

Name: George Andrew Rush

Year of Birth: 1958

Education: Emory University, Atlanta, GA M.B.A. 1982
Wake Forest University, Winston-Salem, NC B.S. 1980

Business: Asset Advisors Corporation, 1988 – present; President since 2011
NCNB Corporation, Charlotte, NC, 1982 – 1988; Various positions

Disciplinary Information

An investment advisor must disclose material facts about any legal or disciplinary event that is material to your evaluation of our advisory business or of the integrity of our personnel. George Rush has not been the subject of any legal or disciplinary events.

Other Business Activity

George Rush is not engaged in any investment-related business or occupation other than his investment advisory duties with Asset Advisors.

Additional Compensation

Registered investment advisors are required to disclose if someone who is not a client provides an economic benefit to the supervised person for providing advisory services. George Rush does not receive any compensation or economic benefits from outside sources.

Supervision

All investment decisions are formulated under the supervision of the President, George Rush. George, along with Will Rice, the Vice President, monitors the client portfolios for investment objectives and risk tolerance. Both George Rush and Will Rice can be reached at 706-650-9900.

Robert Williams Rice, Jr.

Education and Business Background

Name: Robert Williams Rice, Jr.

Year of Birth: 1970

Education: Mercer University, Macon, GA M.B.A. 1999
University of Georgia, Athens, GA B.A. 1994

Business: Asset Advisors Corporation, 2001 – present; Vice President since 2011
Sun Trust Bank, Atlanta, GA 1996 – 2001; Trust Officer

Disciplinary Information

An investment advisor must disclose material facts about any legal or disciplinary event that is material to your evaluation of our advisory business or of the integrity of our personnel. Will Rice has not been the subject of any legal or disciplinary events.

Other Business Activity

Will Rice is not engaged in any investment-related business or occupation other than his investment advisory duties with Asset Advisors.

Additional Compensation

Registered investment advisors are required to disclose if someone who is not a client provides an economic benefit to the supervised person for providing advisory services. Will Rice does not receive any compensation or economic benefits from outside sources.

Supervision

All investment decisions are formulated under the supervision of the President, George Rush. George, along with Will Rice, the Vice President, monitors the client portfolios for investment objectives and risk tolerance. Both George Rush and Will Rice can be reached at 706-650-9900.