

**Item 1 – Cover Page**



**Form ADV Part 2A Brochure  
1 November 2012**

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cvinvadvisors.com**

This Brochure provides information about the qualifications and business practices of CV INVESTMENT ADVISORS LLC (“CV Advisors”). If you have any questions about the contents of this Brochure, please contact Brenda A. Smith at 610-862-0880 or by email, bsmith@cvinvadvisors.com. Currently, our Brochure may be requested free of charge by contacting Brenda A. Smith at 610-862-0880 or by email request to bsmith@cvinvadvisors.com. Our Brochure is also available on our web site cvinvadvisors.com.

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

CV ADVISORS is a registered investment advisor. Registration of an Investment Advisor does not imply any level of skill or training. The oral and written communications of an Advisor provide you with information about which you determine to hire or retain an Advisor. Additional information about CV ADVISORS also is available on the SEC’s website at [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov).

## **Item 2 – Material Changes**

This brochure is the initial brochure produced by CV Investment Advisors LLC. Any material changes will be updated in this section as they may occur.

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#### **Item 4 – Advisory Business**

CV Advisors is owned by CV Brokerage LLC and McIvy Company LLC and has been providing advisory services since 1 December 2012.

This is the first year of operations for CV Advisors.

#### **Item 5 – Fees and Compensation**

All fees are subject to negotiation.

The specific manner in which fees are charged by CV Advisors is established in a client's written agreement with CV Advisors. CV Advisors will generally bill its fees on a monthly basis. Most client accounts will be daily valued funds, and the management fees will be calculated daily based upon the daily average net assets and the governing investment advisory agreement. Individual clients may elect to be billed in advance or arrears each calendar quarter. Clients may also elect to be billed directly for fees or to authorize CV Advisors to directly debit fees from client accounts. Management fees shall be prorated for each capital contribution and withdrawal made during the applicable calendar quarter (with the exception of de minimis contributions and withdrawals). Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

CV Advisors' fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus.

Such charges, fees and commissions are exclusive of and in addition to CV Advisors' fee, and CV Advisors shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that CV Advisors considers in selecting or recommending broker-dealers for *client* transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

The fee schedule applicable as of this Brochure is as follows:

<b>Client Assets</b>	<b>Annual Fee (%) for all assets</b>
On the first \$100,000,000	1%
On the next \$150,000,000	.8%
On the next \$250,000,000	.65%
On all amounts in excess of \$500,000,000	.50%

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

In some cases, CV Advisors may enter into performance fee arrangements with qualified clients: such fees are subject to individualized negotiation with each such client. CV Advisors will structure any performance or incentive fee arrangement subject to Section 205(a)(1) of the Investment Advisors Act of 1940 (The Advisors Act) in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3. In measuring clients' assets for the calculation of performance-based fees, CV Advisors shall include realized and unrealized capital gains and losses. Performance-based fee arrangements may create an incentive for CV Advisors to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements also create an incentive to favor higher fee paying accounts over other accounts in the allocation of investment opportunities. CV Advisors has procedures designed and implemented to ensure that all clients are treated fairly and equally, and to prevent this conflict from influencing the allocation of investment opportunities among clients.

## **Item 7 – Types of Clients**

CV Advisors primary management services will focus on the selection and oversight of sub-advisors to a family of investment companies registered under the Investment Company Act of 1940 and the Securities Act of 1933 (“registered mutual funds”). CV Advisors anticipates future activity in selection and oversight of sub-advisors to investment companies exempt from registration under the Securities Act of 1933 under certain Regulation D exemptions as they may apply (“non-registered mutual funds” or “hedge funds”). CV Advisors may also provide the selection and oversight of sub-advisors to individuals, high net worth individuals, corporate pension and profit-sharing plans, Taft-Hartley plans, charitable institutions, foundations, endowments, municipalities, and private investment funds.

As of the date of this document, CV Advisors services are limited to the selection and oversight of sub-advisors to registered mutual funds.

CV Advisors generally requires a minimum account of \$15,000,000 to open a portfolio.

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

**Investing in securities involves risk of loss that clients should be prepared to bear.**

### **Item 9 – Disciplinary Information**

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of CV Advisors or the integrity of CV Advisors' management. CV Advisors has no information applicable to this Item.

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

CV Brokerage LLC, an owner and member of CV Advisors, is a registered broker dealer. Brenda A. Smith, the managing member and chief compliance officer of CV Advisors, is a registered representative of CV Brokerage LLC.

## **Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading**

CV Advisors has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at CV Advisors must acknowledge the terms of the Code of Ethics annually, or as amended.

CV Advisors anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which CV Advisors has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which CV Advisors, its affiliates and/or clients, directly or indirectly, have a position of interest. CV Advisors' employees and persons associated with CV Advisors are required to follow CV Advisors' Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of CV Advisors and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for CV Advisors' clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of CV Advisors will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of CV Advisors' clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is

continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between CV Advisors and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with CV Advisors' obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. CV Advisors will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

CV Advisors' clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Brenda A. Smith.

It is CV Advisors' policy that the firm will not affect any principal or agency cross securities transactions for client accounts. CV Advisors will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an advisor, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment advisor in relation to a transaction in which the investment advisor, or any person controlled by or under common control with the investment advisor, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an advisor is dually registered as a broker-dealer or has an affiliated broker-dealer.

## **Item 12 – Brokerage Practices**

Soft dollar benefits are not limited to those clients who may have generated a particular benefit although certain soft dollar allocations are connected to particular clients or groups of clients.

*And/or*

Soft dollar benefits are not proportionally allocated to any accounts that may generate different amounts of the soft dollar benefits.



### **Item 13 – Review of Accounts**

Client accounts and the performance of sub-advisors selected by CV Advisors will be review not less than quarterly.

### **Item 14 – *Client Referrals and Other Compensation***

None

### **Item 15 – Custody**

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. CV Advisors urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

To the extent the clients of CV Advisors will be invested in investment companies for which CV Advisors is the Advisor, clients will receive confirmations and statements from those investment companies, after each transaction and at the end of each quarter.

### **Item 16 – Investment Discretion**

CV Advisors receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, CV Advisors observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, CV Advisors' authority to trade securities may also be limited by

certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to CV Advisors in writing.

For investment companies for which CV Advisors is the Advisor and one or more registered investment advisors are selected to be sub-advisors, CV Advisors' process and selection criteria will be to identify the best suited investment advisors to serve as sub-advisor(s) to the investment company(ies), based upon prior track record, comfort with the sub-advisor's investment process, and personal interviews and comfort with the individuals involved with each sub-advisor.

#### **Item 17 – Voting *Client* Securities**

Clients may obtain a copy of CV Advisors' complete proxy voting policies and procedures upon request. Clients may also obtain information from CV Advisors about how CV Advisors voted any proxies on behalf of their account(s).

#### **Item 18 – Financial Information**

Registered investment advisors are required in this Item to provide you with certain financial information or disclosures about CV Advisors' financial condition. CV Advisors has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

#### **Item 19 – Requirements for State-Registered Advisors**

Not applicable at this time.