

Govatos Investment Consulting, Inc.

ADV Part 2A – Firm Brochure

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This ADV Part 2A brochure provides information about the qualifications and business practices of Govatos Investment Consulting, Inc. If you have any questions about the contents of this brochure, please contact us at 610-296-2471 and/or jim@govatosici.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Govatos Investment Consulting, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov.

Material Changes

There are no material changes from the last ADV update. The previous update to this brochure was on March 19, 2013.

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Advisory Business

- A. Govatos Investment Consulting is an independently owned SEC-registered pension consultant. The Firm is headquartered and maintains its sole office in Malvern, PA. The Firm was founded in 1999 by James A. Govatos, President. Mr. Govatos owns 100% of the Firm.
- B. Govatos Investment Consulting offers the following consulting services:
 - Establishment of financial and investment objectives
 - Determination of asset allocation policies
 - Documentation of statements of investment policy
 - Design of investment manager structures and defined contribution investment menus
 - Search for investment management firms and products
 - Portfolio style analysis
 - Investment performance analysis and attribution.
- C. We tailor the scope our consulting services to our clients' needs and their ability to absorb our fees. However, the methodology of our services is consistent across all clients.
- D. Govatos Investment Consulting does not participate in nor do we offer wrap fee programs.
- E. Govatos Investment Consulting manages no client assets on a discretionary or a non-discretionary basis. Client assets for which we serve as consultant totaled \$1,041 million at December 31, 2013.

Fees and Commissions

- A. Govatos Investment Consulting is typically compensated for our consulting work on a fixed fee basis. Occasionally we are compensated on a time and expense basis when the full scope of work cannot be determined at project outset. We have no set fee schedule. Rather, fees are based on our perception of the work required. We attempt to insure that our fee methodology is consistent across our client base.
- B. Clients are invoiced for fees incurred; invoices are generated monthly.
- C. Govatos Investment Consulting receives no other type of compensation, either from our clients or any third parties.
- D. We invoice fees only for work that has been completed.
- E. No one at Govatos Investment Consulting receives fees for the sale of securities or any other investment products.

Performance-Based Fees and Side-by-Side Management

Govatos Investment Consulting does not offer performance-based fees.

Types of Clients

Govatos Investment Consulting consults with clients having pension plans, profit sharing plans, and health and welfare plans. We would also accept clients representing endowments, and foundations.

Methods of Analysis, Investment Strategies, and Risk of Loss

Govatos Investment Consulting neither analyzes nor advises our clients about individual securities. Rather, our attention is focused on aggregate portfolios (“separately managed accounts”, commingled trust funds, and mutual funds). Govatos Investment Consulting subscribes to database software and risk analysis software that supply us with the information needed to analysis such funds. Further, we typically speak directly with management representatives to gain additional information.

Disciplinary Information

- A. Neither Govatos Investment Consulting nor any of its employees has had any civil or criminal action brought against them.
- B. Neither Govatos Investment Consulting nor any of its employees has had any administrative proceedings before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulating authority.
- C. Neither Govatos Investment Consulting nor any of its employees has had any proceedings before a self-regulatory organization.

Other Financial Industry Activities and Affiliations

- A. No Govatos Investment Consulting employees are registered, or have an application pending to register, as a broker-dealer or registered representative of a broker-dealer.
- B. No Govatos Investment Consulting employees are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, or a commodity trading advisor.
- C. Govatos Investment Consulting does not have any related parties. Therefore we do not have a relationship with any related party.

- D. Govatos Investment Consulting only receives compensation directly from clients. We do not receive compensation from any outside source. We do not have any conflicts with any outside party.

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

- A. Govatos Investment Consulting maintains a documented Code of Ethics. Quarterly, employees certify that they have read, understand, and will comply with our Code of Ethics. A copy of our Code of Ethics will be provided to any client or prospective client upon request.
- B. Govatos Investment Consulting does not buy securities for its own account. Therefore, our firm can have no conflict of interest regarding the securities (commingled funds) we recommend that a client buy or sell.
- C. Personal trading by employees of Govatos Investment Consulting is allowed. The Firm appreciates that employees may have a high level of confidence in the commingled funds that we recommend to our clients, and, therefore, may own some of these same commingled funds. However, client accounts take priority over our employees' personal trading to reduce the conflict of interest. Restrictions on the personal trading of the Firm's employees apply also to any individual in an employee's household.
- D. Since we infrequently recommend securities (commingled funds) to our clients, it is highly unlikely that an employee of Govatos Investment Consulting would be buying or selling the same security at the same time that the Firm is recommending that security be bought or sold by a client. However, should these two events occur concurrently, the timing of the client's transaction would take precedence over that of the employee's transaction.

Brokerage Practices

Govatos Investment Consulting offers consulting advice to our clients. We never take discretion of our clients' assets. Therefore, the issue of "Brokerage Practices" is not applicable to our firm.

Albeit the above, we will recommend that a client discuss the brokerage practices of its investment manager should we believe our client is not receiving "best execution".

Review of Accounts

- A. Govatos Investment Consulting reviews our clients' accounts on a periodic basis. The client specifies whether it desires to receive reports quarterly, semiannually, or annually. The main purpose of the review is to monitor the achievement of the account's financial objectives and the performance of the investment manager(s)/investment product(s).

- B. In addition to the periodic review of client accounts, accounts may be reviewed immediately following certain unanticipated events, e.g., change in portfolio manager, change in ownership of the investment management firm.
- C. The reports we deliver to our clients consist of a written Executive Summary followed by information displayed in tabular and graphical form pertinent to the understanding of why the account performed as it did. As noted above, the client specifies the periodicity of receiving our reports: quarterly, semiannually, or annually. Regardless, all of our clients receive a brief overview of the performance of their accounts quarterly.

Client Referrals and Other Compensation

- A. Neither Govatos Investment Consulting nor any of our employees receives any economic benefit, sales awards, or other prizes from any outside parties for providing investment consulting to our clients.
- B. Govatos Investment Consulting does not compensate anyone for client referrals.

Custody

Govatos Investment Consulting never takes custody of client securities.

Investment Discretion

Govatos Investment Consulting never takes investment discretion with regard to our clients' assets.

Voting Client Securities

Govatos Investment Consulting never takes authority for voting client securities.

Financial Information

- A. Govatos Investment Consulting does not require or solicit prepayment of fees from our clients.
- B. Govatos Investment Consulting never takes discretionary authority or custody of clients' funds or securities.
- C. Govatos Investment Consulting has never been the subject of a bankruptcy petition.