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March 20, 2024

This Brochure provides information about the qualifications and business practices of Covenant Asset Management, LLC. If you have any questions about the contents of this Brochure, please contact us at (908) 879-5330 or [msawicki@covasset.com](mailto:msawicki@covasset.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.

Covenant Asset Management, LLC ("Covenant" or the "Firm") is registered with the SEC as a registered investment advisor. Such registration does not imply any level of skill or training.

Additional information about Covenant is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by our Firm name or by using the Firm's unique CRD #108567.

Covenant believes that communication and transparency are the foundation of its relationship with its clients and we continually strive to provide our clients with complete and accurate information. The most current Brochure may always be found on the Firm's website at [www.covasset.com](http://www.covasset.com) or a printed copy requested free of charge by contacting Monika Sawicki, Client Services, at (908) 879-5330 or at [msawicki@covasset.com](mailto:msawicki@covasset.com).

## **Item 2: Summary of Material Changes**

### **Annual Update**

Covenant is required to discuss any material changes that have been made to the Brochure since the last Annual Updating Amendment, dated March 22, 2023.

### **Material Changes since the Last Annual Update**

Since the last Annual Updating Amendment, Covenant has made the following material changes to the Brochure:

Item 4: “Advisory Business” and Item 5: “Fees and Compensation” have each been amended to reflect Covenant’s new stand-alone Financial Planning Services and corresponding fees.

Item 12: “Brokerage Practices” and Item 14: “Client Referrals and Other Compensation” have each been modified to reflect the merger of TD Ameritrade with Charles Schwab. These Items now contain updated disclosure language regarding our brokerage/custodian relationship with Schwab.

Bill Cunliffe has been appointed the Chief Compliance Officer of the Firm.

We have also made minor, non-material changes throughout the Brochure. You are encouraged to read the Brochure in its entirety and to discuss any questions you may have with your advisor representative.

## FORM ADV PART 2A - INVESTMENT ADVISER BROCHURE

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#### **Item 4: Advisory Business**

After spending nearly 20 years employed at two of NJ's largest bank trust departments, John Guarino founded Covenant Asset Management in February 1999. The Firm now provides investment advisory services for over 225 wealth management clients.

Our mission is to deliver superior asset management services to affluent individuals, businesses, and non-profit organizations. Many investors lack the time, interest, or experience to adequately address their financial needs. Through the development of intimate professional relationships with our clients, we are uniquely positioned to assist in the optimization of their financial objectives. With integrity and commitment, we take responsibility for preserving and enhancing client assets. Achieving this objective requires an insightful understanding of client needs, matched against available investment opportunities.

We offer an exclusive brand of investment advisory services to our clients by combining independent research with personalized service. As a result, our clients gain the advantage of complete transparency of their assets and direct access to the decision makers within our organization. We are driven by an unwavering commitment to service excellence, integrity, honesty and confidentiality. And as a fiduciary, we always exercise prudence, diligence, loyalty and the highest standard of care within all client relationships. Covenant does not manage or place client assets into a wrap fee program. All asset management services are provided directly by Covenant.

The Firm managed \$494,361,326 of client assets as of December 31, 2023. All client assets are managed on a discretionary basis. Clients may restrict their investment portfolio from certain securities or certain types of securities.

Covenant also offers clients a broad range of financial planning services. These services are typically included as a component of Covenant's discretionary asset management services or can be provided on a separate stand-alone basis.

The Firm is organized as a limited liability company in the State of New Jersey. John Guarino is the sole member of the LLC and its 100% owner.

## **Item 5: Fees and Compensation**

Covenant is a fee-based investment advisor and only earns fees explicitly enumerated within the fee agreement embedded in the Agreement signed by clients at the initiation of their advisory relationship.

**Financial Planning Fees.** Covenant offers clients a broad range of financial planning services as part of its comprehensive asset management model. While not the Firm's typical practice, Covenant may also agree to provide financial planning under a stand-alone engagement for a fixed or hourly fee. Fees are negotiable, however hourly fees are generally charged at a rate of up to \$300 per hour, and fixed fees may range up to \$20,000, depending upon the scope and complexity of the services rendered.

Covenant may recommend additional investment advisory services to its financial planning clients, which creates a conflict of interest if it results in additional compensation to the Firm. If the client elects to act on any of the recommendations made by the Firm, the client is under no obligation to implement the transaction through Covenant. For clients choosing to engage the Firm for additional investment advisory services, Covenant may offset a portion of its fees for those services based upon the amount paid for the financial planning services. The terms and conditions of the engagement are set forth in the client's Financial Planning Agreement and Covenant generally requires one-half of the fee (estimated hourly or fixed) payable upon execution of the Financial Planning Agreement. The outstanding balance is generally due upon delivery of the financial plan or completion of the agreed-upon services and is payable by check. The Firm does not, however, take receipt of \$1,200 or more in prepaid fees in excess of six months in advance of services rendered.

**Investment Management Fees.** Covenant principally offers investment management services for an annual fee based on the amount of assets under the Firm's management. The terms and conditions of the engagement are set forth in the Investment Advisory Agreement, including our standard asset management fee schedule shown below. Fees are negotiable depending on the size and complexity of a client's account. Covenant has no minimum account size requirement.

### **Covenant Asset Management Standard Annual Fee Schedule**

On the first \$1 million	<u>1.25%</u>
\$1 million to \$3 million	<u>1.00%</u>
\$3 million to \$5 million	<u>0.85%</u>
\$5 million to \$10 million	<u>0.75%</u>
Above \$10 million	<u>0.50%</u>

Fees will be calculated and are payable in arrears on the last day of each calendar month. Fees are calculated as follows: One-twelfth (1/12) of the annual management fee shall be multiplied by the ending market value of the total assets in each client account on the last trading day of such month. Total assets includes the total absolute value of all assets, with no offsets made for margin or other debit balances. For the first and last month during the term of the investment advisory agreement, fees will be prorated. Cash in each account and assets invested in shares of mutual funds, exchange traded funds or other investment companies will be included in calculating the value of the client account for purposes of computing Covenant's fees.

Covenant's Fees do not include brokerage, custodial, transaction or redemption fees. Clients may incur certain charges imposed by custodians, brokers, and other third parties. These fees include custodial fees, account maintenance fees, trade commissions, interest on margin loans, deferred sales charges, 12b-1 fees, odd-lot differentials, transfer taxes, wire transfers, alternative investment processing fees, ETF and mutual fund management fees, other product-level fees, electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. While Covenant strives to recommend no-load funds, certain 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 Covenant's fee, and Covenant shall not receive any portion of these commissions, fees, and costs. See Item 12. "Brokerage Practices."

Client authorizes Custodian, upon receipt of notification by Covenant of payment due, to promptly pay Covenant by deducting such fees from client's account. Custodian has agreed to send statements to client not less than quarterly, detailing all account transactions, including any amounts paid to Covenant. Client agrees that any fees not so deducted by custodian shall be due and payable directly by client. Fees are negotiable depending on the size and complexity of a client's account.

Covenant does not have any third-party revenue sharing agreements, does not accept commissions or compensation from any other source (i.e., mutual funds, insurance products or any other investment product) and we do not receive any payment from your custodian in exchange for holding your account on their platform.

Our advisors receive a portion of the management fee that we receive on your assets that we manage for you. Our asset-based fee arrangement could give us an incentive to encourage you to deposit more assets in your account because it would increase our management fee. The more your portfolio with Covenant grows, whether because of market performance or additional assets under management, the greater your advisor's compensation will be. You are never under any obligation to add new assets to your account with Covenant.

Timothy Rowe, as an investment advisor representative of Covenant, is an advisory affiliate and related person of the firm. Mr. Rowe, in addition to his role at Covenant, is the sole Managing Member of Covenant Financial Resources, LLC ("CFR"). CFR sells investment products such as insurance policies and annuities, for which it receives direct commissions from the carrier. When one of Covenant's duly licensed members refers clients to CFR for these products, such related licensed member receives a share of the commissions, which is fully disclosed to each referred client. No additional fees are paid by such client for these referrals. The receipt of commissions from CFR creates a conflict of interest between Covenant and its clients by raising the possibility that insurance products could be recommended because of the referral commissions generated rather than because of the overriding benefit to the client. This conflict is mitigated by Covenant, Mr. Rowe and CFR by diligently confirming the appropriateness of each product for each client, and by making full disclosure of the referral commission relationship, as well as the fact that every client has the option to purchase such products through other, non-affiliated parties.

When Covenant provides investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. Covenant has a conflict of interest when recommending that clients roll over a retirement account such as a 401k or IRA to a managed account, because Covenant will receive a fee for managing these additional assets. Because Covenant receives more fees on higher account balances, it may have an incentive to encourage clients to increase the assets in their managed account. To mitigate this conflict, Covenant advisors discuss with each client the pros and cons of any such rollover, including relative costs, prior to such client's decision regarding any rollover. Covenant typically avoids soliciting or giving specific advice regarding rollovers of client benefit plan assets. In the limited instances where such advice is given, strict policies and procedures are followed by Covenant to ensure that we do not put our interest ahead of yours and all decisions are made in your best interests. Clients may always independently decide whether to add to an existing IRA account or to transfer their IRA or 401k to Covenant.

## **Item 6: Performance-Based Fees & Side-by-Side Management**

Neither Covenant nor any of its supervised persons accepts performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

## **Item 7: Types of Clients**

Covenant offers a full array of wealth management services, including investment management, comprehensive financial and estate planning, business continuation counseling, and administrative services. The integration of these services forms the basis for a comprehensive wealth management plan. In order to allow us to concentrate exclusively on our areas of expertise in wealth management, we outsource certain administrative and custodial services. Covenant works closely with client attorneys and accountants to ensure that a comprehensive strategy is designed and implemented in order to realize their financial objectives. Covenant manages the following types of client accounts:

- Investment Management Accounts
- Individual Retirement Accounts (IRAs) & Rollovers
- 401k Plans
- Pension & Profit Sharing Plans
- Trust & Estate Accounts
- Charitable Organizations
- Corporate Accounts



## **Item 8: Methods of Analysis, Investment Strategies & Risk of Loss**

Covenant begins any new investment advisory relationship by assisting our clients in the development and implementation of a personal investment objectives statement and customizing a separately managed portfolio of securities to meet client objectives. Risk is primarily managed through diversification and selective security hedging techniques. Investing in marketable securities including stocks, bonds, REITs, mutual funds, ETFs, and options involves various degrees of risk and can lead to both realized and unrealized losses. We only invest in publicly traded securities. Investing in marketable securities involves risk of loss that clients should be prepared to bear.

All investments are subject to risks. Clients should be cognizant of the potential and inherent risks of investing in securities, including loss of capital. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy undertaken by Covenant will be profitable or equal any specific level of performance. See “Risk Management,” below.

### **Equity Growth**

Covenant specializes in wealth enhancement through tax-efficient growth-oriented investment management. Client portfolios are generally kept fully invested, resulting in low turnover of portfolio holding and reduced exposure to capital gains liabilities. Our approach involves identification and purchase of companies with superior growth characteristics with the intention of holding them for many years, selling only when fundamental prospects turn negative. A cornerstone of Covenant’s philosophy is our focus on buying dominant companies in the fastest growing industries. Generally, we seek companies that increase revenues and earnings by double digit growth rates year after year. Such businesses ordinarily prosper under a variety of economic conditions, and most are corporate leaders in profitability. These companies tend to be both proponents and beneficiaries of long-term themes that are shaping global economies. In today's world, these companies are typically found within the technology, healthcare, industrial, and consumer sectors.

Covenant adheres to a thematic growth investment style seeking growth at a reasonable price (GARP). We embrace the concept of investing with “the wind at our back” believing it is easier to be a successful investor by first identifying trends and then selecting leading companies likely to be beneficiaries of those emerging trends. The cornerstone of our research effort is thorough fundamental analysis coupled with the use of technical analysis for timing decisions. Tax efficiency is an important aspect of our investment style leading to the pursuit of stocks our clients can own for an extended period of time.

Covenant implements its tax efficiency strategies at the individual client portfolio level as opposed to on an overall strategic basis. Our targeted turnover rate is thirty percent or less per year. Covenant monitors client accounts on a monthly basis, or more frequently as circumstances require.

**Companies meeting our criteria for growth commonly share the following traits:**

**A dominant position in rapidly growing markets**

These companies are often the low-cost suppliers or pricing leaders in their industries. Their dominance typically derives from powerful franchises, proprietary technology, a unique marketing approach, or other sustainable competitive advantage.

**Predictable earnings growth**

Prospective earnings should grow at an annualized rate of 10% or more. Steady new product developments, rapid sales expansion, and a relative immunity to economic cycles characterize such companies.

**Financial Strength**

Financial attributes include low debt, high returns on equity and capital, and an ability to finance growth internally.

**Quality Management**

Ideally, management should have an ownership stake in a growth company. This fosters a commitment to shareholder interests and creates an entrepreneurial culture that will attract skilled employees. Communication of the corporate vision for growth to both shareholders and employees is essential.

**Equity Income**

As investors approach retirement or in retirement years, many seek to lower the standard deviation of their investment returns. While growth continues to be important as an inflation hedge, income and growth of income begin to take on greater importance. Covenant's Dividend Appreciation Model is constructed to meet the needs of our clients seeking market-like returns with lower risk, as measured by the volatility of returns, with a higher portion of the total return coming via dividends. The dividend yield of this model is targeted to be fifty percent higher than the S&P 500 and the companies within this model tend to increase their dividends typically at a fifty percent faster rate than average. As we search for the right securities for this model, earnings growth remains essential as most companies maintain a policy whereby the dividend rate is relatively consistent in proportion to their earnings. Diversification across economic sectors is also an important criterion.

**Companies meeting our criteria for growth and income typically share the following traits:**

**A leading position in mature but growing markets**

These companies generally command leading market shares with their industry based upon a long history of brand awareness, low cost structure or other competitive advantages.

**Predictable earnings and dividend growth**

Historic and prospective annual earnings growth of 7% or more coupled with a policy of declaring dividends at a rate based upon normalized earnings (payout ratio), not to exceed 60% on average.

**Financial Strength**

Financial attributes include low debt ratios, high returns on equity and capital, and an ability to finance growth without frequently tapping capital markets.

**Quality Management**

Experienced leadership along with a commitment to shareholder interests is vital.

**Fixed Income**

Covenant's fixed income approach emphasizes stability of income, diversification and low turnover. Our fixed income investment philosophy adheres to a disciplined approach that emphasizes strong total returns and a steady income stream generated by what we believe to be quality holdings. Our process is intended to provide more consistent returns while helping to reduce investment risks. Covenant's strategy emphasizes appropriate credit quality analysis, a focus on intermediate term securities, yield curve management through a laddered portfolio when individual securities are employed, and low portfolio turnover.

**Risk Management**

The ability to absorb risk varies widely among individuals depending on their age, experience, and financial circumstances. Prevailing market and economic conditions are also factors. As an asset management client, your level of risk tolerance is carefully evaluated before any action is taken. After taking the time to gain this perspective, we are then positioned to make intelligent, rational asset allocation decisions on our client's behalf.

Our knowledge and experience in managing investment assets has taught us that the best way to reduce risk is to diversify. In fact, by lowering exposure to loss in any one market sector, diversification can actually boost total return in certain economic environments.

At Covenant, we specialize in allocating assets among cash, fixed income, equity, REITs, and commodities markets. Establishing an optimum asset allocation requires thorough examination of a client's income requirements, liquidity needs, lifestyle goals, and risk tolerance. Client objectives are continually evaluated to determine potential asset allocation policy modifications.

Covenant's methods of analysis and investment strategies do not present any significant or unusual risks. Detailed below are some of the risks of equity and fixed income investments, but it should be noted that we cannot claim to identify all of the risks inherent in these markets. Clients should be aware that the value of securities in a client's portfolio may decline due to daily fluctuations in the securities markets that are beyond Covenant's control.

There are two significant risks associated with investing in equity securities, systematic risk, which is inherent in all equity securities and unsystematic risk. **Systematic Risk** – includes macroeconomic risks, inflation risk, interest rate risk and general equity market risk. Equity markets can be volatile and many factors can influence their performance. In addition to the factors stated previously, investor sentiment, liquidity, political risk, public health crises, and fiscal and monetary policies can create risks to equity investors. While Covenant performs due diligence on the companies in whose securities it invests, economic conditions are not within the control of Covenant and there is no assurance that adverse market developments will be anticipated. **Unsystematic risk** consists of two major components: individual company risk and sector (or industry) risk. Individual company risk can be divided into two components: *business risk* is the risk inherent in the nature of the business and *financial risk* is the risk in addition to business risk that arises from using financial leverage. Sector/Industry risk is the risk of doing better or worse than expected as a result of investing in one sector or another. With regard to the risks associated with Covenant's equity growth strategy and its equity income strategy, all of the risks detailed above apply to both strategies. In addition, equity growth stocks have the additional risk of typically higher relative valuation levels and the associated risk of being unduly punished by disappointing results. Also, many growth companies are smaller or less mature and could be subject to increased competition from larger or better capitalized competitors. Covenant's equity income strategy, in addition to the systematic and unsystematic risks identified above, includes additional risks. Many equity income equities are more mature, slower growing companies with higher dividend payout ratios. To the extent that company earnings growth slows beyond expectations, dividends and dividend growth could be hurt which could put downward pressure on the stock price. 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.

Covenant may invest in one or more Exchange Traded Funds (“ETF”) on behalf of its clients. Risks relating to investing in ETFs are minimal but can include the following: The market value of an ETF’s shares may differ from its net asset value (“NAV”). This difference in price may be due to the fact that the supply and demand in the market for ETF shares at any point in time is not always identical to the supply and demand in the market for the underlying basket of securities. Accordingly, there may be times when an ETF trades at a premium, creating the risk that a portfolio pays more than NAV for an ETF when making a purchase or discount, creating the risks that the portfolio’s value is reduced for undervalued ETFs it holds and that the portfolio receives less than NAV when selling an ETF.

Covenant may invest portions of client assets directly into fixed income instruments, such as bonds and notes, or may invest in funds that invest in bonds and notes. While investing in fixed income instruments, either directly or through funds, is generally less volatile than investing in stock (equity) markets, fixed income investments nevertheless are subject to risks. Fixed Income investing risks include, without limitation, 1) inflation risk which reduces the real value of investments as purchasing power declines on nominal dollars received as principal and interest payments, 2) interest rate risk which comes from a rise in interest rates that causes a decline in fixed income prices to allow yields on the fixed income securities to reflect prevailing market rates, 3) credit risk which involves the real or perceived risk of a fixed income issuer defaulting on an interest or principal payment, and 4) reinvestment risk which 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. Covenant does not invest in fixed income securities in a strategy with any unusual or significant risks beyond those identified above.

### **Options Investing**

Options involve risks and are not suitable for everyone. Option trading can be speculative in nature and carry substantial risk of loss. We encourage all clients who invest in options for speculative purposes to do so only investing with risk capital.

Option transactions establish a contract between two parties concerning the buying or selling of an asset at a predetermined price during a specific period of time. During the term of the option contract, the buyer of the option gains the right to demand fulfillment by the seller. Fulfillment may take the form of either selling or purchasing a security depending upon the nature of the option contract.

Covenant utilizes options for certain clients to protect against downside risk by buying protective put options or to enhance income through the sale of covered call options. In using these strategies, the returns are limited and the risks are also limited to the costs of the options. For certain clients who authorize us to do so, we may purchase call options

in an attempt to generate leveraged positive returns. In this case, risk is also limited to the cost of the options premium. In other strategies, for certain clients wishing to pursue higher returns with a portion of their portfolio, Covenant may engage in potentially risky trades using options and options spreads where most or all of the capital in a specific trade may be lost. Typical trades in such strategy involve the purchase of a call spread that is funded largely by the sale of a put spread. Since options are time sensitive investments, the buyer or seller of an option could lose their entire investment or be obligated to purchase shares of the underlying security in which the option was written. For more information concerning the risks and strategies of options, clients are sent a copy of the Options Clearing Corporation publication “Characteristics & Risks of Standardized Options” by their custodian.

No client is under any obligation to utilize options strategies. There can be no guarantee that an options strategy will achieve its objective or prove successful. Clients are advised to direct any questions regarding the use of options to Covenant’s Chief Investment Officer, John Guarino.

### **Cybersecurity Risks**

Covenant’s information technology systems and those of our key service providers are vulnerable to potential damage or interruption from computer viruses, net-work failures, infiltration by unauthorized persons and security breaches, power outages and catastrophic events causing business disruptions. Cybersecurity breaches may cause Covenant or its third-party vendors to lose proprietary information (including personal data), suffer data corruption or lose operational capability. While Covenant and its third-party service providers have established information technology and data security programs, and have business continuity plans in place, such programs and plans are inherently limited by the possibility of new, emerging, and unidentified risks.

**Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that each client should understand and be willing to bear. Clients are encouraged to discuss these risks with their advisor representative.**

### **Item 9: Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Covenant or the integrity of Covenant's management.

There have been no material legal, regulatory or disciplinary events involving Covenant or its employees, affiliates or management persons. Our Firm values the trust clients place in us, and we encourage you to perform the requisite due diligence on any advisor that you may engage. The background of the Firm and its advisory personnel is available on the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov), by searching via the Firm's name or its unique CRD# 108567.

## **Item 10: Other Financial Industry Activities & Affiliations**

Timothy Rowe, one of Covenant's affiliated Investment Advisor Representatives, is licensed to offer commissionable insurance products through various marketing organizations and is individually licensed with numerous insurance companies in multiple states. Mr. Rowe conducts such business through Covenant Financial Resources, LLC, ("CFR") of which he serves as the sole Managing Member. Covenant's owner John Guarino also holds an insurance license and refers financial planning clients to Mr. Rowe. When one of Covenant's duly licensed members refers clients to CFR for these products, such related licensed member receives a share of the commissions, which is fully disclosed to each referred client. No additional fees are paid by such client for these referrals. The receipt of commissions from CFR creates a conflict of interest between Covenant and its clients by raising the possibility that insurance products could be recommended because of the referral commissions generated rather than because of the overriding benefit to the client. This conflict is mitigated by Covenant, Mr. Rowe and CFR by diligently confirming the appropriateness of each product for each client, and by making full disclosure of the referral commission relationship, as well as the fact that every client has the option to purchase such products through other, non-affiliated parties. CFR also provides marketing and educational services. Mr. Rowe receives certain ongoing payments from client relationships with a firm with whom he was employed prior to 1999. These payments are not related to, nor do they directly or indirectly benefit, Covenant. As such, these payments do not create any conflict of interest between Covenant and its clients.

Covenant's owner is 50% owner and CEO of Covenant Advisors, LLC a non-operating holding company.

When other authorized professionals refer clients to Covenant for money management services, Covenant generally shares the fees generated by the referred clients with the referring individual and fully discloses all referral fees in writing to the client. Presently, Covenant maintains fee-sharing relationships with three such individuals. Covenant Financial Resources, LLC ("CFR"), an affiliate of Covenant, uses a lead-generating firm to identify appropriate prospective clients to Covenant. This firm does not recommend potential clients to Covenant, rather it provides a list of leads based on investor inputs into its online profile tool. CFR pays a one-time fee for such prospect leads in amounts ranging up to \$250. These fees are payable regardless of whether a prospect becomes our advisory client.



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

### **Code of Ethics**

A Code of Ethics (“Code”) has been adopted by Covenant and is designed to comply with Rule 204A-1 under the Investment Advisers Act of 1940 (“Advisers Act”). The following is a summary of the Code. Covenant will provide any client or prospective client a copy of the entire Code upon request.

The Code establishes rules of conduct for all employees of Covenant and is designed to, among other things; govern personal securities trading activities in the accounts of employees. The Code is based upon the principle that Covenant and its employees owe a fiduciary duty to Covenant’s clients to conduct their affairs, including their personal securities transactions, in such a manner as to avoid (i) serving their own personal interests ahead of clients, (ii) taking inappropriate advantage of their position with the firm and (iii) any actual or potential conflicts of interest or any abuse of their position of trust and responsibility.

The Code is designed to ensure that the high ethical standards long maintained by Covenant continue to be applied. The purpose of the Code is to preclude activities which may lead to or give the appearance of conflicts of interest, insider trading and other forms of prohibited or unethical business conduct. The excellent name and reputation of our firm continues to be a direct reflection of the conduct of each employee.

Pursuant to Section 206 of the Advisers Act, both Covenant and its employees are prohibited to engage in any fraudulent, deceptive or manipulative conduct. Compliance with this section involves more than acting with honesty and good faith alone. It means that Covenant has an affirmative duty of utmost good faith to act solely in the best interest of its clients.

Covenant and its employees are subject to the following specific fiduciary obligations when dealing with clients:

- The duty to provide advice in the best interests of clients and the duty to have a reasonable, independent basis for the investment advice provided;
- The duty to obtain best execution for a client’s transactions where the Firm is in a position to direct brokerage transactions for the client;
- The duty to ensure that investment advice is suitable to meeting the client’s individual objectives, needs and circumstances; and
- A duty to be loyal to clients.

In meeting its fiduciary responsibilities to its clients, Covenant expects every employee to demonstrate the highest standards of ethical conduct for continued employment with Covenant. Strict compliance with the provisions of the Code shall be considered a basic condition of employment with Covenant. Covenant's reputation for fair and honest dealing with its clients has taken considerable time to build. This standing could be seriously damaged as the result of even a single securities transaction being considered questionable in light of the fiduciary duty owed to our clients. Employees are urged to seek the advice of Bill Cunliffe, the Chief Compliance Officer, for any questions about the Code or the application of the Code to their individual circumstances. Employees should also understand that a material breach of the provisions of the Code may constitute grounds for disciplinary action, including termination of employment with Covenant.

The provisions of the Code are not all-inclusive. Rather, they are intended as a guide for employees of Covenant in their conduct. In those situations where an employee may be uncertain as to the intent or purpose of the Code, he/she is advised to consult with the Chief Compliance Officer, who may grant exceptions to certain provisions contained in the Code only in those situations when it is clear beyond dispute that the interests of our clients will not be adversely affected or compromised. All questions arising in connection with personal securities trading should be resolved in favor of the client even at the expense of the interests of employees.

### **Personal Trading**

The Firm has adopted the following principles governing personal investment activities by Covenant's supervised persons:

- The interest of the client accounts will at all times be placed first;
- All personal securities transactions will be conducted in such manner as to avoid any actual or potential conflict of interest or any abuse of an individual's position of trust and responsibility; and
- Access persons must not take inappropriate advantage of their positions.
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Employee trading is continually monitored under the Code of Ethics and designed to reasonably prevent conflicts of interest between Covenant and its clients. Bill Cunliffe, Chief Compliance Officer, reviews all employee trades as submitted each quarter. These reviews ensure that personal trading does not affect the markets, and that clients of Covenant receive equal or preferential treatment. Since most employee trades are small, these trades do not affect the securities markets.

Covenant and its employees do not recommend to clients, or buy or sell for client accounts, securities in which they have a material financial interest. It is Covenant's policy

that the firm will not effect any principal or agency cross securities transactions for client accounts. Covenant will also not cross trades between client accounts.

Covenant and persons associated with our Firm can buy or sell the same securities that we recommend to clients, or in which clients are already invested. A conflict of interest arises in such cases if Firm personnel have the ability to trade ahead of clients and potentially receive more favorable prices or more advantageous terms than clients receive. To eliminate this conflict of interest, it is Covenant's strict policy that the Firm and its personnel NEVER have priority over client accounts in the purchase or sale of securities. Covenant's owner, employees and affiliates abide by Covenant's Code of Ethics regarding the priority of transactions.

### **Material Non-Public Information**

In accordance with Section 204A of the Investment Advisers Act of 1940, Covenant maintains and enforces written policies reasonably designed to prevent the misuse of material, non-public information by Covenant or any of its employees.

### **Pre-Clearance Required for Participation in IPOs**

Covenant and its related persons rarely participate in IPOs. No access person shall acquire any beneficial ownership in any securities in an Initial Public Offering for his or her account without the prior written approval of Bill Cunliffe, the Chief Compliance Officer who has been provided with full details of the proposed transaction (including written certification that the investment opportunity did not arise by virtue of the access person's activities on behalf of a client) and, if approved, will be subject to continuous monitoring for possible future conflicts.

### **Pre-Clearance Required for Private or Limited Offerings**

Covenant and its related persons rarely participate in private or limited offerings. No access person shall acquire beneficial ownership of any securities in a limited offering or private placement without the prior written approval of the Chief Compliance Officer who has been provided with full details of the proposed transaction (including written certification that the investment opportunity did not arise by virtue of the access person's activities on behalf of a client) and, if approved, will be subject to continuous monitoring for possible future conflicts.

Covenant's employees must acknowledge the terms of the Code of Ethics at least annually. Any individual not in compliance with the Code of Ethics may be subject to termination and/or disciplinary measures.

## **Item 12: Brokerage Practices**

As part of its fiduciary duties to clients, Covenant endeavors at all times to put the interests of its clients first. Covenant does not maintain custody of your assets that we manage, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see “Item 15: Custody”). Your assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. Covenant does not exercise discretionary authority to select the broker-dealer/custodian for custody and execution services, however we generally recommend that clients use the custody, brokerage and clearing services of Charles Schwab & Co., Inc. (“Schwab”), a registered broker-dealer, member SIPC, as their qualified custodian. Covenant maintains an institutional relationship with Schwab, whereby the Firm receives benefits for itself and its clients.

We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we request that you use Schwab as custodian/broker, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. Conflicts of interest associated with this arrangement are described below as well as in Item 14: “Client referrals and other compensation”. You should consider these conflicts of interest when selecting your custodian.

We do not open the account for you, although we may assist you in doing so. Even though your account is maintained at Schwab, we can still use other brokers to execute trades for your account as described below (see “Your brokerage and trading costs”).

### **How we select brokers/custodians**

We seek to select a custodian/broker that will hold your assets and execute transactions consistent with our duty to seek “best execution.” When considering whether the terms that Schwab provides are, overall, most advantageous to you when compared with other available providers and their services, we consider a wide range of factors, including:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds (ETF’s), etc.)

- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, security, and stability
- Prior service to us and our clients
- Protection of our clients' personal identifying information
- Availability of other products and services that benefit us, as discussed below (see "Products and services available to us from Schwab.")

### **Your brokerage and trading costs**

For our clients' accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. Certain trades (for example, many mutual funds, and U.S. exchange-listed equities and ETFs) may not incur Schwab commissions or transaction fees. Schwab is also compensated by earning interest on the uninvested cash in your account in Schwab's Cash Features Program. In limited cases (such as for options or structured securities trades) where we choose to execute the trade with different broker-dealer but the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account, Schwab charges you a flat dollar amount as a "prime broker" or "trade away" fee for each trade. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer.

By using another broker or dealer you may pay lower transaction costs. However, Covenant's duty to seek "best execution" does not always equate to lowest fees and commissions. Rather, it means that the transaction represents the best qualitative execution, taking into most favorable terms for a transaction, based on all relevant factors including the full range of broker-dealer services listed herein. Although we are not required to execute all trades through Schwab, we have determined that having Schwab execute most trades is consistent with our duty to seek "best execution" of your trades.

### **Products and services available to us from Schwab**

Schwab Advisor Services™ is Schwab's business serving independent investment advisory firms like ours. They provide us and our clients with access to their institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to Schwab retail customers. (However, certain retail investors may be able to get institutional brokerage services from Schwab without going through our firm.) Schwab also makes available various support services. Some of those services help us

manage or administer our clients' accounts, while others help us manage and grow our business. Schwab's support services are generally available at no charge to us. Following is a more detailed description of Schwab's support services:

**Services that benefit you.** Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

**Services that do not directly benefit you.** Schwab also makes available to us other products and services that benefit us but do not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts and operating our firm. They include investment research, both Schwab's own and that of third parties. We use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- Provide pricing and other market data
- Facilitate payment of our fees from our clients' accounts
- Assist with back-office functions, record keeping, and client reporting

**Services that generally benefit only us.** Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology and business needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers
- Marketing consulting and support

Schwab provides some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab also discounts or waives its fees for some of these services or pays all or a part of a third party's fees. Schwab also provides us with other benefits, such as occasional business entertainment of our personnel. If you did not

maintain your account with Schwab, we would be required to pay for these services from our own resources.

Covenant's clients do not pay more for investment transactions effected and/or assets maintained at Schwab as a result of the above services. There is no corresponding commitment made by Covenant to Schwab, or any other any entity, to commit any specific amount of business to Schwab in trading commissions or assets in custody or to invest any specific amount or percentage of client assets in any specific investment products. Covenant does not participate in any soft dollar arrangements.

### **Our interest in Schwab's services**

The availability of these services from Schwab benefits us because we do not have to produce or purchase them and we don't have to pay Schwab for such services. In evaluating whether to recommend that clients custody their assets at Schwab, we take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors we consider and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab. Receiving products, services and fee discounts or waivers from Schwab or any broker-dealer poses a conflict of interest, as it creates an incentive to recommend a custodian that provides these benefits rather than making such decision based exclusively on your interest in receiving the best value in custody services and the most favorable execution of your transactions. We address these conflicts by disclosing them to our clients and by periodically reviewing the quality and cost of the services and execution quality provided to our clients by the custodian broker-dealer we recommend. We believe that taken in the aggregate, our selection of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services (see "How we select brokers/custodians") and not Schwab's services that benefit only us.

### **Aggregation of Trades**

In cases when we need to transact in the same security for multiple accounts, we may elect to purchase or sell such securities at approximately the same time as a block trade. This process is also referred to as aggregating trades and is used by our Firm when we believe such action may prove advantageous to clients. Aggregation is consistent with the duty to seek best execution as no client is favored over any other client. Covenant participates at the average share prices of all transactions and costs will be shared on a pro-rata basis. In the event an order is only partially filled, shares are allocated to participating accounts in a fair and equitable manner, typically in proportion to the size of each client's order. Covenant may aggregate trades for its owner, employees and affiliates with client trades in accordance with SEC-recommended practices. Neither we nor our employees receive any additional compensation because of block trades.

## **Trade Errors**

As a fiduciary, Covenant has the responsibility to effect orders correctly, promptly and in the best interests of our clients. In the event any error occurs in the handling of any client transactions due to Covenant's actions, or inaction, or actions of others, Covenant's policy is to seek to identify and correct any errors as promptly as possible without disadvantaging the client or benefiting Covenant in any way. If the error is the responsibility of Covenant, any client transaction will be corrected and Covenant will be responsible for any client loss resulting from an inaccurate or erroneous order. Corrective steps may be taken depending on the circumstances, including canceling the trade, adjusting an allocation, and/or crediting the customer's account. In the event the trading error results in a profit, the profit is donated to charity. Covenant's policy and practice is to monitor and reconcile all trading activity, identify and resolve any trade errors promptly, document each trade error with appropriate supervisory approval and maintain a trade error file.

Please also see the disclosure under "Item 14: Client Referrals and Other Compensation."



### **Item 13: Review of Accounts**

Covenant has adopted procedures to implement the firm's policies and reviews and monitors to ensure that such policies are observed, implemented properly and amended or updated, as appropriate, which include the following:

- Covenant obtains substantial background information about each client's financial circumstances, investment objectives, and risk tolerance, among other things, through an in-depth interview and information gathering process which includes client profile or relationship forms. This information is reviewed and updated annually by each client's account manager.
- Covenant's clients may also have and provide written investment policy statements or written investment guidelines that the firm reviews, approves, and monitors as part of the firm's investment services, subject to any written revisions or updates received from a client.
- Covenant provides the firm's Form CRS and Form ADV Part 2 to prospective clients to disclose the firm's advisory services, fees, conflicts of interest and portfolio/supervisory reviews.
- Covenant may provide periodic reports to advisory clients to provide important information about a client's financial situation, portfolio holdings, values and transactions, among other things. The firm may also provide performance information to advisory clients about the client's performance, which may also include a reference to a relevant market index or benchmark.
- Clients are encouraged to notify Covenant if changes occur in the client's financial situation that might adversely affect the client's investment plan.
- Covenant may also schedule client meetings on a periodic basis. Clients are encouraged to meet with their portfolio manager at Covenant at least once per year to review their account as a whole, to review a client's portfolio, performance, market conditions, financial circumstances, and investment objectives, among other things, and to confirm that the firm's investment decisions and services are consistent with the client's objectives and goals. Documentation of such reviews are made in the client file.
- Client relationships and/or portfolios are monitored on a regular and continuous basis by advisory personnel of Covenant. More formal reviews are conducted by management annually, or more frequently as circumstances require.

#### **Item 14: Client Referrals & Other Compensation**

When authorized professionals refer clients to Covenant for money management services, Covenant will share the fees generated by the referred clients with the referring individual or the RIA. If the client is introduced to the Firm by an unaffiliated professional, these fee arrangements are fully disclosed in writing to each referred client and comply with the Rule 206(4)-1 requirements under the Advisers Act. Annual referral payments are generally limited in time, and range between 20% - 40% of a client's annual management fee. Clients will not be charged any higher fees when referred by a third party than when engaging Covenant directly.

As previously disclosed under "Brokerage Practices", Covenant uses Schwab Advisor Services™ and generally recommends Schwab to Clients for custody and brokerage services. We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. We benefit from the products and services provided because the cost of these services would otherwise be borne directly by us, and this creates a conflict. These products and services, how they benefit us, and the related conflicts of interest are described above (see "Item 12: Brokerage Practices").

Covenant previously maintained a referral arrangement with TD Ameritrade through its platform AdvisorDirect™ (the "Service"), designed to assist clients in finding an independent investment adviser. Although Covenant no longer participates in this Service, we pay legacy fees on past referred client accounts custodied at Schwab that we still manage. The fee is a percentage of the value of assets under management and is paid to Schwab monthly. This fee may be increased, decreased or waived by Schwab from time to time at Schwab's discretion. The fee is paid solely by Covenant, and not by any client referred.

Covenant Financial Resources, LLC ("CFR"), an affiliate of Covenant, utilizes a marketing firm to identify appropriate prospective clients to Covenant. The marketing firm does not recommend us to potential clients. Rather, it provides to us a list of leads based on investor inputs into the marketing firm's online profile tool. CFR pays a one-time fee for such prospect leads in amounts ranging up to \$250. The fees we pay for being provided with potential leads are payable regardless of whether a prospect becomes our advisory client.

Covenant does not participate in any third-party revenue sharing agreements with outside third parties in connection with its provision of advisory services to clients.

## **Item 15: Custody**

### **General**

As a matter of policy and practice, Covenant does not permit employees or the firm to accept or maintain custody of client assets. It is our policy that we will not accept, hold, directly or indirectly, client funds or securities, or have any authority to obtain possession of them, except for direct debiting of advisory fees. Covenant will not intentionally take custody of client cash or securities. The custodian maintains actual custody of your assets. You will receive account statements directly from the custodian at least quarterly. They will be sent to the email or postal mailing address you provided to the custodian. You should carefully review those statements promptly when you receive them. Clients may also establish electronic access to the custodian's website so that they may view these reports and their account activity. Client brokerage statements will include all positions, transactions and fees relating to the client's account[s].

It is Covenant's policy to avoid taking custody of its Clients' assets, and to prohibit any arrangement that gives rise to actual, constructive or inadvertent custody. Covenant maintains only the authority to cause the custodian to transfer Client assets or cash to (i) trade securities, (ii) effect first party transfers between identically-named client accounts, and (iii) effect direct-billing of Client fees permitted under Rule 206(4)-2 of the Advisers Act, as discussed below.

### **Fee Debiting**

The Investment Advisory Agreement authorizes Covenant to deduct investment advisory fees directly from the client's account by the custodian typically on a monthly basis. Client assets are generally held in the custody of a bank, trust company or brokerage firm agreed upon by the client and Covenant. The custodian is advised in writing of the limitation of Covenant's access to the account. In most instances, Covenant provides the calculated advisory fee to the custodian each month and the fees are remitted to Covenant; in some cases, clients are billed directly. The qualified custodian provides a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of advisory fees paid directly to Covenant. You should carefully review those statements promptly when you receive them.

## **Item 16: Investment Discretion**

Clients grant Covenant complete and unlimited discretionary trading authorization with respect to the account(s) and appoint Covenant as agent and attorney-in-fact with respect to the account(s), and Covenant agrees to act in such capacity. Covenant generally has the authority to determine the securities to be bought or sold and the amount of such securities to be bought or sold. Limitations on authority are provided in client specified investments objectives, guidelines and restrictions. These guidelines may be changed by a client upon written notice. Covenant may also provide non-discretionary advice. In some cases, Covenant may place approved trades on behalf of such client with such brokers as Covenant may select.

Covenant may accept any reasonable limitation or restriction placed on accounts by the client (for example, by asking Covenant not to invest in securities of particular issuers.)

Covenant may, in its sole discretion and at clients' risk, purchase, sell, exchange, convert and otherwise trade the securities and other permitted investments in the account(s) as well as arrange for delivery and payment in connection with the above and act on behalf of client in all other matters necessary or incidental to the handling of the account(s). Covenant may conduct securities transactions among the account(s) and other account(s) managed by Covenant. Covenant may aggregate client purchase and sale orders with those of other client account(s) when engaging in transactions on behalf of client. Aggregation of client orders assists Covenant in obtaining best execution, negotiating more favorable commission rates, and allocating equitably among clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, all clients trade at the same price and no client is favored. Transactions are averaged as to price and will be allocated among clients in a manner deemed to be fair and equitable, typically in proportion to the purchase and sale orders placed for each client account on any given day. Covenant does not receive any additional compensation or remuneration as a result of such aggregation.

Client understands that all or substantially all brokerage transactions for securities may be executed through the broker-dealer designated on the agreement, if so indicated (the "designated broker dealer"). However, despite this designation, Covenant may effect securities transactions for the account(s) through a different broker or dealer if Covenant reasonably believes, in good faith, that another broker-dealer may effect a transaction at a price, including any brokerage commissions or dealer mark-up or mark-down, that would be more favorable to the account(s) or if there are constraints on conducting transactions through the designated broker-dealer.

**Item 17: Voting Client Securities**

Covenant, as a matter of policy does not vote proxies held in client accounts or take any action (other than rendering investment advice) on behalf of clients with respect to securities or other investments presently or formerly in the account(s), or the issuers thereof, which become the subject of any legal proceeding, including bankruptcies. Client expressly reserves the right to vote all proxies by requesting proxy material from the custodian or transfer agent. Covenant will receive proxy materials on the clients' behalf if client declines the right to receive the proxy materials and will forward the proxies to client upon written request.

**Item 18: Financial Information**

Neither Covenant, nor its management, have any adverse financial situations that impair its ability to meet contractual and fiduciary commitments to clients and have not been the subject of any bankruptcy proceeding.

Covenant is not required to provide a balance sheet because it does not require clients to prepay investment advisory fees in amounts higher than \$1,200 per client for services to be performed more than six months in advance.

**Covenant Asset Management, LLC**

125 Maple Avenue

Chester, NJ 07930

908-879-4090

**Part 2B of Form ADV**

**Brochure Supplement**

**March 20, 2024**

This Brochure Supplement provides information about John Guarino, Timothy Rowe, Christopher Clark, Don Weir, Mark Ukrainskyj, Gabriel Rowe, Bill Cunliffe and David Guarino that supplements Covenant Asset Management's Brochure. You should have received a copy of that Brochure. Please contact Monika Sawicki at (908) 879-5330 if you did not receive a copy of Covenant Asset Management's Brochure or if you have any questions about the contents of this supplement. The business address of each of Covenant Asset Management's advisors listed below is Covenant Asset Management's business address listed above.

John Guarino	(908) 879-4090
Timothy Rowe	(908) 879-4620
Christopher Clark	(201) 213-1952
Don Weir	(908) 809-5569
Mark Ukrainskyj	(908) 879-7110
Gabriel Rowe	(908) 888-8181
Bill Cunliffe	(908) 430-5332
David Guarino	(908) 879-7090

Additional information about John Guarino, Timothy Rowe, Christopher Clark, Don Weir, Mark Ukrainskyj, Gabriel Rowe, Bill Cunliffe and David Guarino is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by firm name, or by using a unique identifying number known as a CRD number. The CRD number for the Firm is 108567.

## **Educational Background and Business Experience**

### **John Guarino**

(908) 879-4090

Year of Birth: 1958

#### ***President, Chief Investment Officer***

As President, John sets the overall strategic vision of Covenant Asset Management (“Covenant”) and oversees all executive decisions. As Chief Investment Officer, he is responsible for setting the overall investment policy and directing investment strategy, research, portfolio management, trading, asset allocation and investment risk management functions.

John founded Covenant Asset Management in 1999 and has worked as an investment portfolio manager since 1980. From 1985 to 1999, he was a Senior Vice President and Regional Manager in the Investment Management Division of Summit Bank and portfolio manager of the Pillar Equity Growth Fund. He received the industry’s prestigious Chartered Financial Analyst (CFA)\* designation in 1989. Earning the CFA® charter demonstrates that one has gained the knowledge and learned the skills needed for investment analysis and decision making in today’s global financial industry. John serves as a member of the firm’s Investment Committee.

John has a B.S. in finance from Montclair State University and an M.B.A. in finance from NYU Graduate School of Business. John lives in Far Hills, New Jersey, with his wife, Theodora, and they have two children.

### **Timothy Rowe**

(908) 879-4620

Year of Birth: 1960

#### ***Director of Business Development and Financial Planning***

Tim is an investment advisor representative and a supervised person of the firm. Tim works with individuals to help them realize their wealth and retirement goals and assists Covenant’s other managers to design and implement financial planning strategies for clients. Tim also oversees Covenant’s outbound marketing efforts focusing on conducting financial information seminars and collaborating with other professionals. He is also responsible for the oversight and development of Covenant’s expansion into the Florida market. In addition, he is the sole Principal of Covenant Financial Resources, LLC, through which he does business as an Investment Advisor Representative of Covenant and which provides insurance, marketing and educational services. In connection with financial planning, Tim may recommend and sell insurance products from which he may earn

commissions on the sale of these products. Tim spent 14 years with Summit Financial Resources as a Senior Financial Consultant, developing and monitoring financial plans for individuals and small businesses. Tim graduated with a B.S. in business from Slippery Rock University. He has been a registered representative and holds a Series 65 license. Tim lives in Succasunna, New Jersey, with his wife, Martine, and they have two sons.

**Christopher Clark**

(201) 213-1952

Year of Birth: 1966

***Senior Portfolio Manager***

Chris is an investment advisor representative and a supervised person of the firm. Chris works one-on-one with clients, helping them achieve their investment objectives. Chris is also responsible for conducting fundamental research and portfolio construction and oversees Covenant's technical analysis. He is also a member of the firm's Investment Committee. Chris has been employed in the financial services industry since 1992. Chris is the Principal of Clark Asset Management, Inc. through which he does business as an Investment Advisor Representative of Covenant. Prior to joining Covenant in 1999, Chris spent four years as an investment portfolio manager at Summit Bank, where he co-managed the Pillar Equity Growth Fund.

Chris has a B.S. in finance from Lehigh University and received the Chartered Financial Analyst (CFA®)\* designation in 1998. He lives in Hoboken, New Jersey, with his wife, April, and three daughters and a son.

**Don Weir**

(908) 809-5569

Year of Birth: 1948

***Senior Portfolio Manager***

Don is an investment advisor representative and a supervised person of the firm. Don is an experienced industry professional focused on helping high net worth individuals and families achieve their financial goals and objectives. In addition, Don participates in Covenant's investment research effort and portfolio construction. He is also a member of the firm's Investment Committee. Don's investment career of more than 30 years began at Prudential in private placements and leveraged buyouts, and he eventually oversaw the management of more than \$1 billion of institutional and mutual fund portfolios. Later, he joined Merrill Lynch, where his responsibilities included managing asset allocation portfolios for a \$14 billion mutual fund wrap program and \$3 billion of



separate accounts. More recently, Don served as Senior Vice President and regional investment director for wealth management at TD Bank. He joined Covenant in 2010.

Don graduated from Dartmouth College with a degree in Liberal Arts and later earned his M.B.A. from Dartmouth's Tuck School of Business Administration. He resides in Basking Ridge, New Jersey, with his wife, Maureen.

**Mark Ukrainskyj**

(908) 879-7110

Year of Birth: 1967

***Senior Portfolio Manager***

Mark is an investment advisor representative and a supervised person of the firm. Mark is an experienced wealth management professional focused on helping high net worth individuals and families determine and achieve their financial goals and objectives. This involves Mark's active participation in Covenant's investment research effort and portfolio construction. He is also a member of the firm's Investment Committee. Mark has worked in the financial services industry since 1988 in various positions. Prior to joining Covenant in 2013, Mark spent 13 years at AEPG Wealth Strategies, an independent wealth manager, where he served as Chief Investment Officer. Mark received the Chartered Financial Analyst (CFA®)\* designation in 1998 and the Certified Divorce Financial Analyst (CDFA®)\* designation in 2020. He has also served on the board of the New York Society of Security Analysts, most recently as Chairman.

Mark has a B.S. in economics from the Wharton School of Business at the University of Pennsylvania and an M.B.A. in finance from the Haas School of Business at the University of California at Berkeley. He lives in Westfield, New Jersey, with his wife, Stacey, and they have two sons.

**Gabriel P. Rowe**

(908) 888-8181

Year of Birth: 1996

***Portfolio Manager***

Gabriel is a graduate of Florida State University with a B.S. in Finance. He is a licensed investment advisor representative who specializes in retirement planning and assisting in the design and implementation of investment strategies for our clients. He holds a Series 65 license as well as a Life Insurance and Annuities license. He is an assistant to Timothy Rowe in the expansion of Covenant into the Florida market. Gabe is an avid

golfer and skier who loves spending time outdoors. He currently resides in Bedminster, New Jersey.

**Bill Cunliffe**

(704) 877-2732

Year of Birth: 1980

***Chief Compliance Officer and Portfolio Manager***

Bill serves as Covenant's Chief Compliance Officer (CCO). He is an investment advisor representative and supervised person of the Firm.

Bill is a graduate of the University of Cambridge, England, where he earned a BA in Aerospace Engineering, and Massachusetts Institute of Technology, where he received his Masters in Engineering. Bill began his career in finance in 2003 at a quantitative hedge fund in London before moving to Charlotte, NC to become a founding member of Elevation Securities, a registered institutional broker-dealer. Bill subsequently co-founded Variant Perception, a macro-economic research service for investors, where he served as CEO prior to joining Covenant. He holds a Series 65 license. Bill lives in Gladstone, NJ with his wife, Laura, and their three children.

**David J. Guarino**

(908) 879-7090

Year of Birth: 1992

***Portfolio Manager***

David is an investment advisor representative and a supervised person of the firm. He is a graduate of Samford University with a B.S. in Geospatial Intelligent Systems and Regent University, where he received his M.B.A in Finance. David received his Chartered Financial Consultant (CHFC)\* designation from the American College of Financial Services. Earning the CHFC charter demonstrates that you have gained the knowledge and learned the skills needed for providing financial planning advice covering topics such as income tax, retirement, risk management, estate planning, and investments. He is also a member of the firm's Investment Committee. David has been employed by Covenant Asset Management since 2020. David lives in Chester, New Jersey, with his wife, Julia, and their two children.

**\* Explanation of Applicable Industry Designations:**

**CFA®** *Earning the CFA charter demonstrates that one has gained the knowledge and learned the skills needed for investment analysis and decision making in today's global financial industry. To become a charter holder, a person must: 1) Agree to follow the CFA Institute Code of Ethics and Standards of Professional Conduct. 2) Pass the CFA Program exams for Levels I, II, and III. 3) Have four years of qualified investment work experience. 4) Become a regular member of CFA Institute and apply for membership in a local CFA member society.*

**CDFA®** *Earning the CDFA designation demonstrates that one has gained the knowledge and learned the skills needed to assist clients with the legal, tax and financial planning issues to achieve an equitable divorce settlement. To become a CDFA, a person must have two years of financial planning or legal experience and complete a four-step modular program and exam designed by the Institute for Divorce Financial Analysts.*

**CHFC®** *Earning the CHFC charter demonstrates that one has gained the knowledge and learned the skills needed for providing financial planning advice covering topics including income tax, retirement, risk management, estate planning, and investments. To become a charter holder, a person must: 1) Agree to comply with The American College Code of Ethics and Procedures. 2) Successfully complete eight required courses and final exams. 3) Hold three years of experience in financial planning and investments. 4) Participate in the annual Professional Recertification Program (PRP) to maintain designation and stay up to date on changes in laws and principles of financial planning.*

**Disciplinary Information**

There have been no material legal, regulatory or disciplinary events involving Covenant or its employees, affiliates or management persons.

**Other Business Activities**

A. Timothy Rowe, in addition to his role at Covenant, conducts financial planning activities for clients through Covenant Financial Resources, LLC, of which he serves as sole Managing Member. As part of this business, Mr. Rowe sells insurance products for which he receives direct compensation from the carrier. When one of Covenant's duly licensed members refers clients to CFR for these products, such related licensed member receives a share of the commissions, which is fully disclosed to each referred client. No additional fees are paid by such client for these referral commissions. The receipt of commissions from CFR creates a conflict of interest between Covenant and its clients by raising the possibility that insurance products could be recommended because of the referral

commissions generated rather than because of the overriding benefit to the client. This conflict is mitigated by Covenant, Mr. Rowe and CFR by diligently confirming the appropriateness of each product for each client, and by making full disclosure of the referral fee relationship, as well as the fact that every client has the option to purchase such products through other, non-affiliated parties.

Mr. Rowe receives certain ongoing payments from client relationships with a prior firm with whom he was employed prior to 1999. These payments are not related to, nor do they directly or indirectly benefit, Covenant. As such, these payments do not create any conflict of interest between Covenant and its clients.

B. In addition to performing investment-related services for his clients at Covenant, Mr. Ukrainskyj also provides financial counseling services through his wholly-owned company, Anchor Divorce Financial Advisory Services, LLC. These services target specific counseling topics applicable to clients budgeting for and planning divorce settlements and are not considered general financial planning services or investment advisory services.

### **Additional Compensation**

Covenant's supervised persons do not receive any additional compensation based upon the amount of client assets referred by such person to Covenant.

### **Supervision**

John Guarino, President, Chief Investment Officer, (phone: (908) 879-4090) supervises Timothy Rowe, Christopher Clark, Don Weir, Mark Ukrainskyj, Gabriel Rowe, Bill Cunliffe and David Guarino. Christopher Clark (phone: (201) 201-1952) supervises John Guarino.

In an effort to monitor the advice given to clients, Bill Cunliffe, the Firm's Chief Compliance Officer, has access to copies of all email and written communication from and to each of the supervised persons listed above. In addition, material verbal communications between the Firm's supervised persons and clients are communicated verbally or through email to John Guarino, President, or Bill Cunliffe, Chief Compliance Officer.