



## COVENANT CAPITAL ADVISORS, LLC

519 Vigo Street  
Davenport, FL 33837

### **Form ADV Part 2A – Firm Brochure**

(248) 894-0748

March 28, 2024

[www.covenantcapitaladvisors.com](http://www.covenantcapitaladvisors.com)

This Brochure provides information about the qualifications and business practices of Covenant Capital Advisors, LLC, “CCA”. If you have any questions about the contents of this Brochure, please contact us at (248) 894-0748. 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.

Covenant Capital Advisors, LLC is registered as an Investment Adviser with the States of Florida and Michigan. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about CCA is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov), which can be found using the firm’s identification number, 305838.

## Item 2: Material Changes

Since the last annual update of the ADV Part 2 for Covenant Capital Advisors, LLC, filed on March 27, 2023, the following material changes have been made to this version of the Disclosure Brochure:

- Item 5 has been updated to clarify that fees for held-away accounts managed through Pontera are paid in arrears on a quarterly basis and are based upon the value of the assets in the account(s) as of the last day of the previous quarter.

### Future Changes

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations, and routine annual updates as required. Either this complete Disclosure Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs in the business practices of Covenant Capital Advisors, LLC.

At any time, you may view the current Disclosure Brochure online at the SEC's Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov> by searching for our firm name or by our CRD number 305838.

You may also request a copy of this Disclosure Brochure at any time, by contacting us at (248) 894-0748.

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# Item 4: Advisory Business

## Description of Advisory Firm

Covenant Capital Advisors, LLC is registered as an Investment Adviser with the States of Florida and Michigan. We were founded in August 2019 and first became registered in February 2020. James Duronio is the principal owner of CCA. CCA reports \$2,456,644 in discretionary assets under management and \$0 in non-discretionary assets under management as of December 31, 2023. CCA also advises on approximately \$806,000 in retirement plan assets that are not included in our aforementioned assets under management figure.

## Types of Advisory Services

### Private Client Wealth Planning Services

Private Client Wealth Planning involves ongoing and continuous portfolio management as well as comprehensive financial planning. CCA focuses on providing individualized services that are tailored to meet the client's stated needs and objectives. In the delivery of initial and ongoing services and based upon the client's level of participation, CCA will normally conduct a comprehensive review of the overall aspects of a client's current financial situation and consider both long and short-term objectives and goals, or as directed by the client. It is important that the Advisor has an understanding of the client's stated needs, goals, time horizons and risk tolerance. CCA utilizes the information provided by the client to prepare recommendations for investments, which may include planning for long-range goals (*i.e.*, retirement planning or college funding) or other segments of an investment plan that may be desired.

Clients engaging Private Client Wealth Planning must play an active role. CCA requires clients to participate in the financial and investment reviews; the development of an investment policy or similar document and participate in consultations and portfolio reviews.

Depending on the nature of services to be provided, CCA generally develops and utilizes an asset allocation model that is consistent with the client's investment policy. CCA can thereafter assist with implementation and future re-balancing needs, if limited discretionary trading authority is granted to the Advisor. Where a portfolio has been designed by the client or another party, CCA will provide recommendations for updates or re-balancing.

Unless otherwise directed by the client, CCA will generally seek to allocate a client's assets among various investments, taking into consideration the client's strategic portfolio framework developed with clients. CCA attempts to construct a diversified portfolio of investment recommendations that are within its realm of expertise. In each case, the stated individual needs, goals and desires of clients are taken into careful consideration.

Once the portfolio has been implemented or transferred for services, CCA will provide continuous monitoring, recommendations and investment advice as outlined in the engagement for services. The ongoing Private Client Wealth Planning services are based on a nature of services desired and the directives provided in the investment policy. CCA will remain available for ongoing consultations and recommendations during its normal office hours. CCA will conduct internal portfolio reviews no less than quarterly and will otherwise

conduct annual reviews with clients or more frequently if requested by the client. Private Client Wealth Planning services are continuous in nature and thus are ongoing until terminated by either party.

CCA welcomes the opportunity to provide individualized services. The Advisor can tailor services to focus only on certain portfolio components or the Advisor can provide comprehensive portfolio management services, depending upon the client's wishes and/or the nature of the engagement. However, where services or information are limited, clients must understand that comprehensive investment needs and or objectives may not be fully considered due to the client's option not to receive limited services, the lack of information received, and/or client disclosure.

While CCA will typically recommend investments in no-load mutual funds, index funds, exchange traded funds, individual equities, U.S. government securities, municipal bonds, and other fixed-income securities and private placement investments for accredited and/or qualified investors (e.g., limited partnerships such as direct private equity investments, hedge funds). CCA will generally seek to allocate the client's assets among various investments, taking into consideration the overall management style and portfolio framework selected by the client.

Depending on the needs of a client, the Advisor may also evaluate or offer advice on variable life and annuities, but the Advisor does not engage in sales of these types of products.

Services and investment recommendations in connection to assets invested in a retirement plan are typically limited to those offered within the plan and via the plan's contracted service provider(s). In such cases, CCA is a fiduciary to its client, but is not a plan fiduciary unless CCA is separately contracted by the applicable retirement plan to provide co-fiduciary services. In this case, the Advisor's plan services will be disclosed in writing to the affected private client and addressed in the advisory agreement executed between CCA and its client.

For managed assets not held at our primary custodian, we leverage a third party technology platform and their order management system in order to regularly review the available investment options in these accounts, monitor them, and rebalance and implement appropriate investment strategies on behalf of the client. These accounts typically include 401(k), 403(b), 457(b), HSA, and 529 accounts in addition to other managed assets that the client is currently unable to move under our custodian's platform. The platform allows us to avoid being considered to have custody of Client funds since we do not have direct access to Client log-in credentials to affect trades. We are not affiliated with the platform in any way and receive no compensation from them for using their platform. A link will be provided to the Client allowing them to connect an account(s) to the platform. Once the Client's account is connected to the platform, Advisor will review the current account allocations. When deemed necessary, the Advisor will rebalance the account considering client investment goals and risk tolerance, and any change in allocations will consider current economic and market trends. The goal is to improve account performance over time, minimize loss during difficult markets, and manage internal fees that harm account performance. Client account(s) will be reviewed at least quarterly and allocation changes will be made as deemed necessary.

Clients may call the office during regular business hours to discuss their portfolio or ask questions, but the Advisor recommends that clients initiate a meeting with the Advisor no less than annually. *However, clients are obligated to immediately inform the Advisor of any changes in their financial situation to provide the Advisor with the opportunity to review the portfolio to ensure it is still structured to help meet the client's stated needs and objectives.*

If the services desired go outside the scope of Private Client Wealth Planning during the engagement, the Advisor may be available to provide Consultation and/or Financial Planning Services as described in this section. In such cases, the Advisor will require a new client agreement and additional fees will apply. CCA will not engage in additional services without the client's direction.

*Please note: CCA generally requires a minimum portfolio size of \$500,000 for Individual Private Wealth Planning. The minimum portfolio size may be waived under certain circumstances (ie: Clients who have the ability to meet the minimum within a reasonable timeframe; future earning capacity; pre-existing relationships and family members of advisory personnel.)*

## **Employee Benefit Plan Services**

Employee Benefit Plan Services provide investment and plan construction as well as consulting services to the defined contribution marketplace. CCA seeks to provide trusted solutions and address all fiduciary issues pertaining to investment consulting and plan design advice. **CCA's 3(21) advisory services may include:**

- Setting Goals and Objectives
- Existing plan review
- Plan design consulting
- Vendor search
- Formation of an Investment Policy Statement (IPS)
- Fee analysis
- 3(21) Investment Consulting
- Investment performance monitoring
- Investment performance reporting
- Fiduciary Training and Compliance
- Investment Committee formation and guidance
- Recommendation of a Qualified Default Investment Alternative (QDIA)
- Support with ERISA 404(c) compliance
- Employee Education/Enrollment Meetings (in association with the recordkeeper)

Additional services may include assisting with setting up relationships with other required service providers (e.g., custodians, record keepers, auditor, attorney, and third-party administrator).

Services and compensation are determined at the time of engagement. These plan services are ongoing until terminated by either party, unless otherwise agreed in the client agreement.

Under certain circumstances and as set forth in CCA's Client Agreement, CCA will act as a "fiduciary" as defined under Section 3(21) of ERISA. CCA will not have any authority or responsibility in the administration of the Plan (including the selection of portfolio models for the Plan) or interpretation of any Plan document. CCA acknowledges it will act in a manner consistent with the requirements of a fiduciary under ERISA and the Code. CCA further agrees that any and all investment advisory services, powers, duties and responsibilities relating to the portfolio models shall be exercised exclusively by CCA in accordance with the Plan.

CCA offers the following non-fiduciary services:

- CCA is available to assist in the education of the participants in the Plan about general investment principles and the investment alternatives available under the Plan. The Adviser's assistance in participant investment education shall be consistent with and within the scope of (d) (i.e., the definition of investment education) of the DOL's Interpretive Bulletin 96-1.
- CCA is available to assist in the group enrollment meetings designed to increase retirement plan participation among employees and investment and financial understanding by the employees.

Services and compensation are determined at the time of engagement. Plan services are ongoing until terminated by either party, unless otherwise agreed in the client agreement.

### **Financial Planning and/or Consultation Services**

CCA's Financial Planning or Consultation Services involve hourly or project-based services which can be comprehensive in nature or services can be tailored to address one or more components of financial planning. Advice may be provided on issues relating to retirement planning, retirement fund rollovers, cash flow analysis, sponsored benefit determination, business owner issues, education funding, employee benefit issues, major purchases, and risk management planning. The services requested may include short-term and/or long-term goal planning as directed by the client.

The Advisor can tailor services as desired by the client. CCA's Financial Planning or Consultation Services may be general in nature or can be focused on particular areas of interest or planning component, depending upon the client's needs. The services to be provided and the Advisor's fee(s) are agreed upon at the time of engagement. As part of the Advisor's policy toward full disclosure, advisory fees are outlined in advance and in writing before any services are performed. This policy assures that the client's affairs will be evaluated objectively and in a cost-effective manner.

When Consultation or Financial Planning Services only focus on certain areas of client interests, needs or is otherwise limited, clients must understand that a client's overall financial and investment needs, liabilities and objectives may not be considered as a result of time and/or service restraints placed on the Advisor's services. Clients requiring assistance on issues relating to matters outside of financial and investment advisory topics should consult their personal tax adviser, legal counsel, or other professionals for expert opinions.

When providing a review or advice on investments within retirement plans, the advice and any recommendations are limited to plan offerings and the service provider(s) selected by the plan providers.

Implementation of any advice or recommendations pertaining to securities or non-securities matters, in whole or in part, is entirely at the client's discretion via the service provider(s) of the client's choice. CCA's Financial Planning and its Consultation Services do not involve any form of discretionary trading, ongoing reviews or portfolio management. Financial Planning advice generally entails long-term strategies so that continuous monitoring is not required.

CCA's advice to hourly or project-based clients may include recommendations for updates and reviews. Clients are welcome but are never obligated to retain CCA for additional or follow-up services. Where additional or new services are desired, CCA may require an amended or new client agreement.

## Complimentary Consultation

In limited circumstances, CCA offers a complimentary and general consultation to discuss the services available, to give a prospective client time to review services desired, and to determine the possibility of a potential Client-Advisor relationship. Services begin only after the client and Advisor formalize the relationship with a properly executed Client Agreement.

After the formal engagement and depending upon the scope of the engagement, the Advisor and client will share in a data gathering and discovery process in an effort to determine the client's needs, goals, intentions, time horizons, risk tolerance and investment objectives, based upon information provided by the client and the nature of services requested. The client and CCA may complete a risk assessment, investment policy statement or similar document, depending upon the nature of services to be provided.

## Client Tailored Services and Client Imposed Restrictions

We offer the same suite of services to all of our Clients. However, specific Client financial plans and their implementation are dependent upon the Client Investment Policy Statement which outlines each Client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a Client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

## Wrap Fee Programs

We do not participate in wrap fee programs.

# Item 5: Fees and Compensation

Please note, unless a Client has received the firm's Disclosure Brochure at least 48 hours prior to signing the investment advisory contract, the investment advisory contract may be terminated by the Client within five (5) business days of signing the contract without incurring any advisory fees. How we are paid depends on the type of advisory service we are performing. Please review the fee and compensation information below.

## Private Client Wealth Planning Fees

*Please note: Clients who engaged CCA for services prior to March 2022 may be under a different fee schedule.*

Client assets in held-away accounts will be included in the Account Value our asset-based fee is calculated on. The portion of the Client's assets in cash is not included in the Account Value our asset-based fee is calculated on.

Our fees based on the market value of the Client's assets under management is calculated as follows:

Account Value	Annual Advisory Fee
\$0 - \$500,000	0.80%
\$500,001 - \$1,000,000	0.70%
\$1,000,001 - \$2,000,000	0.60%
\$2,000,001 - \$5,000,000	0.50%



**\$5,000,001 and Above**

**0.40%**

CCA's annual fees are negotiable, pro-rated and paid in arrears on a monthly\* basis. CCA's advisory fee is calculated by assessing the percentage rates using the predefined levels of assets as shown in the above chart and are based upon the value of the client's assets under management as of the last day of the previous month\*. For example, an account valued at \$2,000,000 would pay an effective fee of 0.675% with the annual fee of \$13,500. The monthly fee is determined by the following calculation:  $((\$500,000 \times 0.80\%) + (\$500,000 \times 0.70\%) + (\$1,000,000 \times 0.60\%)) \div 12 = \$1,125$ . No increase in the annual fee shall be effective without agreement from the Client by signing a new agreement or amendment to their current advisory agreement.

*\* Fees for held-away accounts managed through Pontera are paid in arrears on a quarterly basis and are based upon the value of the assets in the account(s) as of the last day of the previous quarter.*

Advisory fees are directly debited from Client accounts, or the Client may choose to pay by electronic funds transfer, check, or credit card. Accounts initiated or terminated during a calendar quarter will be charged a pro-rated fee based on the amount of time remaining in the billing period. An account may be terminated with written notice at least 30 calendar days in advance. Since fees are paid in arrears, no refund will be needed upon termination of the account.

### **Employee Benefit Plan Services**

Our standard advisory fee is based on the market value of the plan assets, ranging from 0.20% to 0.75% per annum. When CCA is assisting in starting a new plan, an upfront fee ranging from \$2,000 to \$5,000 may apply. The upfront fee is paid to CCA directly by the Plan Sponsor. The upfront fee is collected upon executing the Agreement. The factors we consider when negotiating fees include, but are not limited to: the amount of plan assets, number of participants, safe harbor, new comparability, bundled or unbundled, and directed third party providers. This does not include fees to other parties, such as RecordKeepers, Custodians, or Third-Party-Administrators. Fees for this service are either paid directly by the plan sponsor or deducted directly from the plan assets by the Custodian on a quarterly or monthly basis, and CCA's fee is remitted to CCA.

### **Financial Planning and/or Consulting Fees**

Financial Planning and Consulting Services are offered at a rate of \$100 per hour. Fees are billed in 30-minute increments. The fee may be negotiable in certain cases. The fee is determined at the start of the engagement based upon the anticipated time to be spent and is either due at the completion of the engagement or CCA will collect half of the fee upfront and the remainder upon completion of the engagement. In the event of early termination by the Client, any fees for the hours already worked will be due. Fees for this service may be paid by electronic funds transfer or check.

### **Other Types of Fees and Expenses**

Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the Client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as 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 fund 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 our fee, and we shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that we consider in selecting or recommending broker-dealers for Client's transactions and determining the reasonableness of their compensation (e.g., commissions).

We do not accept compensation for the sale of securities or other investment products including asset-based sales charges or service fees from the sale of mutual funds.

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

We do not offer performance-based fees and do not engage in side-by-side management.

## Item 7: Types of Clients

We provide financial planning and portfolio management services to individuals, defined contribution plans, trusts, estates, charitable organizations, corporations or other businesses, and other registered investment advisers.

CCA generally requires a minimum portfolio size of \$500,000 for Individual Private Wealth Planning. The minimum portfolio size may be waived under certain circumstances (ie: Clients who have the ability to meet the minimum within a reasonable timeframe; future earning capacity; pre-existing relationships and family members of advisory personnel.)

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

Based upon information provided by the Client, CCA attempts to evaluate each type of investor's risk tolerance, time horizon, goals and objectives through an interview and data-gathering process in an effort to determine an investment plan or portfolio to best fit the investor's profile. Client participation and the client's delivery of accurate and complete information are critical to the Advisor's process. In performing its services, the Advisor shall not be required to verify any information received from the client or from the client's other professionals (e.g., attorney, accountant, etc.) and is expressly authorized to rely on such information.

CCA can provide advisory services for portfolios ranging from conservative to aggressive, each designed to meet the varying needs of and within the direction set forth by the investors. CCA seeks to design an investment portfolio best suited to a client's unique needs after clients have had an opportunity to define their objectives, risk tolerance and time horizons and in all cases, the design is approved by the client.

CCA generally utilizes the following analysis methods but will look to publicly available analysis prepared by third parties as part of the buy-sell or hold decision-making process.

**Fundamental Analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security. For example, an investor can perform fundamental analysis on a bond's value by looking at economic factors, such as interest rates and the overall state of the economy, and information about the bond issuer, such as potential changes in credit ratings and the underlying metrics surrounding the company.

Client assets will primarily be invested in no-load or institutional share class mutual funds, exchange traded funds (ETFs), individual stocks and bonds, exchange traded notes (ETNs) through established custodial relationship(s). As referenced in this document, private placement investments may also be recommended for Client accounts depending on overall objectives, goals and net worth.

CCA believes that risk reduction is a key element to long-term investment success therefore depending upon the directives of the clients, CCA may design a portfolio using strategic diversified asset allocation. **Strategic Asset Allocation** is a lifetime investment approach, wherein selected asset classes and the weightings of these asset classes focus on the overall investment objective and risk tolerance of the client. Strategic asset allocation is a portfolio strategy that involves setting target allocations for various asset classes and rebalancing periodically. The portfolio is rebalanced to the original allocations when they deviate in a meaningful way from the initial settings due to differing returns from the various assets. This strategy will serve as the foundation of portfolios managed by CCA.

The concept of asset allocation or diversification among a number of asset classes (domestic equities v. foreign equities; large cap stocks v. small cap stocks; growth stocks v. value stocks; municipal bonds v. corporate bonds v. government bonds) is CCA's guiding strategy.

CCA's goal is to allocate the client's portfolio based on their relevant return and risk objectives. The purpose of a diversified strategic allocation with a dynamic overlay is to seek to improve the overall performance of the portfolio relative to a passive investment policy benchmark.

Asset allocation recommendations for a client may be different than the current actual asset allocation due to a number of factors including but not limited to: dollar cost averaging into our out of the target allocations, client directed cash needs or changing objectives, external client directed investment positions that may need to be considered, or changes in market conditions.

Negative asset class correlation (the measure of the degree of movement between investments) of the varying asset classes within the portfolio is carefully analyzed to help reduce volatility without sacrificing the effectiveness of the portfolio in an effort to achieve expected results within historical parameters.

CCA defines **Dynamic Asset Allocation** as a more active approach to asset allocation than Strategic. This strategy adjusts the mix of asset classes or relative percentages depending on relevant market conditions and quantifiable relative valuations. Adjustments may involve reducing positions in certain asset classes while adding to positions in others depending on market conditions and expectations around expected opportunities. The general premise of dynamic asset allocation is to respond to current measurable risks and downturns and take advantage of market inefficiencies or historically distorted valuations in an effort to enhance returns relative to a targeted investment policy benchmark, such as a blend of the Standard & Poor's 500 index (S&P 500) and the Bloomberg Aggregate Bond Index.

CCA's investment management methodology focuses mainly on Strategic Asset Allocation with a Dynamic Asset Allocation overlay in small percentage amounts of the overall portfolio in an effort to enhance returns relative to the investment policy benchmark – generally restricted to no more than 5-10% of an overall portfolio depending on market fundamentals and relative valuations. This methodology will also affect the management of model allocations utilized in client accounts.

It is obviously important that clients and CCA match their portfolio design with the client's stated appropriate risk profile. Beyond that, risk and one's willingness to assume more or less risk should be modified as the client grows older and/or client circumstances change.

**Model Portfolios** - CCA may use its own asset allocation model portfolios for discretionary accounts. The model portfolios are created, monitored and updated internally by CCA and may utilize open end mutual funds, ETFs, individual securities or separately managed accounts.

Of course, no single theory or strategy can guarantee success. Recommendations for or purchases of investments will be based on publicly available information and analysis. In the case of investment solutions, recommendations will be based on host of factors and analysis derived from the sources referenced in this document. Tactical asset allocation (market timing, stock selection and track record investment) is thoroughly discouraged and is not a methodology endorsed or recommended by CCA.

CCA attempts to be conscious of tax-related investment considerations. However, CCA is not a tax professional. Clients are encouraged to seek the guidance of their tax professional in an effort to understand how their investments (proposed or implemented) will affect their overall tax situation.

Portfolio holdings or recommendations are generally judged by the overall philosophy of the investment manager, the people involved in decision making, the process of the relevant investment strategy, historical performance under various market conditions and the price associated with the investment vehicle. The Advisor will actively manage each portfolio. Investors should expect to remain fully invested within the ranges of their selected asset allocation plan at all times unless factors in the Client's circumstances change.

Portfolio additions may be in cash or securities provided that the Advisor reserves the right to liquidate any transferred securities or decline to accept particular securities into the client's account. The Advisor may consult with its clients about the options and ramifications of transferring securities. However, clients should understand that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charge) and/or tax ramifications.

*It is important to understand that investing in securities involves a risk of loss that a client should be prepared to bear.*

## **Material Risks Involved**

**All investing strategies we offer involve risk and may result in a loss of your original investment which you should be prepared to bear.** Many of these risks apply equally to stocks, bonds, commodities, and any other investment or security. CCA takes the general position that investors with diverse portfolios have a better chance of achieving their long-term objectives simply because it is difficult to accurately predict the movement of the economy.

Margin transactions may be utilized if such a strategy fits the needs of the client and only after the client and Advisor agree on the designed investment policy. Margin transactions generally hold greater risk and clients should be aware that there is a chance of material risk of loss using any of those strategies.

Material risks associated with our investment strategies are listed below.

**Market Risk:** Market risk involves the possibility that an investment's current market value will fall because of a general market decline, reducing the value of the investment regardless of the operational success of the issuer's operations or its financial condition.

**Strategy Risk:** The Adviser's investment strategies and/or investment techniques may not work as intended.

**Small and Medium Cap Company Risk:** Securities of companies with small and medium market capitalizations are often more volatile and less liquid than investments in larger companies. Small and medium cap companies may face a greater risk of business failure, which could increase the volatility of the Client's portfolio.

**Turnover Risk:** At times, the strategy may have a portfolio turnover rate that is higher than other strategies. A high portfolio turnover would result in correspondingly greater brokerage commission expenses and may result in the distribution of additional capital gains for tax purposes. These factors may negatively affect the account's performance.

**Limited markets:** Certain securities may be less liquid (harder to sell or buy) and their prices may at times be more volatile than at other times. Under certain market conditions, we may be unable to sell or liquidate investments at prices we consider reasonable or favorable or find buyers at any price.

**Concentration Risk:** Certain investment strategies focus on particular asset-classes, industries, sectors or types of investment. From time to time these strategies may be subject to greater risks of adverse developments in such areas of focus than a strategy that is more broadly diversified across a wider variety of investments.

**Interest Rate Risk:** Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes. Most other investments are also sensitive to the level and direction of interest rates.

**Legal or Legislative Risk:** Legislative changes or Court rulings may impact the value of investments, or the securities' claim on the issuer's assets and finances.

**Inflation:** Inflation may erode the buying power of your investment portfolio, even if the dollar value of your investments remains the same.

## **Risks Associated with Securities**

CCA generally seeks investment strategies that do not involve significant risk or unusual risk beyond that of the general domestic and / or international equity markets. Investments in individual stocks can be risky. Some risks can be controlled, and some risks can be guarded against, but no investment strategy can carry guarantees from loss. Certain market risks cannot be controlled, such as market or economic conditions. Certain strategies may be employed to adjust portfolios, or the Advisor and client may agree to hold the portfolio's course. CCA generally designs portfolio strategies for the long-term, unless otherwise specifically requested in writing by the client. CCA does not attempt to time the market.

**Commercial Paper** is, in most cases, an unsecured promissory note that is issued with a maturity of 270 days or less. Being unsecured the risk to the investor is that the issuer may default.

**Common stocks** may go up and down in price quite dramatically, and in the event of an issuer's bankruptcy or restructuring could lose all value. A slower-growth or recessionary economic environment could have an adverse effect on the price of all stocks.

**Corporate Bonds** are debt securities to borrow money. Generally, issuers pay investors periodic interest and repay the amount borrowed either periodically during the life of the security and/or at maturity. Alternatively, investors can purchase other debt securities, such as zero coupon bonds, which do not pay current interest, but rather are priced at a discount from their face values and their values accrete over time to face value at maturity. The market prices of debt securities fluctuate depending on factors such as interest rates, credit quality, and maturity. In general, market prices of debt securities decline when interest rates rise and increase when interest rates fall. The longer the time to a bond's maturity, the greater its interest rate risk.

**Bank Obligations** including bonds and certificates of deposit may be vulnerable to setbacks or panics in the banking industry. Banks and other financial institutions are greatly affected by interest rates and may be adversely affected by downturns in the U.S. and foreign economies or changes in banking regulations.

**Municipal Bonds** are debt obligations generally issued to obtain funds for various public purposes, including the construction of public facilities. Municipal bonds pay a lower rate of return than most other types of bonds. However, because of a municipal bond's tax-favored status, investors should compare the relative after-tax return to the after-tax return of other bonds, depending on the investor's tax bracket. Investing in municipal bonds carries the same general risks as investing in bonds in general. Those risks include interest rate risk, reinvestment risk, inflation risk, market risk, call or redemption risk, credit risk, and liquidity and valuation risk.

**Options and other derivatives** carry many unique risks, including time-sensitivity, and can result in the complete loss of principal. While covered call writing does provide a partial hedge to the stock against which the call is written, the hedge is limited to the amount of cash flow received when writing the option. When selling covered calls, there is a risk the underlying position may be called away at a price lower than the current market price.

**Exchange Traded Funds** prices may vary significantly from the Net Asset Value due to market conditions. Certain Exchange Traded Funds may not track underlying benchmarks as expected. ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value; or (ii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. The Adviser has no control over the risks taken by the underlying funds in which the Clients invest.

**Mutual Funds** When a Client invests in open-end mutual funds or ETFs, the Client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the Client will incur higher expenses, many of which may be duplicative. In addition, the Client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives).

# Item 9: Disciplinary Information

## **Criminal or Civil Actions**

CCA and its management have not been involved in any criminal or civil action.

## **Administrative Enforcement Proceedings**

CCA and its management have not been involved in administrative enforcement proceedings.

## **Self-Regulatory Organization Enforcement Proceedings**

CCA and its management have not been involved in legal or disciplinary events that are material to a Client's or prospective Client's evaluation of CCA or the integrity of its management.

# Item 10: Other Financial Industry Activities and Affiliations

No CCA employee is registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

No CCA employee is registered, or have an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading adviser.

CCA does not have any related parties. As a result, we do not have a relationship with any related parties.

CCA only receives compensation directly from Clients. We do not receive compensation from any outside source. We do not have any conflicts of interest with any outside party.

## **Services Provided to Unaffiliated Registered Investment Advisors**

CCA offers private back-office administrative consulting services to unaffiliated registered investment advisers as via an independent contractor service agreement. Compensation may be hourly or an annual fixed fee pursuant to a negotiated service contract, using CCA's hourly rate and scope of the engagement as a guide. These fees are paid by the advisory firm, not their clients. Since these services do not involve CCA client matters, they are not discussed at length in this Brochure. The time spent on this activity may vary throughout the year but at times may entail up to 50% of CCA's time during trading hours.

James Duronio maintains a dual registration as an Investment Advisor Representative of William Mack & Associates, Inc., a separate and unaffiliated SEC-Registered Investment Advisory Firm in Troy, Michigan. CCA and James Duronio have determined that this other business activity does not present a conflict of interest. Services provided by CCA and William Mack & Associates, Inc. are separate and distinct. The two entities do not share clients, refer clients to each other, and do not share a location.

CCA does not recommend the services of outside managers to its Clients.

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

As a fiduciary, our firm and its associates have a duty of utmost good faith to act solely in the best interests of each Client. Our Clients entrust us with their funds and personal information, which in turn places a high standard on our conduct and integrity. Our fiduciary duty is a core aspect of our Code of Ethics and represents the expected basis of all of our dealings. The firm accepts the obligation not only to comply with the mandates and requirements of all applicable laws and regulations but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities.

## **Code of Ethics Description**

This code does not attempt to identify all possible conflicts of interest, and literal compliance with each of its specific provisions will not shield associated persons from liability for personal trading or other conduct that violates a fiduciary duty to advisory Clients. A summary of the Code of Ethics' Principles is outlined below.

- Integrity - Associated persons shall offer and provide professional services with integrity.
- Objectivity - Associated persons shall be objective in providing professional services to Clients.
- Competence - Associated persons shall provide services to Clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which they are engaged.
- Fairness - Associated persons shall perform professional services in a manner that is fair and reasonable to Clients, principals, partners, and employers, and shall disclose conflict(s) of interest in providing such services.
- Confidentiality - Associated persons shall not disclose confidential Client information without the specific consent of the Client unless in response to proper legal process, or as required by law.
- Professionalism - Associated persons' conduct in all matters shall reflect the credit of the profession.
- Diligence - Associated persons shall act diligently in providing professional services.

We periodically review and amend our Code of Ethics to ensure that it remains current, and we require all firm access persons to attest to their understanding of and adherence to the Code of Ethics at least annually. Our firm will provide a copy of its Code of Ethics to any Client or prospective Client upon request.

## **Investing Personal Money in the Same Securities as Firm Clients**

CCA and/or individuals associated with CCA may have similar investment goals and objectives and as a result may buy or sell securities for their personal accounts that may be identical to or different from those recommended to clients. Thus, at times the interests of CCA or its staff members' accounts may coincide with the interests of clients' accounts. However, at no time will CCA or any related person receive an added benefit or advantage over clients with respect to these transactions nor will the Advisor nor its associated persons will not place itself in a position to have added benefit as a result of advice given to clients.



### **Trading Securities At or Around the Same Time as Clients**

CCA its Investment Advisor Representatives acknowledge CCA's fiduciary duty to place the financial and investment needs of clients ahead of the Advisor and its staff. The interests of clients are always held in the highest regard. At no time will the Advisor or any related person receive an added benefit or advantage over clients with respect to these transactions. The Advisor and its associated persons will not place itself in a position to have added benefit as a result of advice given to clients.

CCA's personnel will not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. CCA has established trading policies for its access persons. James Duronio, CCA's Chief Compliance Officer, is responsible for the monitoring of personal trading conducted by staff.

## **Item 12: Brokerage Practices**

### **Factors Used to Select Custodians and/or Broker-Dealers**

Covenant Capital Advisors, LLC does not have any affiliation with Broker-Dealers. Specific custodian recommendations are made to the Client based on their need for such services. We recommend custodians based on the reputation and services provided by the firm.

#### **1. Research and Other Soft-Dollar Benefits**

Client commissions utilized to pay for brokerage and research often are referred to as "soft dollars." **CCA is not a party to a soft dollar agreement.** While CCA is not a party to soft dollar agreements with its preferred custodian, the Advisor does receive economic benefits which it would not be otherwise, if the Advisor did not give advice to clients.

CCA does not use generated commissions to purchase soft dollar research but does receive brokerage services. In fulfilling its duties to its clients, the Advisor endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the Advisor's receipt of economic benefits from a broker-dealer creates a conflict of interest since these benefits may influence the Advisor's choice of broker-dealer over another broker-dealer that does not furnish similar software, systems support, back office administrative support or other services.

#### **2. Brokerage for Client Referrals**

We receive no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

#### **3. Clients Directing Which Broker/Dealer/Custodian to Use**

Financial Planning and Consultation clients are welcome to implement recommendations, in whole or in part, through the financial services firm(s) of their choice. CAA generally recommends Charles Schwab & Co. Inc. for Clients who engage the firm for portfolio management. CCA does not permit Clients to direct brokerage.

### **The Custodian and Brokers We Use (Charles Schwab & Co., Inc.)**

CCA ("we"/"our") does not maintain custody of your assets on which we advise, 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, below). Your assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. We recommend that our clients use Charles Schwab & Co., Inc. (“Schwab”), a registered broker-dealer, member SIPC, as the qualified custodian. 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/you instruct them to. While we recommend 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. We do not open the account for you, although we may assist you in doing so. If you do not wish to place your assets with Schwab, then we cannot manage your account. 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 custody costs”)

### How we select brokers/custodians

We seek to recommend a custodian/broker that will hold your assets and execute transactions on terms that are overall most advantageous 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 (ETFs), 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
- Availability of other products and services that benefit us, as discussed below (see “Products and services available to us from Schwab”)

### Your brokerage and custody 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 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 addition to commissions, Schwab charges you a flat dollar amount as a “prime broker” or “trade away” fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker- dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account. We have determined that having Schwab execute most trades is consistent with our duty to seek “best execution” of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see “How we select brokers/custodians”).

### Products and services available to us from Schwab

Schwab Advisor Services™ is Schwab's business serving independent investment advisory firms like us. They provide our clients and us with access to their institutional brokerage services (trading, custody, reporting and related services), many of which are not typically available to Schwab retail customers. 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 on an unsolicited basis (we don't have to request them) and 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 may not directly benefit you.

Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may 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, recordkeeping, 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, compliance, legal, and business needs
- Publications and conferences on practice management and business succession

We recommend that you maintain your account with Schwab, based on our interest in receiving Schwab's services that benefit our business and Schwab's payment for services for which we would otherwise have to pay rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that 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.

## **Aggregating (Block) Trading for Multiple Client Accounts**

Since CCA's services focus on mutual and exchange-traded funds; it does not engage in aggregation of trades.

## Item 13: Review of Accounts

The Personal Private Client Wealth Planning provided by CCA is ongoing and involves continuous review and advice regarding the client's investment portfolio. CCA will conduct frequent internal reviews (no less than quarterly) of the client's portfolio. In addition to the quarterly internal portfolio reviews for managed accounts, the timing of reviews may be guided by the underlying assets of the portfolio, individual circumstances as reasonably known by the Advisor, market conditions, and as may be requested by the client throughout the engagement. Reviews may also be triggered by material market, economic or political events. Reviews will also be triggered by reported (actual or potential) changes in the client's financial situation which may include but are not limited to: Termination of employment, physical relocation, inheritance, and retirement.

CCA requires that client reviews (via phone, video conference or in person) occur at least annually and, of course, at the client's request. However, CCA encourages frequent communications with the Advisor in order to review investment strategies and any changes in the client's status. Clients are encouraged to call their Advisor any time during CCA's business hours. Clients are obligated to notify CCA immediately if there is a change in the client's financial situation in order to provide the Advisor with the opportunity to review the updated information and determine if there needs to be a modification to the investment strategies.

Clients who do not desire intensive Personal Private Client Wealth Planning may retain CCA on an hourly or project basis for Financial Planning or Consultation Services, whereby the Advisor can provide financial or investment advice without ongoing monitoring or reviews of the investment account(s). Financial Planning and Consultation Services terminate upon the delivery of services unless agreed upon otherwise by the client. Advice provided during services may include recommendations for reviews or other follow-up services. It would be the client's responsibility to update his or her financial goals or investment strategies on his/her own or secure additional services from CCA under a new client agreement.

CCA will perform internal portfolio reviews on at least a quarterly basis for its management clients. CCA will review the performance, style and other aspects of the client's investment, and make additional recommendations if deemed necessary. CCA continues to be available to conference with the client at the client's request. Further, CCA requests that clients meet (via phone, email or in person) at least annually to discuss the portfolio and the client's financial condition in an effort to determine if the existing investment strategy continues to be appropriate. Portfolio rebalancing, if needed, will be guided by the client's investment policy along with their current objectives. It is important that the client promptly notifies CCA of any change in the client's financial condition so CCA has the opportunity to assess any possible changes needed in the advice, recommendations or investment strategies. Changing conditions in the client's financial life or significant changes in market conditions may warrant a collaborative effort with the client to modify their strategic investment framework, which consequently may also trigger changes to investment holdings within the portfolio. Clients can expect to receive confirmation statements from all transactions and a monthly/quarterly statement, directly from their custodial firm.

## Item 14: Client Referrals and Other Compensation

We do not receive any economic benefit, directly or indirectly, from any third party for advice rendered to our Clients.

CCA may engage independent solicitors to provide client referrals. If a client is referred to us by a solicitor, this practice is disclosed to the client in writing by the solicitor and the Advisor pays the solicitor out of its own funds—specifically, the Advisor generally pays the solicitor a portion of the advisory fees earned for managing the capital of the client or investor that was referred. The use of solicitors is strictly regulated under applicable federal and state law. The Advisor’s policy is to fully comply with the requirements of Rule 206(4)-3, under the Investment Advisers Act of 1940, as amended, and similar state rules, as applicable.

## Item 15: Custody

CCA does not accept custody of Client funds except in the instance of withdrawing Client fees.

For Client accounts in which CCA directly debits their advisory fee:

- i. CCA will send a copy of its invoice to the custodian at the same time that it sends the Client a copy.
- ii. The custodian will send at least quarterly statements to the Client showing all disbursements for the account, including the amount of the advisory fee.
- iii. The Client will provide written authorization to CCA, permitting them to be paid directly for their accounts held by the custodian.

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

## Item 16: Investment Discretion

Clients engaging CCA for Private Client Wealth Planning have the ability to leave standing instructions with the Advisor to refrain from investing in particular industries, invest in limited amounts of securities and to re-balance portfolios within investor’s designated investment objectives. This authority is known as, “limited discretion”. CCA’s limited discretionary authority covers the securities to be bought and sold, and the amount to be bought and sold for the client’s account(s). Clients grant CCA limited discretion over their accounts by executing appropriate account forms with the client’s qualified custodians referenced in this document as well as outlined in the agreement between CCA and the client. Discretion includes CCA determining which securities, the amounts of those securities, and the timing for buying and selling those securities on behalf of a client. The client is notified of all transactions via trade confirmation sent by the respective custodian after the trades are made by CCA.

In connection with CCA's services to defined contribution plan clients, CCA will perform services as 3(21) fiduciary and will not maintain limited discretion over plan assets.

CCA will never have full power of attorney nor will the Advisor ever have authority to withdraw funds or to take custody of investor funds or securities other than the ability to deduct contractually agreed upon advisory fees via investor's qualified custodian and only with client authorization

Neither CCA nor its registered personnel sell annuity products. CCA may agree to provide non-discretionary management services to its clients relative to: (1) annuity products that they may own, and/or (2) their individual accounts held through employer-sponsored retirement plans. In so doing, CCA either directs or recommends the allocation of client assets among the various mutual fund subdivisions that comprise the annuity product or are available under the retirement plan. The client assets shall be maintained at either the specific insurance company that issued the annuity product, which is owned by the client, or at the custodian designated by the sponsor of the client's retirement plan. Investments and service providers relative to retirement plans are limited to only those available through the respective plans and are determined by the plan sponsor(s).

Non-Discretionary Accounts: For non-discretionary accounts, CCA prepares security trade recommendations in a similar manner as with Discretionary accounts, but CCA provides these recommendations to a client directly for approval prior to execution. The client may accept or reject CCA's recommendations.

## Item 17: Voting Client Securities

We do not vote Client proxies. Therefore, Clients maintain exclusive responsibility for: (1) voting proxies, and (2) acting on corporate actions pertaining to the Client's investment assets. The Client shall instruct the Client's qualified custodian to forward to the Client copies of all proxies and shareholder communications relating to the Client's investment assets. If the Client would like our opinion on a particular proxy vote, they may contact us at the number listed on the cover of this brochure.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward you any electronic solicitation to vote proxies.

## Item 18: Financial Information

Registered Investment Advisers are required in this Item to provide you with certain financial information or disclosures about our financial condition. We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to Clients, and we have not been the subject of a bankruptcy proceeding.

We do not have custody of Client funds or securities or require or solicit prepayment of more than \$500 in fees per Client six months in advance.

# Item 19: Requirements for State-Registered Advisers

## **James A. Duronio**

Please refer to Form ADV Part 2B (Brochure Supplement) for detailed information on James Duronio's Educational Background, Employment History, and Professional designations.

## **Other Business Activities**

James Duronio is primarily immersed in his activities with CCA. Mr. Duronio is also dually registered as an investment adviser representative of William Mack & Associates, Inc. in order to provide this unaffiliated registered investment adviser with investment consulting and analysis, consultation and back-office support services. The two practices are separate and distinct, do not share supervised staff, and do not operate from the same business location. The time spent on this activity may vary throughout the year but at times may involve up to 50% of Mr. Duronio's time.

## **Performance-Based Fees**

CCA is not compensated by performance-based fees.

## **Material Disciplinary Disclosures**

No management person at Covenant Capital Advisors, LLC has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

## **Material Relationships That Management Persons Have With Issuers of Securities**

Covenant Capital Advisors, LLC, nor James Duronio, have any relationship or arrangement with issuers of securities.

## **Additional Compensation**

James Duronio does not receive any economic benefit from any person, company, or organization, in exchange for providing Clients advisory services through CCA.

## **Supervision**

James Duronio, as Managing Member and Chief Compliance Officer of CCA, is responsible for supervision. He may be contacted at the phone number on this brochure supplement.

## **Requirements for State Registered Advisers**

James Duronio has NOT been involved in an arbitration, civil proceeding, self-regulatory proceeding, administrative proceeding, or a bankruptcy petition.



## COVENANT CAPITAL ADVISORS, LLC

519 Vigo Street  
Davenport, FL 33837  
(248) 894-0748

March 28, 2024

Form ADV Part 2B – Brochure Supplement

**James A. Duronio MSF, CAIA, CIMA<sup>®</sup>, AIFA<sup>®</sup>**

**Individual CRD# 2424172**

**Managing Member and Chief Compliance Officer**

This brochure supplement provides information about James Duronio that supplements the Covenant Capital Advisors, LLC (“CCA”) brochure. A copy of that brochure precedes this supplement. Please contact James Duronio if the CCA brochure is not included with this supplement or if you have any questions about the contents of this supplement.

Additional information about James Duronio is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using the identification number 2424172.



# Item 2: Educational Background and Business Experience

## **James A. Duronio**

Born: 1965

### **Educational Background**

- 1993 - Master of Science in Finance, Walsh College
- 1988 – Bachelor of Science in Economics with a minor in Finance, Oakland University

### **Business Experience**

- 08/2019 - Present, Covenant Capital Advisors, LLC, Managing Member and CCO
- 09/2019 - Present, William Mack & Associates, Inc., Investment Advisor Representative (providing consulting and back-office support)
- 03/2016 - Present, Duronio Construction, LLC, Member
- 10/2018 - 09/2019, ADVUS Financial Partners (formerly LAMCO Advisory Services Inc.), Executive Vice President of Investment Solutions Group
- 09/2013 - 09/2018, Sequoia Financial Group (formerly LJPR Financial Advisors), Manager of Investment Research / Financial Advisor
- 03/2013 - 09/2013, Raymond James Financial Services, Inc. / Stephens Wealth Management, Investment Executive
- 07/2010 - 03/2013, J.P. Morgan Securities, Inc., Global Investment Specialist
- 04/2007 - 07/2010, William Mack & Associates (merged with Mutual Fund Management Company), Portfolio Manager / Director of Investment Research
- 03/2001 - 03/2007, Plante Moran Financial Advisors, Manager of Investment Research
- 03/1997 - 03/2001, CapTrust (formerly Benefits+PPA Advisors), Manager of Investment Research
- 07/1995 - 02/1997, PNC Bank (formerly First of America Investment Corporation), Investment Officer / Client Services Portfolio Manager
- 03/1992 - 07/1995, CapTrust (formerly Royal Maccabees/Pension Portfolio Advisors), Investment Consultant
- 05/1988 - 03/1992, Comerica Bank (formerly Manufacturers Bank), Senior Corporate Trust Analyst

### **Professional Designations**

**Chartered Alternative Investment Analyst (CAIA) – Founding Member**

Founded in 2002, the Chartered Alternative Investment Analyst (CAIA) Association is the global authority in alternative investment education. The CAIA Association is best known for the CAIA Charter, an internationally recognized finance credential and the gateway to a network of more than 10,000 alternative investment leaders in more than 95 countries. Candidates must meet the following requirements:

- ✓ Successfully pass both the Level I and Level II exams
- ✓ Become a member of the CAIA Association
- ✓ Pass the Level II exam within three years of passing the Level I exam
- ✓ Hold a U.S. bachelor's degree or the equivalent, and have more than one year of professional experience
- ✓ Agree on an annual basis to abide by the Member Agreement Only CAIA

Only Charter holders in good standing have the right to use the CAIA designation.

**The Certified Investment Management Analyst (CIMA®) certification** signifies that an individual has met initial and on-going experience, ethical, education, and examination requirements for investment management consulting, including advanced investment management theory and application. Prerequisites for the CIMA® certification are three years of financial services experience and an acceptable regulatory history. To obtain the CIMA® certification, candidates must pass an online Qualification Examination, successfully complete a one-week classroom education program provided by a Registered Education Provider at an AACSB accredited university business school and pass an online Certification Examination. CIMA® designees are required to adhere to IMCA's Code of Professional Responsibility, Standards of Practice, and Rules and Guidelines for Use of the Marks. CIMA® designees must report 40 hours of continuing education credits, including two ethics hours, every two years to maintain the certification. The designation is administered through Investment Management Consultants Association (IMCA®).

**Accredited Investment Fiduciary Analyst® (AIFA®):** The AIFA® Designation certifies that the recipient has advanced knowledge of fiduciary standards of care, their application to the investment management process, and procedures for assessing conformance by third parties to fiduciary standards. To receive the AIFA® Designation, the individual must hold the AIF® Designation, meet prerequisite criteria based on a combination of education, relevant industry experience, auditing experience, and/or ongoing professional development, complete a training program, successfully pass a comprehensive, closed-book final examination under the supervision of a proctor and agree to abide by the Code of Ethics and Conduct Standards. In order to maintain the AIFA® Designation, the individual must annually attest to the Code of Ethics and Conduct Standards and accrue and report a minimum of ten hours of continuing education. The Designation is administered by the Center for Fiduciary Studies, the standards-setting body of fi360.

## Item 3: Disciplinary Information

No management person at Covenant Capital Advisors, LLC has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

## Item 4: Other Business Activities

James Duronio is primarily immersed in his activities with CCA. Mr. Duronio is also dually registered as an investment adviser representative of William Mack & Associates, Inc. in order to provide this unaffiliated

registered investment adviser with investment consulting and analysis, consultation and back-office support services. The two practices are separate and distinct, do not share supervised staff, and do not operate from the same business location. The time spent on this activity may vary throughout the year but at times may involve up to 50% of Mr. Duronio's time.

## Item 5: Additional Compensation

James Duronio does not receive any economic benefit from any person, company, or organization, in exchange for providing Clients advisory services through CCA.

## Item 6: Supervision

James Duronio, as Managing Member and Chief Compliance Officer of CCA, is responsible for supervision. He may be contacted at the phone number on this brochure supplement.

## Item 7: Requirements for State Registered Advisers

James Duronio has NOT been involved in an arbitration, civil proceeding, self-regulatory proceeding, administrative proceeding, or a bankruptcy petition.