

FORM ADV

Uniform Application for Investment Adviser Registration

Part II - Page 1

| | |
|---|--|
| Name of Investment Adviser: Watkinson Capital Advisors LLC | |
| Address: (Number and Street) (City) (State) (Zip Code) 150 N. Radnor Chester Rd., Ste. A 150 Radnor PA 19087 | Area Code: Telephone Number: 610-989-9090 |

**This part of FORM ADV gives information about the investment adviser and its business for the use of clients.
The information has not been approved or verified by any government authority.**

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(Schedule A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

Applicant: **Watkinson Capital Advisors LLC**

SEC File Number:

801-

Date:

11/06/2009

1. A. Advisory Services and Fees. (check the applicable boxes)

For each type of service provided, state the approximate % of total advisory billings from that service. (See instruction below.)

Applicant:

- | | | | |
|-------------------------------------|--|-----|---|
| <input checked="" type="checkbox"/> | (1) Provides investment supervisory services | 100 | % |
| <input type="checkbox"/> | (2) Manages investment advisory accounts not involving investment supervisory services..... | | % |
| <input type="checkbox"/> | (3) Furnishes investment advice through consultations not included in either service described above... | | % |
| <input type="checkbox"/> | (4) Issues periodicals about securities by subscription | | % |
| <input type="checkbox"/> | (5) Issues special reports about securities not included in any service described above..... | | % |
| <input type="checkbox"/> | (6) Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities..... | | % |
| <input type="checkbox"/> | (7) On more than an occasional basis, furnishes advice to clients on matters not involving securities... | | % |
| <input type="checkbox"/> | (8) Provides a timing service | | % |
| <input type="checkbox"/> | (9) Furnishes advice about securities in any manner not described above..... | | % |

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

B. Does applicant call any of the services it checked above financial planning or some similar term? Yes No

C. Applicant offers investment advisory services for: (check all that apply)

- | | | | |
|-------------------------------------|--|-------------------------------------|-----------------------|
| <input checked="" type="checkbox"/> | (1) A percentage of assets under management | <input type="checkbox"/> | (4) Subscription fees |
| <input type="checkbox"/> | (2) Hourly charges | <input type="checkbox"/> | (5) Commissions |
| <input type="checkbox"/> | (3) Fixed fees (not including subscription fees) | <input checked="" type="checkbox"/> | (6) Other |

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. Types of clients - Applicant generally provides investment advice to: (check those that apply)

- | | | | |
|-------------------------------------|-------------------------------------|-------------------------------------|--|
| <input checked="" type="checkbox"/> | A. Individuals | <input checked="" type="checkbox"/> | E. Trusts, estates, or charitable organizations |
| <input type="checkbox"/> | B. Banks or thrift institutions | <input checked="" type="checkbox"/> | F. Corporations or business entities other than those listed above |
| <input type="checkbox"/> | C. Investment companies | <input type="checkbox"/> | G. Other (describe on Schedule F) |
| <input type="checkbox"/> | D. Pension and profit sharing plans | | |

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1)

3. Types of Investments. Applicant offers advice on the following: (check those that apply)

- | | |
|--|--|
| <input checked="" type="checkbox"/> A. Equity securities | <input checked="" type="checkbox"/> H. United States government securities |
| <input checked="" type="checkbox"/> (1) exchange-listed securities | <input checked="" type="checkbox"/> I. Options contracts on: |
| <input checked="" type="checkbox"/> (2) securities traded over-the-counter | <input type="checkbox"/> (1) securities |
| <input type="checkbox"/> (3) Foreign issuers | <input type="checkbox"/> (2) commodities |
| <input type="checkbox"/> B. Warrants | <input type="checkbox"/> J. Futures contracts on: |
| <input checked="" type="checkbox"/> C. Corporate debt securities (other than commercial paper) | <input type="checkbox"/> (1) tangibles |
| <input type="checkbox"/> D. Commercial paper | <input type="checkbox"/> (2) intangibles |
| <input checked="" type="checkbox"/> E. Certificates of deposit | <input type="checkbox"/> K. Interests in partnerships investing in: |
| <input checked="" type="checkbox"/> F. Municipal securities | <input type="checkbox"/> (1) real estate |
| <input type="checkbox"/> G. Investment company securities: | <input type="checkbox"/> (2) oil and gas interests |
| <input type="checkbox"/> (1) variable life insurance | <input type="checkbox"/> (3) other (explain on Schedule F) |
| <input type="checkbox"/> (2) variable annuities | <input type="checkbox"/> L. Other (explain on Schedule F) |
| <input checked="" type="checkbox"/> (3) mutual fund shares | |

4. Methods of Analysis, Sources of Information, and Investment Strategies.

A. Applicant's security analysis methods include: (check those that apply)

- | | |
|---|--|
| (1) <input type="checkbox"/> Charting | (4) <input type="checkbox"/> Cyclical |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input type="checkbox"/> Other (explain on Schedule F) |
| (3) <input checked="" type="checkbox"/> Technical | |

B. The main sources of information applicant uses include: (check those that apply)

- | | |
|---|--|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines | (5) <input type="checkbox"/> Timing services |
| (2) <input type="checkbox"/> Inspections of corporate activities | (6) <input type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input type="checkbox"/> Company press releases |
| (4) <input type="checkbox"/> Corporate rating services | (8) <input checked="" type="checkbox"/> Other (explain on Schedule F) |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- | | |
|--|--|
| (1) <input checked="" type="checkbox"/> Long term purchases (securities held at least a year) | (5) <input type="checkbox"/> Margin transactions |
| (2) <input type="checkbox"/> Short term purchases (securities sold within a year) | (6) <input type="checkbox"/> Option writing, including covered options, uncovered options or spreading strategies |
| (3) <input type="checkbox"/> Trading (securities sold within 30 days) | (7) <input type="checkbox"/> Other (explain on Schedule F) |
| (4) <input type="checkbox"/> Short sales | |

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5. Education and Business Standards.

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients? Yes No

(If yes, please describe these standards on Schedule F)

6. Education and Business Background.

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- name
- year of birth
- formal education after high school
- business background for the preceding five years

7. Other Business Activities. (check those that apply)

- A. Applicant is actively engaged in a business other than giving investment advice.
- B. Applicant sells products or services other than investment advice to clients.
- C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

8. Other Financial Industry Activities or Affiliations. (check those that apply)

- A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:
 - (1) broker-dealer
 - (2) investment company
 - (3) other investment adviser
 - (4) financial planning firm
 - (5) commodity pool operator, commodity trading adviser or futures commission merchant
 - (6) banking or thrift institution
 - (7) accounting firm
 - (8) law firm
 - (9) insurance company or agency
 - (10) pension consultant
 - (11) real estate broker or dealer
 - (12) entity that creates or packages limited partnerships

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

- D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest?.. Yes No

(If yes, describe on Schedule F the partnerships and what they invest in.)

| | | |
|---|--------------------------|---------------------|
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|---|--------------------------|---------------------|

9. Participation or Interest in Client Transactions.

Applicant or a related person: (check those that apply)

- A. As principal, buys securities for itself from or sells securities it owns to any client.
- B. As broker or agent effects securities transactions for compensation for any client.
- C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- E. Buys or sell for itself securities it also recommended to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

Describe, on Schedule F, your code of ethics, and state that you will provide a copy of your code of ethics to any client or prospective client upon request.

10. Conditions for Managing Accounts. Does the applicant provide investment advisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of assets or other condition for starting or maintaining an account?

Yes No

(If yes, describe on Schedule F)

11. Review of Accounts. If applicant provides investment supervisory services, manages investment advisory account, or holds itself out as providing financial planning or some similarly termed services:

A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

WCA will review accounts at least quarterly.

B. Describe below the nature and frequency of regular reports to clients on their accounts.

WCA will send quarterly account statements to clients.

| | | |
|---|--------------------------|---------------------|
| Applicant: Watkinson Capital Advisors LLC | SEC File Number: 801- | Date: 11/06/2009 |
|---|--------------------------|---------------------|

12. Investment or Brokerage Discretion.

- A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:
- | | | |
|--|---|-----------------------------|
| (1) securities to be bought or sold? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (2) amount of securities to be bought or sold? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (3) broker or dealer to be used? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (4) commission rates paid? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |

- B. Does applicant or a related person suggest brokers to clients? Yes No

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for product and research services received.

13. Additional Compensation.

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- | | | |
|---|------------------------------|--|
| A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| B. directly or indirectly compensates any person for client referrals? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |

(For each yes, describe the arrangements on Schedule F.)

14. Balance Sheet. Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities (unless applicant is registered or registering only with the Securities and Exchange Commission); or
 - requires prepayment of more than \$500 in fees per client and 6 or more months in advance
- Has applicant provided a Schedule G balance sheet?..... Yes No

**Schedule F of
FORM ADV
Continuation Sheet for Form ADV Part II**

Applicant:
Watkinson Capital Advisors LLC

SEC File Number:
801-

Date:
11/06/2009

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other Schedules)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:
Watkinson Capital Advisors LLC

IRS Empl. Ident. No.:
27-1055208

| Item of Form (identify) | Answer |
|----------------------------|--|
| Item 1.D | <p style="text-align: center;"><u>ADVISORY SERVICES AND FEES</u></p> <p>Watkinson Capital Advisors LLC (“WCA”) is an investment advisory firm registered with the Pennsylvania Securities Commission (“PSC”). WCA currently provides discretionary investment advisory services for individual and institutional investors, focusing on municipal securities investment strategies. WCA generally has discretionary authority to purchase and sell securities within each client's portfolio, which are typically structured as separately managed accounts, in accordance with the client's particular investment goals.</p> <p>WCA provides investment advice to clients only after analyzing their specific investment objectives and requirements. This analysis may include a review of legal documents and/or plan provisions, present size of the portfolio to be managed by WCA, and expected inflow and outflow of funds. After reviewing pertinent information, appropriate account investment objectives, guidelines and restrictions are identified. In most instances, accounts are managed on a fully discretionary basis. Unless otherwise agreed, clients are provided with reports and other forms of direct communication. With respect to accounts for which WCA acts as sub-adviser, the primary adviser, and not WCA, has the primary obligation to review client objectives and requirements and provide reports, and WCA's role is limited to managing the account in accordance with the stated objective.</p> <p>Investment advisory services are provided pursuant to an investment advisory agreement between WCA and each client. The fees charged to investment advisory clients vary and are subject to negotiation between WCA and the respective investor. If a client terminates its advisory arrangement with WCA and has paid fees in advance, a pro rated portion of such fees will be returned to the client based on the number of days remaining in the payment period. Fees are negotiated before services are rendered and payable up to three months in advance of the services provided. Fees generally are expressed either as a percentage of the client's net assets under management or as transaction-based fees. WCA generally may charge a client up to 85 basis points of assets under management, but lower fees may be negotiated with institutional investors or clients with significant assets under management.</p> <p>The services provided by WCA will generally include investment research and portfolio management services, including the selection of securities to be purchased, held or sold and the selection of brokers through whom the portfolio transactions are executed.</p> |

(Complete amended pages in full, circle amended items and file with execution page (page 1)).

**Schedule F of
FORM ADV
Continuation Sheet for Form ADV Part II**

Applicant:
Watkinson Capital Advisors LLC

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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other Schedules)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:
Watkinson Capital Advisors LLC

IRS Empl. Ident. No.:
27-1055208

| Item of Form (identify) | Answer |
|----------------------------|---|
| Item 4.B.(8) | <p>WCA's primary investment strategy focuses on purchasing municipal bonds that WCA believes will offer a higher return or more yield to the client than a non-special yield, plain or ordinary bonds. This is accomplished without extending maturities or downgrading in quality, which makes the comparisons accurate. This is a specialized strategy in the municipal bond arena, under which WCA seeks to locate, research and invest in misunderstood, mispriced and undervalued high quality, tax-exempt bonds. WCA's goal is to produce a more valuable tax-free investment for clients without materially increasing risk.</p> <p>WCA seeks to locate, research and invest in misunderstood, mispriced and undervalued high quality, tax-exempt bonds. WCA performs extended due diligence using multiple sources of information, such as the Municipal Securities Rulemaking Board (MSRB) web site and Bloomberg, to locate bonds that it believes are appropriate investments.</p> |

(Complete amended pages in full, circle amended items and file with execution page (page 1).)

Applicant:
Watkinson Capital Advisors LLC

SEC File Number:
801-

Date:
11/06/2009

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other Schedules)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:
Watkinson Capital Advisors LLC

IRS Empl. Ident. No.:
27-1055208

| Item of Form (identify) | Answer |
|----------------------------|--|
| Item 5 | <p style="text-align: center;"><u>EDUCATION AND BUSINESS STANDARDS</u></p> <p>WCA seeks to employ investment professionals who, in the opinion of senior management, have the ability and desire to follow the firm's investment philosophy. WCA generally requires that investment professionals possess a minimum of a degree from an accredited university or equivalent experience in the investment field. A Master of Business Administration or other advanced degree is desirable, but not required. Additional factors considered include the ability to relate to clients on a personal basis, past performance records, if any, and any special expertise in analyzing specific securities or industries.</p> |
| Item 6 | <p style="text-align: center;"><u>Education and Business Background</u></p> <p>William J. Watkinson</p> <p><u>Year of birth:</u> 1945</p> <p><u>Education:</u> Mr. Watkinson holds a Bachelor of Science degree from St. Joseph's University.</p> <p><u>Business Background:</u> Mr. Watkinson is Chief Investment Officer of Watkinson Capital Advisors LLC. Mr. Watkinson previously served as an Executive Vice President for the Wealth Management Division of Penn Liberty Bank from 2004 to 2009. He has also served as Senior Vice-President of AXA Financial's Advest Division from 2001 to 2004, where he was responsible for their institutional research effort in the U.S. Mid-Atlantic region. Previously, Mr. Watkinson also served as Senior Vice President for Investec PMG Capital from 1998 to 2001, as a First Vice President for Prudential Securities from 1988 to 1998, and as a Vice President in E.F. Hutton & Co.'s Public Finance Department from 1977 to 1988, responsible for municipal bond development for both private wealth clients and institutional accounts. In all, Mr. Watkinson has over 35 years of experience at a diverse set of financial services companies.</p> |

