

Form ADV Part 2A

Investment Advisor Brochure

Cover Page

Name of Registered Investment Advisor	Sun Valley Advisors, Inc.
Address	793 N. Sutro Terrace Carson City, NV 89706
Phone Number	775-461-0600
Website Address	None
E-mail Address	roger@sunvalleyadvisors.com
Date of Last Revision	4/25/2011

This Form ADV Part 2A (Investment Advisor Brochure) gives information about the investment advisor and its business for the use of clients and prospective clients. If you have any questions about the contents of this brochure, please contact us using one of the methods listed above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Registration is mandatory for all persons meeting the definition of investment advisor and does not imply a certain level of skill or training.

Additional information about our firm is available on the SEC's website at: www.adviserinfo.sec.gov.

Material Changes

Change #1

Sun Valley Advisors moved its principal office to 793 N Sutro Terrace, Carson City, Nevada 89706.

Change #2

Sun Valley Advisors withdrew from its Sub Chapter S incorporation in Idaho.

Change #3

Sun Valley Advisors incorporated in Nevada as a C corporation.

Change #4

Sun Valley Advisors Inc. is currently 91% owned by Roger W. Wilson and 9% owned by Stephen D. Wilson.

The last annual update of this brochure was 3/20/2010.

Table of Contents

Cover Page	1
Material Changes	2
Table of Contents	3
Advisory Business	4
Fees and Compensation	5
Performance-Based Fees and Side-By-Side Management	6
Types of Clients	7
Methods of Analysis, Investment Strategies, and Risk of Loss.....	8
Disciplinary Information	9
Other Financial Industry Activities and Affiliations	10
Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading	11
Brokerage Practices	12
Review of Accounts	14
Client Referrals & Other Compensation	15
Custody	16
Investment Discretion	17
Voting Client Securities	18
Financial Information	19
Requirements for State Registered Advisors.....	20

Advisory Business

Sun Valley Advisors Inc. is a privately owned corporation established in 1995. The principal shareholder and President is Roger W. Wilson.

The only service we offer is portfolio management. Portfolios are constructed in the category of global balanced. The primary investment vehicle used is closed end funds. These funds are purchased at a discount from net asset value. The strategy is to add incremental value when the market price moves closer to net asset value. Portfolios also purchase exchange traded funds (ETF's). These are used to add diversification to the portfolio.

Portfolios are managed on an individual bases. Clients are asked what risk level they desire compared to general equity indexes and an attempt is made to control volatility in relation to that preferred risk level. The primary vehicle used to control risk is the percentage of the portfolio kept in cash equivalents.

Clients may place restrictions on the universe of possible investments.

The firm acts as manager for one wrap fee program. The name of this program is the PRAG Diversified Portfolio Program. Sun Valley Advisors does not solicit or offer this program. The sponsor of the wrap fee program pays a fee to Sun Valley Advisor for portfolio management. The clients in the wrap fee program are managed the same as other clients.

As of 12/31/2010 the firm had assets under discretionary management of \$48,491,483.00. The firm has zero non-discretionary assets under management.

Clients may contact Sun Valley Advisors and change their risk/reward objectives or restrictions at any time. It is the client's responsibility to advise us if their financial situation has changed to the extent that it affects their risk/reward objectives.

Clients will receive from their custodian/brokerage firm timely confirmations of transactions and at least quarterly statements showing the value of the account and all activity. The account will be in the clients name and the client will have full access to the account. All securities will be liquid and trade on major exchanges. Sun Valley Advisors will have trading authorization only and this can be canceled by the client at any time.

Sun Valley Advisors will send the client a monthly report showing: valuation, transactions, cash flow and performance comparisons.

Sun Valley Advisors does not offer financial planning but attempts to manage your portfolio to the objectives you assign to us.

Fees and Compensation

Fees for portfolio management services are computed at an annualized percentage of assets under management on a sliding scale.

<u>\$ Portfolio Size</u>	<u>Annual %</u>
200,000 - 500,000	1.5%
500,000 - 2,000,000	1%
2,000,000 +	3/4%

These fees are negotiable. The fees do not include any transaction fees or commissions, which may be charged separately by the broker/dealer custodial firm. See the section heading Brokerage Practices for more information. Clients have the option to purchase investment products recommended by Sun Valley Advisors thru any broker or agent they choose. Clients do not have to use brokers or agents that recommended or are affiliated with Sun Valley Advisors.

For portfolio management services the fee will be payable quarterly in advance or arrears at the choice of the client. When starting in the middle of a quarter fees will be assessed on a pro rata bases. Our contract can be canceled at any time and any advance fees will be refunded to the day of cancellation.

Payment of fees may be paid direct by the client, or client may authorize the custodian holding client funds and securities to deduct Sun Valley Advisors fees direct from the client account in accordance with statements prepared and submitted to the custodian by Sun Valley Advisors. The custodian will provide periodic account statements to the client. Such statements will reflect all fee withdrawals by Sun Valley Advisors. It is the client's responsibility to verify the accuracy of the fee calculation. The custodian will not determine whether the fee is properly calculated.

If the client chooses to have Sun Valley Advisors bill the custodian, we will send a copy of the invoice to the client. That invoice will show how the fee was calculated.

Fees are not collected for services to be performed more than six months in advance.

Advisory services similar to those offered by this advisor may be found elsewhere at lower rates.

In addition to fees paid for advisory services with respect to clients' investments in mutual funds, clients pay additional fees on the mutual fund investment because the mutual funds also pay advisory and/or management fees to an investment advisor.

Performance-Based Fees and Side-By-Side Management

Sun Valley Advisors does not charge performance-based fees. We only charge asset-based fees and therefore avoid any conflict of interest of having side-by-side management with different fee structures.

Types of Clients

Sun Valley Advisors provides advisory services to individuals, pension and profit sharing plans and other ERISA accounts, trusts, estates, and business entities.

The minimum account size to open an account is \$200,000.

Methods of Analysis, Investment Strategies, and Risk of Loss

Sun Valley Advisors does not attempt to determine what percent of a client's net worth should be invested under our management. This decision is left to the client and other advisers the client may use.

Our portfolios are broadly diversified across global stocks and bonds and have a history of lower risk when compared to indexes of stocks and bonds. Therefore some clients choose to use our Global Balanced strategy as their only investment. Other clients use us merely as one of numerous other strategies and managers they employ.

The core of our investment strategy involves the analysis of closed end funds. Closed end funds differ from open end funds in one major way. Open end funds have a daily net asset value (NAV) at which the fund is bought and sold. Closed end funds have a daily NAV, but one cannot buy or sell at that NAV. Closed end funds trade on exchanges and therefore in addition to NAV they have a market price. It is this market price that one buys or sells a closed end fund.

Common sense would tell us that the NAV and the market price should stay close together. The NAV is composed of liquid securities, with a few exceptions, and tells one exactly what the fund is worth per share. Yet quite often there is a large difference between NAV and market price. When the market price is higher than NAV it is said the fund is trading at a premium. When the market price is below NAV it is described as trading at a discount.

There are approximately 650 closed end funds. Sun Valley Advisors analyses each fund to determine the maximum discount an individual fund might trade at. This process involves looking at historical discounts, expense ratios, volatility of the underlying portfolio, management actions (stock buy backs and tender offers), dividend policy, whether leverage is used and to what degree, performance of underlying portfolio and current market conditions.

This process leads to an estimated maximum discount for each individual fund. Currently our smallest maximum discount is 19% and our largest is 60%. This wide difference is because there are many types of closed end funds ranging from very conservative to very speculative.

Sun Valley Advisors uses proprietary software to determine which funds are trading closest to their maximum discount and create a model portfolio of those funds, weighting their attractiveness. Client portfolios are constantly adjusted to reflect the model portfolio. Individual client risk/return objectives and tax efficiency are taken into account when these adjustments are made.

After a closed end fund is purchased at a discount two things can happen. The discount can increase which would probably result in losses, because the market price is underperforming the NAV. Or the discount could become smaller resulting in the market price outperforming the NAV. There are two factors affecting the performance of a closed end fund: 1) the performance of the underlying portfolio of the fund and 2) whether the discount gets larger or smaller.

Sun Valley Advisors believes in its ability to predict maximum discount and therefore believes we can add incremental value. Our past performance shows that we have accomplished this added value, but past performance is not a guarantee of future performance.

Every investment in a Sun Valley Advisors portfolio fluctuates in price and therefore has risk. While we attempt to control that risk there are no guarantees that losses will not be incurred.

Disciplinary Information

Sun Valley Advisors does not have any disclosure items.

Other Financial Industry Activities and Affiliations

Sun Valley Advisors has no other activities or affiliations.

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

Code of Ethics

Sun Valley Advisors maintains a Code of Ethics. The Code of Ethics sets forth standards of conduct expected of advisory personnel; requires compliance with federal securities laws; and, addresses conflicts that arise from personal trading by advisory personnel. Clients may request a copy of the Code of Ethics.

Personal Trading

At times Sun Valley Advisors and/or its IA Reps may take positions in the same securities as clients, and we will try to avoid conflicts with clients. The firm and its IA Reps will generally be “last in” and “last out” for the trading day when trading occurs in close proximity to client trades. We will not violate our fiduciary responsibilities to our clients. Scalping (trading shortly ahead of clients) is prohibited. The firm and its IA Reps will only execute incidental trading (i.e. a purchase or sale which is minimal in relation to the total outstanding value, and as such would have negligible effect on the market price).

Brokerage Practices

Selection or recommendation of broker/dealers

Sun Valley Advisors does not recommend any broker/dealer or custodian. The client has sole responsibility to choose which broker/dealer they want Sun Valley Advisors to transact with. Sun Valley Advisors will share information about broker/dealers with the client and advise the client if the broker/dealer they choose fails to perform to our standards.

Soft Dollar Practices

Sun Valley Advisors does not receive any compensation from a brokerage firm in the form of research, products or services (“soft dollars”).

Client Referrals From Brokers

At times a broker/dealer will refer a client to Sun Valley Advisors. This presents a potential conflict of interest in obtaining future referrals from that broker/dealer. We respect the relationship between the client and the broker/dealer the client has chosen. It is the client’s responsibility to determine if the multiple services delivered by the broker/dealer justify the fees and commission charged by the broker/dealer. Sun Valley Advisors will monitor the broker/dealer and advise the client if any services, such as best execution, are not up to acceptable standards. Sun Valley Advisors will also deliver information about competitive broker/dealers upon client request.

Directed Brokerage

Our policy is to have the Client direct us as to which broker-dealer we should use to execute their orders. Many clients have an established relationship with a broker-dealer before they open a Sun Valley Advisors account. The client may have multiple accounts with the broker-dealer that has nothing to do with Sun Valley Advisors. The client may receive multiple services from the broker-dealer that have nothing to do with Sun Valley Advisors. We believe the client knows best which broker-dealer we should transact with. It is up to the client to negotiate the commission rate, as Sun Valley Advisors will not. The client may not be able to negotiate the most competitive rate. As a result, the client may pay more than the rate available through other broker/dealers used by Sun Valley Advisors.

There are other advisors that do not require their clients to choose the broker-dealer.

The broker-dealer that the client directs us to may also have an economic relationship with Sun Valley Advisors. We might be managing other accounts for the broker-dealer. This is a potential conflict of interest because of our economic relationship with the broker-dealer. When the Client directs us to deal with a particular broker-dealer we may be unable to achieve the most favorable execution of Client transactions. This practice may cost clients money.

Trade Aggregation

Sun Valley Advisors does not aggregate trades (block trading for multiple accounts). All orders are placed for individual accounts only. There are other advisors that aggregate orders to achieve a lower transaction cost. This practice is unnecessary for clients that have a fee arrangement with a broker-dealer

versus commission for each trade. It is also unnecessary for clients whose broker-dealer charges a fixed commission regardless of the size of the transaction. There might be an isolated situation where Sun Valley Advisors could aggregate a trade and save on commissions. Given the broker-dealers that our clients have directed us to, we are not aware of any opportunity to aggregate trades and receive a reduced commission.

The primary reason for not aggregating trades is to achieve a better execution price. Our main investment vehicles are closed end funds. These funds have an average trading volume of approximately 40,000 shares. There are some funds that trade hundred of thousand shares per day and some that only trade hundreds of shares per day. Our experience has taught us small limit orders are the best way to get the best price. The negative to placing small limit orders is that some clients might not buy or sell before the security has a significant price change, i.e. miss the market. Large aggregated orders can make a thinly traded security change price. The order itself can create a price movement; therefore we only enter small limit orders. We would prefer to buy or sell for a limited number of clients at a good price than buy or sell for all clients at a bad price.

Review of Accounts

Roger Wilson, President of Sun Valley Advisors, monitors the individual investments and accounts. The frequency is based upon market conditions. A risk/reward mathematical number is calculated for each client portfolio. Any activity that changes that number, such as contributions or withdrawals or market movement will prompt a review and possible transaction. All underlying investments are reviewed on a daily bases with the exception of when Roger Wilson is not in the office. Portfolio performance is reviewed on a monthly basis. Sun Valley Advisors offers clients a telephone review meeting at all times based on client request. In person review meetings are by appointment only and dependant on Roger Wilson's schedule.

Clients receive a monthly report that shows: investments and their value, transactions, cash flow, performance versus indexes and mutual fund averages and standard deviation of returns. Written commentary is provided when Roger Wilson considers it necessary.

Client Referrals & Other Compensation

Referral Fees Paid

Sun Valley Advisors does not pay any referral fees.

Referral Fees Received

Sun Valley Advisors does not receive any referral fees.

Custody

Sun Valley Advisors is deemed to have custody of client funds solely because of the fee deduction authority granted by the client in the investment advisory agreement.

Clients will receive account statements at least quarterly from the broker-dealer or other qualified custodian. Client is urged to compare custodial account statements against statements prepared by Sun Valley Advisors for accuracy. Minor variations may occur because of reporting dates, accrual methods of interest and dividends, and other factors. The custodial statement is the official record of your account for tax purposes.

Investment Discretion

Sun Valley Advisors maintains full discretion under a limited power of attorney as to the securities and amount of securities in a client's account.

Sun Valley Advisors will not have authority to withdraw funds or to take custody of client funds or securities, other than under the terms of the Fee Payment Authorization clause in the Agreement with the client.

The client will designate the broker/dealer to be used for trading and custodial services.

Voting Client Securities

Sun Valley Advisors does not vote proxies. It is the client's responsibility to vote proxies. Clients will receive proxy materials directly from the custodian. Questions about proxies may be made via the contact information on the cover page.

Financial Information

An investment advisor must provide financial information if a threshold of fee prepayments is met; there is a financial condition likely to impair the ability to meet contractual commitments; or, a bankruptcy within the past ten years. Sun Valley Advisors does not have any disclosure items in this section.

Requirements for State Registered Advisors

Roger W. Wilson is the sole principal executive and management officer. His formal education is a BA degree from California State University at Los Angeles. His date of birth is 4/10/44.

Roger W. Wilson began his business career 1968 as a manufacturing analyst with North American Rockwell. From 1969 thru 1975 he was a Registered Representative with various New York Stock Exchange member firms. In 1976 he joined Analytic Investment Management as a portfolio manager. Analytic was the first Registered Investment Advisor to employ the strategy of covered option writing and market itself to institutional fiduciaries. Mr. Wilson became Senior Portfolio Manager and supervised investments exceeding \$500 million.

In 1981 Mr. Wilson left Analytic to become founder of Northwest Quadrant, Inc. In 1995 Mr. Wilson resigned as President of Northwest Quadrant and founded Sun Valley Advisors, Inc. Since 1995 Mr. Wilson has continuously acted as President and portfolio manager of Sun Valley Advisors.