

**Firm Brochure
(Part 2A & 2B of Form ADV)**

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This brochure provides information about the qualifications and business practices of Portfolio Advisors, Inc. If you have any questions about the contents of this brochure, please contact us at: 559-432-8400, or by email. 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. Registration does not imply a certain level of skill or training.

Additional information about Portfolio Advisors, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Portfolio Advisors, Inc. is 106111.

**DATE
March 19, 2012**

Item 2: Summary of Material Changes

There have been no material changes

In the future this Summary of Material Changes will discuss only the material changes since the last annual update of this Brochure.

Whenever you would like to receive a complete copy of our brochure, please contact us by telephone or by email.

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Item 4: Advisory Business

Portfolio Advisors, Inc.'s mission is to assist clients in successfully attaining financial goals. We offer a disciplined, step-by-step approach for creating investment portfolios.

The **Investment Management Service** involves initial discussions of Client objectives, investment experience, tolerance for risk, an analysis of the existing portfolio, and our Firm's investment philosophy. Usually, a series of meetings is needed to complete the initial evaluation. The investment process begins with a thorough review of the Client's current situation. The goal is to determine the Client's individual needs, goals and objectives, time horizons, tax situation and risk tolerance. We then create a customized portfolio diversified across asset classes. We believe investment success is best achieved by reaching financial objectives without assuming undue risk. Proper diversification is the key to minimizing portfolio risk.

Our **Investment Management Service** focuses on Client communication. We offer timely, meaningful reports that detail the status of the portfolio and portfolio performance. Periodic meetings, held at least annually, are offered to provide an opportunity to review reports, re-evaluate goals and allocation decisions, and rebalance the portfolio. We provide Clients with a system for organization and strive to help them maintain the necessary discipline to ensure long-term success.

Portfolio Advisors, Inc. also offers a **Financial Consulting Service** whereby financial and investment advice is provided on an hourly basis, at \$200 per hour. Fees are due upon the delivery of services. The Consultation Service is not designed to address all of the Client's financial needs. Instead, advice focuses on specific retirement planning, college funding, investment issues, or as may be defined by the Client. No written investment plan will be provided. Consultation Services can be terminated at any time by either party. Otherwise, Consultation Services terminate upon the delivery of services.

Our Principal Owner

Michael J. Leffler, CFP is the sole stockholder; Chief Executive Officer; and the Chief Compliance Officer of the firm

Types of Advisory Services

Asset Management

We provide non-discretionary investment supervisory services (asset management services).

On more than an occasional basis, we furnish advice to you on matters not involving securities, such as financial planning matters, taxation issues, and trust services that often include estate planning.

Assets are invested primarily in no-load or low-load mutual funds, usually through discount brokers or fund companies. Fund companies charge each fund shareholder an investment management fee that is disclosed in the fund prospectus. Discount brokerages may charge a transaction fee for the purchase of some funds.

We do not invest in wrap fee programs or manage assets for any wrap fee accounts.

We do not invest in Initial public offerings (IPOs).

Our Fees

We base our fees on a percentage of assets under management.

We, in our sole discretion, may waive our minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with you, etc.).

Assets Under Management	Annual Fee %
First \$1,000,000	1.00%
Portion above \$1,000,000	0.50%
Portion above \$3,000,000	0.25%

Asset management fees for ERISA plans (e.g. 401(k)) are subject to a maximum fee not to exceed 1.00% per year.

Investment management fees are billed quarterly, in arrears, meaning that we invoice you after the three-month billing period has ended. Payment in full is expected upon invoice presentation. Fees are usually deducted from an account designated by you to facilitate billing. You must consent in advance to direct debiting of your investment account.

Management of Conflicts of Interest between Clients

Our relationship with you is non-exclusive; in other words, we provide investment advisory services and financial planning services to multiple clients. We seek to avoid situations in which one client's interest may conflict with the interest of another of our clients. However, one circumstance which could arise is a sudden sharp downturn in the values of one or more stock asset classes, thereby triggering (under adopted investment policies with the vast majority of our clients) the need to rebalance the investment portfolios following the close of any business (trading) day. In this instance, we seek to rebalance each client's investment portfolio on a timely basis, keeping in mind that most mutual fund trades occur at the end of a trading day. In ascertaining which client portfolios to attend to first, we rank clients by the amount of assets under management as of the last quarterly period from highest to lowest, and generally proceed to rebalance portfolios accordingly. More information about this policy is found in your Client Agreement.

How Fees are Calculated

Billing amounts are based upon the value (market value or fair market value in the absence of market value) of the client's account(s) (including both securities and cash) at the end of the previous quarter (or, for new clients, upon a date agreed to by us and you). Valuations are derived from recognized and independent pricing sources, such as Charles Schwab & Co., Inc., or other custodians.

Other Fees or Expenses Paid in Connection with Our Services

All fees paid to us for investment advisory and financial planning services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. Mutual fund expenses are generally described in each fund's prospectus. These expenses will generally include a management fee, other fund expenses, and possibly a distribution fee. In addition, mutual funds incur transaction costs and opportunity costs which are not disclosed in the fund's prospectus or Statement of Additional Information, but which may be estimated.

You will incur transaction fees or commissions in connection with the trading of mutual funds, ETF's, and individual stocks and bonds (and/or principal mark-ups and mark-downs for principal trades) which are charged by the custodian (brokerage firm holding your assets for safekeeping). Mutual fund transaction fees charged by our recommended custodian, Charles Schwab & Co., Inc., generally vary from \$25 to \$49.95 for each purchase and sale transaction. The transaction costs for stock and bond trades vary. Accordingly, the client should review both the fees charged by the funds (including transaction and opportunity costs within funds which are not included in a fund's annual expense ratio), the transaction fees charged by the custodian, as well as the fees charged by us, to fully understand the total amount of fees and costs paid by you in connection with any recommended transaction. For a discussion of our practice in recommending brokers (custodians) to you and negotiating brokerage fees on your behalf, please see Item 12.

You may also incur "account termination fees" upon the transfer of an account from one brokerage firm (custodian) to another. The range for these account termination fees is believed to range generally from \$0 to \$200 at present, but at times may be much higher. You should contact your custodians (brokerage firms, bank or trust company, etc.) to determine the amount of account termination fees which may be charged and deducted from your accounts for any existing accounts which may be transferred.

Comparable Services

We believe that the charges and fees offered are competitive with alternative programs available through other firms offering a similar range of services; however, lower fees for comparable services may be available from other sources. You could invest in mutual funds directly, without our services. In that case, you would not receive the services provided by us which are designed, among other things, to assist you in determining which mutual fund or funds are most appropriate to your financial condition and objectives, undertake a disciplined approach to portfolio rebalancing while taking into account the tax ramifications of same, and

to avoid ad hoc emotional reactions to shorter-term market events. Also, the funds of Dimensional Fund Advisors may not be available to you directly without the use of an investment adviser granted access to such funds.

Management of Conflicts of Interest Relating to the Fees We Receive, and Receipt of Percentage-Based Compensation

The vast majority of our clients pay us fees based upon a percentage of the assets we advise upon. This is a very common form of compensation for registered investment advisory firms and avoids the multiple inherent conflicts of interest associated with commission-based compensation (we do not accept commission-based compensation of any nature, nor do we accept 12b-1 fees). The percentage of assets-advised-upon method of compensation can still at times lead to conflicts of interest between our firm and you as to the advice we provide. For example, conflicts of interest may arise relating to the following financial decisions in life: incur or pay down debt; gift funds to charities or to individuals; purchases of a (larger) home or cars or other non-investment assets; the purchase of a lifetime immediate annuity; personal expenditures; investment in private equity investments, and the amount of funds to place in non-managed cash reserve accounts. We have adopted internal policies to properly manage these and other potential conflicts of interest. Our goal is that our advice to you remains at all times in your best interests, disregarding any impact of the decision upon our firm.

Each time such a potential conflict may arise, we will give you written notice of the conflict in that given situation if our advice regarding the proposed transaction would impact our compensation

Assets Under Management

As of December 31, 2011, we manage approximately \$121,000,000 in assets on a non-discretionary basis.

Our Services are Tailored to Meet Your Needs and Investment Restrictions

In general, our advisory services are tailored to meet your needs. While model portfolios may be utilized for some clients. For most clients each investment portfolio is individually designed. Additionally, financial planning, estate planning, tax planning, and risk management planning services are generally delivered upon your engaging us for such services. As appropriate you will have a conference with your advisor at least annually to review any changes to your financial situation, the investment portfolio upon which advice is provided by us, and planning issues.

After consultation with us, you may impose restrictions on investing in certain securities or types of securities. This most often occurs when you request that certain social investing needs to be addressed, such as through the use of mutual funds which avoid investments in certain companies. Other restrictions may be imposed by you with respect to the (average or longest) maturity or credit quality of fixed income investments.

Our Agreement with you may not be assigned without your consent.

Item 5: Fees and Compensation

Please refer to the discussion about our fees under Item 4.

Cancellation and Termination of Agreements

Either party may terminate the agreement without penalty upon notice in writing to the other party. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, with the refund calculations based pro rata to the date of termination. Termination of an agreement will not affect: (a) the validity of any action previously taken by us under the agreement; liabilities or obligations of the parties from transactions initiated before termination of the agreement; or your obligation to pay advisor fees (prorated through the date of termination). Upon the termination of the agreement, we will not possess any obligation to recommend or take any action with regard to the securities, cash, or other investments in your account.

Item 6: Performance Based Fees and Side-by-Side Management

Our fees are not based on a share of the capital gains or capital appreciation of managed securities. We do not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to you.

Item 7: Types of Clients

We provide investment advice primarily to individuals and their families, including high net worth individuals, and trusts. We also may provide investment advice to pension and profit sharing plans and plan participants as well as foundations and other institutions, and to business entities.

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

Methods of Analysis

We study historical asset class performance and apply modern portfolio asset allocation techniques to customized client portfolios. Asset allocation is "diversification by design." Specific asset classes are selected such as Large U.S. Stocks, Small U.S. Value Stocks, Short-Term Bonds, and International Stocks. Each asset class has its own risk and return characteristics. Allocating investments among the several asset classes can lower the overall volatility of a portfolio and enhance returns. The asset classes selected and the percentage

weighting given each class profoundly affect the overall volatility and expected return of a portfolio. Our goal is to determine efficient weightings for each Client's portfolio in order to maximize the probability of achieving the Client's long-term objectives while minimizing short-term risk. We believe that this asset allocation decision is one of the most important decisions investors must make.

Our investment approach is based on the belief that markets are "efficient." The market of buyers and sellers tends to price an asset quickly and fairly, based on the currently "known" information. Investor portfolios should be determined principally by asset allocation decisions and not by market timing or stock picking. We do not forecast business cycles or interest rates. There are no strategies for automatically shifting allocations among stocks, bonds, and cash. Our strategy for each position is designed to capture the return behavior of an entire asset class. Generally, our investment selections involve non-actively managed, asset class mutual funds. We believe that these funds are most likely to deliver asset class returns and have the added benefit of low internal costs. Occasionally, we will include mutual funds managed on a non-passive basis.

Expansive academic research, investment information, and certain proprietary analyses are drawn upon by us, in order to provide innovative investment advisory services. Each of our clients receives a written Investment Policy Statement, which sets forth a recommended strategic asset allocation.

This information becomes the basis for the strategic asset allocation plan which we believe will best meet your stated long term personal financial goals. The strategic asset allocation provides for investments in those asset classes which we believe (based on historical data and our analysis) will possess attractive combinations of return, risk, and correlation over the long term.

A tremendous amount of academic research reveals that strategic asset allocation is determinative of the majority of the long-term gross returns of investor's portfolios. Our selection of asset classes is driven by research into global asset classes by such academics as Professor Eugene Fama, Sr. of the University of Chicago Booth Graduate School of Business and the Center for Research in Security Prices, Professor Kenneth French of Dartmouth College, and many other academics and researchers.

Methods of Analysis; Sources of Information

Our security analysis is based upon a number of factors including those derived from commercially available software technology, securities rating services, general economic and market and financial information, due diligence reviews, and specific investment analyses that clients may request. The main sources of information include commercially available investment information and evaluation services, financial newspapers and journals, academic white papers and periodicals.

Types of Investments

You typically receive an investment portfolio which consists mainly of no-load stock and bond mutual funds. The passively managed stock mutual funds offered by Dimensional Fund

Advisors (DFA) are generally recommended. DFA mutual funds offer broad diversification and most are structured for low turnover, so as to substantially lessen the often substantial transaction costs incurred by mutual funds and ETFs as they trade securities within the fund. Consequently, the DFA stock mutual funds' total fees and costs are believed to be generally lower than the total fees and expenses incurred by most other stock mutual funds (including many ETFs and index funds) when comparing funds in the same asset class(es).

Your investment portfolio may also include individual fixed income investments (bonds, C.D.'s, etc.) and/or bond funds (primarily from DFA and Vanguard). For clients with a substantial fixed income allocation, we generally recommend a combination of bond funds and individual fixed income investments, with recommended actual investments dependent upon our view of the risk/return relationship for various forms of fixed income investments or bond funds. We will typically request discretionary authority from you to manage individual fixed income assets, as such may be necessary to enable us to purchase or sell such assets in a timely manner at quoted prices.

Publicly traded real estate investment trusts (REITS) and commodities index or passive mutual funds or ETFs may be recommended to you if you desire to include real estate or commodities in your asset allocation strategy.

Insurance products such as annuities and various types of life insurance products may also be evaluated. Recommendations may be undertaken for you to invest in low-cost, no-load (no commission) variable or fixed deferred or immediate annuities when appropriate to your circumstances and tax situation. More often, this occurs when you possess an existing high-cost variable annuity, and a rollover of the annuity is indicated rather than redemption for tax planning purposes, in order to seek to lower the total fees and costs paid by you and/or provide different investment choices. At times you may be advised to retain an existing annuity, previously purchased by you, or undertake partial or full surrenders of same (and/or tax-free exchanges), following an evaluation of the annuity contract, riders thereto, investment alternatives within the annuity and their fees and costs, including any surrender fees which may be imposed by the insurance company.

Your existing investments are evaluated in light of the desired investment policy objectives. We work with you to develop a plan to transition from your existing portfolio to the desired portfolio. Investment advice may be offered on any investments held by you at the start of the advisory relationship. Your portfolio holdings and strategic asset allocation are then monitored periodically, taking into account your cash flow needs. Review meetings with you are held regarding your investment assets under management and other personal financial planning issues.

Risk of Loss, Generally

Investing in securities involves a risk of loss that you should be prepared to bear. The investment recommendations seek to limit risk through broad global diversification in equities (through broadly diversified stock mutual funds and/or separate account management programs) and investment in high quality fixed income securities or diversified bond funds.

However, the investment methodology will still subject you to declines in the value of your portfolios which can at times be dramatic. We believe there exists a high probability in most market environments of a long-term (15-year or greater) outperformance of small cap and value stocks, relative to large cap and growth stocks, and hence the stock (equities) portion of your portfolio may be "tilted" toward small cap and value stocks. Accordingly, the normally greater expected returns of the equity portion of the portfolio will in turn often permit the overall allocation to equities (stocks, stock mutual funds) to be reduced, and the allocation to fixed income investments increased. We believe this is the best manner to temper the shorter-term volatility of the stock market, especially for clients who derive cash flow from their portfolios (such as clients who are in retirement years).

Given the long-term nature of the expected equity premium (i.e., the additional expected return for investing in the overall stock market, relative to less "risky" U.S. Treasury bills), and the long-term nature of the expected value and small cap effects, our investment philosophy is best suited for investors who desire a buy and hold strategy for a substantial portion of their funds. Even then, investing is inherently uncertain as to future returns. While both macroeconomic and microeconomic risks are evaluated, for purposes of weighing risks and returns and for the computation of the expected returns of various asset classes (for use in financial planning decision-making), we do not generally engage in market-timing activities. We believe the equity, value and small cap effects are highly likely to occur in the future, over long periods of time. However, there can be no assurance that these effects will occur over any given time period. While we seek to reduce non-compensated risks to which you may be exposed, other risks (including but not limited to the risk of a general stock market decline) may be assumed in order to seek to attain the client's longer-term financial goals and objectives; however, we cannot provide any guarantee that your goals and objectives will be achieved.

Risk of Loss, Certain Higher-Risk Securities

Certain securities recommended, such as U.S. small cap value and mid cap value stock mutual funds, U.S. small cap and micro-cap mutual funds, and similar pooled investment vehicles inside variable annuities, possess higher levels of volatility (as individual asset classes within a portfolio). We may employ these securities as part of an overall strategic asset allocation for you, and when such is undertaken we possess a reasonable belief that the risk-return relationship for these securities will likely be beneficial to you over the long term.

Cash Balances in Client Accounts

Cash in your investment accounts are typically swept into the bank or money market mutual fund accounts of the custodian (Charles Schwab). We discuss with you, during the time of review conferences and at other times, upcoming cash flow needs and seek to plan accordingly to meet those needs. While it is not the practice to encourage you to maintain a large amount of cash in your accounts, such may be undertaken at your request, to facilitate our billing of periodic fees, or for other reasons. Upon your request, cash balances will be maintained for temporary or short-term purposes.

Item 9: Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events of their firm or certain management personnel which would be material to your evaluation of us or our integrity in management of your investment portfolio.

We possess no legal or disciplinary events which, in the judgment of our Chief Compliance Officer, are required to be disclosed under the guidelines for such disclosure promulgated by the U.S. Securities and Exchange Commission

Item 10: Other Financial Industry Activities and Affiliations

Financial Industry Activities

We are not involved in any other financial industry activities.

Affiliations

We have no arrangements that are material to our advisory business or you with any other entity.

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

We seek to avoid material conflicts of interest. Accordingly, we don't receive any third party direct monetary compensation (i.e., commissions, 12b-1 fees, or other fees) from brokerage firms (custodians) or mutual fund companies.

However, some additional services and non-direct monetary or other forms of compensation are offered and provided to us as a result of our relationships with custodian(s) and/or providers of mutual fund products. For example, our investment advisors and employees may be invited to attend educational conferences and/or entertainment events sponsored by such brokerage firms or custodians or mutual fund companies. Other services may be provided as outlined below. We believe that the services and benefits actually provided to it by brokerage firms (custodians) and mutual fund providers do not materially affect the investment management recommendations made to you. However, in the interest of full disclosure of any potential conflicts of interest, we discuss the possible conflicts herein.

Although we believe that our business methodologies, ethics rules, and adopted policies are appropriate to eliminate, or at least minimize, potential material conflicts of interest, and to manage appropriate any material conflicts of interest that may remain, you should be aware that no set of rules can possibly anticipate or relieve all potential material conflicts of interest.

Our Code of Ethics

We have adopted a Code of Ethics, to which all investment advisor representatives and employees are bound to adhere. The key component of our Code of Ethics states:

We and its investment advisor representatives and employees shall always:

- Act in the best interests of each and every client;
- Act with integrity and dignity when dealing with clients, prospects, team members, and others;
- Strive to maintain and continually enhance our high degree of professional education regarding Modern Portfolio Theory, strategic asset allocation, and financial, tax, estate, and risk management planning; and
- Seek at all times to preserve our firm's independence and to maintain our complete objectivity with respect to our advisory services and each recommendation made to our clients.

We have further adopted a detailed Code of Ethics expressing our commitment to ethical conduct, which is adopted by reference by us, and which is utilized to guide the personal conduct of our various team members. This detailed Code of Ethics describes our fiduciary duties and responsibilities to you and sets forth our practice of supervising the personal securities transactions of employees with prior or concurrent access to client trade information.

A copy of the Code of Ethics is available to you and prospects upon request.

Participation or Interest in Client Transactions and Personal Trading

Occasionally, the investment objectives of clients are similar to that of our personnel and this may lead to personal investments in the same investments. The required records of certain securities transactions are maintained and this information is available to clients upon request. Due to the relatively insignificant investments made by our personnel relative to total investments made, these transactions would have no noticeable effect on market prices or movement. In any case, our personnel will generally be "last in" and "last out" for the trading day for individual securities. There can be no such potential conflict with mutual fund transactions. All fund transactions occur at the end of a trading day and at exactly the same prices.

Our Code of Ethics provides that individuals associated with our firm may buy or sell securities for their personal accounts identical to or different than those recommended to you. However, it is the expressed policy of our firm that no person employed by the firm shall prefer his or her own interest to yours nor make personal investment decisions based on your investment decisions.

To supervise compliance with the Code of Ethics, we require that anyone associated with this advisory practice and who possesses access to advisory recommendations (before or at the time they are entered into) ("access persons") to provide annual securities holding reports and quarterly transaction reports to our Chief Compliance Officer or his staff. We also require

access persons to receive advance approval from our Chief Compliance Officer or his designee prior to investing in any initial public offerings or private placements, and with regard to trading of certain individual securities.

The Code of Ethics further includes our policy prohibiting the use of material non-public information and protecting the confidentiality of client information. We require that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. Any individual not in observance of the above may be subject to discipline.

Item 12: Brokerage Practices

Use of Brokerage Firms (Custodians), Generally

We utilize the services of Charles Schwab. The custodian provides our team members with access to institutional trading and custody services, which services are typically not available to retail investors. These services generally are available to independent investment advisors on an unsolicited basis and at no charge to them. However, not all independent investment advisors recommend their clients to utilize particular custodians.

We participate in the advisory services program of Charles Schwab. While there is no direct linkage between the investment advice given and participation in the program, economic benefits are received which would not be received if we did not give investment advice to you.

Charles Schwab & Co., Inc. or other brokers may provide discounts for subscriptions to such research providers as Morningstar. This additional service is considered by the Securities and Exchange Commission to be a form of economic benefit called "soft dollars." However, we do not have any written agreements to receive soft dollars in the form of research or other materials. The type of research information we receive includes proprietary research and portfolio strategy information.

Clients may pay transaction fees for the purchase and sale of securities. Clients may pay slightly higher brokerage commissions with the recommended broker than those charged by other brokers for effecting the same transactions. In recognition of the value of brokerage and administrative services provided to us by brokers, such as Charles Schwab & Co., Inc., we determine in good faith and after periodic review whether the amount of transaction fees are reasonable. The reasonableness of the fees is evaluated relative to the full range and quality of services provided.

Charles Schwab provides investment advisors with timely and accurate information through a computer downloading process known as SchwabLink, which allows the Firm to spend less time on operational issues and focus instead on the issues that are most important to our clients. SchwabLink is provided to this firm at no cost to Clients or the Firm since the aggregate assets managed by Portfolio Advisors, Inc. exceed the minimum level established by Charles Schwab & Company, Inc. Moreover, we have agreed to communicate electronically with Schwab via SchwabLink whenever appropriate. All client assets held in custody at Charles Schwab benefit

from this arrangement. The needs of our clients, the quality of services provided to our clients, and the overall benefit of placing trades with particular brokers are weighed carefully in each situation. In the course of determining fair and reasonable services, we work to negotiate the most reasonable costs possible. We do not have any arrangement, oral or written, where it is paid cash ("hard dollars"), commissions, equipment, or non-research services.

Discussion of Benefits to Adviser, to us as to Custodians

The benefits provided by Charles Schwab include assistance with practice management and assistance with the management of client accounts, including but not limited to: (a) receipt of duplicate client confirmations; (b) receipt of electronic duplicate statements; (c) access to a trading desk serving investment adviser firm participants exclusively, and providing research, pricing information, and other market data; (d) access to the investment advisor portion of their web sites which includes practice management articles, compliance updates, and other financial planning related information and research materials (including, for example, rating reports on individual companies from Standard and Poor's or other sources); (e) access to other vendors (such as insurance or compliance providers, or providers of research or other materials) on a discounted fee basis through discounts arranged by the custodians; (f) permitting us to access an electronic communication network for client order entry and to access clients' account information and which may otherwise assist us with its back-office functions, including recordkeeping and client reporting; and (g) conferences at which advisors and employees of our firms may attend (with no registration fees) and receive education on issues such as practice management, marketing, investment theory, financial planning, business succession, regulatory compliance, and information technology.

Participation in the custodian's programs also provides access to certain mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors, such as the mutual funds of Dimensional Fund Advisors.

The benefits received through participation in the custodians programs may depend upon the amount of transactions directed to, or amount of assets placed in custody with Charles Schwab.

Generally, many of these services may be utilized to service all or a substantial number of our clients' accounts. Educational, research, or other services provided by custodians (i.e., Charles Schwab) or mutual fund companies may benefit all of our clients, or may benefit only some clients.

Trade Errors

From time-to-time we may make an error in submitting a trade order on your behalf. When this occurs, we may place a correcting trade with the broker-dealer which has custody of your account. If an investment gain results from the correcting trade, the gain will remain in your account unless the same error involved other client account(s) that should have received the gain, it is not permissible for you to retain the gain, or we confer with you and you decide to forego the gain (e.g., due to tax reasons). If the gain does not remain in your account and Charles Schwab & Co. Inc. ("Schwab") is the custodian, Schwab will donate the amount of any gain \$100 and over to charity. If a loss occurs greater than \$100, we will pay for the loss.

Schwab will maintain the loss or gain (if such gain is not retained in your account) if it is under \$100 to minimize and offset its administrative time and expense. Generally, if related trade errors result in both gains and losses in your account, they may be netted.

Our Recommendations of Brokerage Firms

You are permitted to direct us to utilize your desired brokers. However, if such brokers are utilized, we may not possess access to certain mutual funds and other investments that are generally available only to institutional investors or which would require a significantly higher minimum initial investment. In addition, commission rates paid or transaction fees paid to another broker may be higher than the fees that have been negotiated by us.

While as a fiduciary, we endeavor to act in your best interests, our desire that you maintain much of your assets in accounts at Charles Schwab may be based in part on the benefit to our firm of the availability of some products and services (previously described) at no cost to us, or at reduced costs, and not solely on the nature, cost, or quality of custody and brokerage services provided by the brokers, and this may create a potential conflict of interest. You may, therefore, pay higher transaction fees, commissions (for individual stock and ETF trades), and principal mark-ups and mark-downs (relating to purchases and sales on a principal, as opposed to an agency, basis) than those charged by other discount brokers. However, we have negotiated fees with the custodians we recommend, and we have selected these custodians for their generally low fees relative to another large custodian. Also, please note that we prefer to recommend custodians who possess significant size and financial resources, for purposes of enhanced safety of your funds. For all of these reasons, the lowest cost custodian for you may not be recommended to you by us.

Soft Dollars

We receive no soft dollar benefits.

Order Aggregation

We have chosen to not aggregate (combine) the trades of our clients. This is due to the fact that all trade decisions are reviewed for near-term and long-term tax efficiency, which requires individual analysis of most trading decisions. This individual analysis of trades does not lend itself to computer software programs which could aggregate trades.

Item 13: Review of Accounts

Portfolio Reviews and Rebalancing of your portfolio, for the assets held under management with us will be undertaken: (1) periodically and (2) upon request.

Additional Portfolio Reviews are undertaken upon your request, such as when special cash needs arise or when additional cash or securities are added to the investment portfolio. We will respond to such requests within a reasonable period of time.

Only no-load stock and bond and money market mutual funds and exchange-traded funds may be sold or purchased by us in the event of such a portfolio rebalancing. Only funds in such asset classes (or combinations thereof) as may have been approved (in your Investment Policy Statement or any amendments thereto, or which are currently approved by our Investment Committee) may be purchased by us.

Preference is given to purchase additional shares in those stock mutual funds which you currently own, unless for such valid reason as we determine (avoiding wash sale rules, fund closing, etc.) a substitute fund is, in our judgment, more appropriate.

In undertaking rebalancing actions, we will seek to rebalance one or more asset classes closer to the targets. We may decline to rebalance a specific asset class, due to tax concerns, high transaction costs relative to the trade amount, or other reasons.

Regular Reports

Quarterly Reports from us of your investment portfolio, including a consolidated inventory of the investments upon which advice is provided to you and a portfolio rebalancing analysis, are provided. Such reports may also include a performance report of your portfolio. In addition, in January or February of each calendar year, you may be provided with a realized gains and loss report for any taxable accounts which are under management to aid your CPA/accountant/tax preparer in income tax preparation.

We may also offer periodic data for other investment accounts upon which we provide advice, not held at the foregoing custodians, if such information can be obtained from our account aggregation services, and provided your consent is obtained to furnish such account aggregation service with any account passwords required to access account information.

While we are hopeful that the information supplied by custodians and data aggregation services is reliable, we cannot guarantee its accuracy.

Clients may also directly access account information at the custodians with which the accounts are held online (specifically Charles Schwab & Co.), each and every business day, via the secure web sites of these institutions.

Monthly or Quarterly Statements Directly from Account Custodians are sent to you directly from the corresponding brokers, banks, mutual funds, partnership sponsors, and/or insurance companies which hold your investments. These statements reflect the assets in the custodian's custody, together with confirmations of each transaction executed in the account(s) if desired by you. For some custodians, you may elect to receive these statements by e-mail rather than U.S. mail.

You are strongly encouraged to review the monthly or quarterly statements you receive from custodians. Despite the best efforts of any firm to safeguard client's assets, fraud could still occur. While we hope that you trust our firm and advisors, and we have never had an instance of theft of client funds, we believe it is nevertheless important for you to verify your investment holdings.

We also encourage clients to timely compare the account statements received from us with those received directly from the custodian. Should you detect any unauthorized trading in an account, or unauthorized transfers of cash or securities, you are asked to contact Michael J. Leffler, at 559-432-8400.

Item 14: Payment for Client Referrals

We do not provide to or accept compensation from any person for client referrals. Referrals to other professionals may be undertaken where appropriate to meet your needs

Incoming Referrals

We have been fortunate to receive many client referrals over the years. The referrals came from current clients, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources. The firm does not compensate referring parties for these referrals.

Referrals Out

We do not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

Other Compensation

We do not receive any commissions or referral fees for any recommendations we make to other professionals.

Item 15: Custody

It is our policy to not accept custody of your securities. In other words, we are not granted access to your accounts which would enable us to withdraw or transfer or otherwise move funds or cash from any of your account(s) to our accounts or the account of any third party (other than for purposes of fee deductions). However, with your consent, we may be provided with the authority to seek deduction of our fees from your accounts; this process generally is more efficient for both you and us, and there may be tax benefits for you to this method when fees can be paid from certain tax-deferred accounts.

Item 16: Investment Discretion

We do not accept discretion over your accounts. Therefore, all trading will be with your consent.

You approve the custodian to be used and the commission rates paid to the custodian. We do not receive any portion of the transaction fees or commissions paid by you to the custodian on certain trades.

Item 17: Voting Client Securities

Generally, we will vote proxies for client account holdings. Client may delegate the responsibility to us or choose to vote proxies themselves. Our primary objective when voting proxies is to uphold the interests of the portfolio's beneficial owners, that is, to protect and enhance the value of portfolio assets. We will generally vote for or against proposals as indicated below. However, we will exercise discretion at any time when voting practice is inconsistent with the primary objective. We usually vote for routine business decisions, Auditors, Directors, and Indemnification of Directors. We usually vote against issuing new classes of common stock with unequal voting rights and adoption of super majority provisions. We also individually consider reorganization/merger agreements, dissident proxy battles, and proposals not specified above.

Item 18: Financial Information

We accept limited forms of discretion over your accounts, as described in Item 16 of this Brochure. Due to this acceptance, we are required to disclose any financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. We currently possess no such financial condition. We have never been the subject of a bankruptcy proceeding.

Additional Information

California Code

The California Code of Regulations imposes two notice requirements upon financial advisers: (a.) lower cost comparable services may be available from others, and (b.) the possibility exists for a conflict of interest between client interests and ours. Clients are under no obligation to purchase advice or services from Portfolio Advisors, Inc.

All material conflicts of interest have been disclosed regarding the adviser, its representatives or any of its employees.

Business Continuity Plan

General

We have a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people. The Business Continuity Plan covers natural and manmade disasters. Electronic files are backed up daily and archived offsite.

Alternate Offices

An alternate office has been identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact you within five days of a disaster that dictates moving our office to an alternate location.

Privacy Notice

We are committed to maintaining the confidentiality, integrity and security of the personal information that is entrusted to us. The categories of nonpublic information that we collect from you may include information about your personal finances, information about your health to the extent that it is needed for the financial planning process, information about transactions between you and third parties, and information from consumer reporting agencies, e.g., credit reports. We use this information to help you meet your personal financial goals.

With your permission, we disclose limited information to attorneys, accountants, and mortgage lenders with whom you have established a relationship. You may opt out from our sharing information with these nonaffiliated third parties by notifying us at any time by telephone, mail, fax, email, or in person. With your permission, we share a limited amount of information about you with your brokerage firm in order to execute securities transactions on your behalf.

We maintain a secure office to ensure that your information is not placed at unreasonable risk. We employ a firewall barrier, secure data encryption techniques and authentication procedures in our computer environment.

We do not provide your personal information to mailing list vendors or solicitors. We require strict confidentiality in our agreements with unaffiliated third parties that require access to your personal information, including financial service companies, consultants, and auditors. Federal and state securities regulators may review our Company records and your personal records as permitted by law.

Personally identifiable information about you will be maintained while you are a client, and for the required period thereafter that records are required to be maintained by federal and state securities laws. After that time, information will be destroyed.

We will notify you in advance if our privacy policy is expected to change. We are required by law to deliver our Privacy Policy to you annually, in writing.

Portfolio Advisors, Inc.
CRD Number: 106111

FORM ADV Part 2 B
("BROCHURE SUPPLEMENT")

SEC File Number: 801-38220

Brochure Supplement (Part 2 B of Form ADV)

**Portfolio Advisors, Inc.
7571 N. Remington Avenue, Suite 105
Fresno, CA 93711-5799**

**PHONE
559-432-8400**

**FAX
559-432-8401**

**WEBSITE
<http://www.portadvisors.com>**

**EMAIL
Michael J. Leffler (mike@portadvisors.com)**

This brochure supplement provides information about Michael J. Leffler, CFP; William M. Thompson, CFP; Kenneth E. Hatfield; and Tina Mistry that supplements the Portfolio Advisors, Inc. brochure. You should have received a copy of that brochure. Please contact us if you did not receive Portfolio Advisors, Inc.'s brochure or if you have any questions about the contents of this supplement.

Additional information about Michael J. Leffler, CFP; William M. Thompson, CFP; Kenneth E. Hatfield; and Tina Mistry are available on the SEC's website at www.adviserinfo.sec.gov.

**DATE
March 19, 2012**

Professional Certifications

Employees have earned certifications and credentials that are required to be explained in further detail.

Certified Financial Planner (CFP®): Certified Financial Planners are licensed by the CFP Board to use the CFP mark. CFP® certification requirements:

- Bachelor's degree from an accredited college or university.
- Completion of the financial planning education requirements set by the CFP Board (www.cfp.net).
- Successful completion of the 10-hour CFP® Certification Exam.
- Three-year qualifying full-time work experience.
- Successfully pass the Candidate Fitness Standards and background check.

Michael J. Leffler, CFP®

Item 2. Educational Background and Business Experience:

- * Year of birth: 1970
- * Institutions
University of California, Davis, CA, B.S. 1993 Environmental Policy Analysis & Planning
International Board for Certified Financial Planners: Certified Planner (1997)

Business Experience:

Portfolio Advisors, Inc., Fresno, CA, President, Financial Advisor, 2008 - Present
Portfolio Advisors, Fresno, CA, General Partner, Financial Advisor, 2003 - 2008
Portfolio Advisors, Fresno, CA, Financial Advisor, 1998 - 2002

Item 3. Disciplinary Information

None

Item 4. Other Business Activities:

None

Item 5. Additional Compensation:

None

Item 6. Supervision:

Michael J. Leffler is the President and Chief Compliance Officer. As such, Michael J. Leffler is responsible for all advice provided to clients.

William M. Thompson, CFP®

Item 2. Educational Background and Business Experience:

* Year of birth: 1942

* Institutions

International Board for Certified Financial Planners: Certified Financial Planner (1998)

Bakersfield Junior College, Bakersfield, CA, AA, 1961

San Jose State College, San Jose, CA, BS, 1965

Business Experience:

Portfolio Advisors, Inc., Fresno, CA, Financial Advisor, 2008 - Present

Portfolio Advisors, Fresno, CA, Financial Advisor, 1995 – 2008

Item 3. Disciplinary Information:

None

Item 4. Other Business Activities:

None

Item 5. Additional Compensation:

None

Item 6. Supervision:

William M. Thompson is supervised by Michael J. Leffler, President. He reviews William M. Thompson's work through frequent office interactions as well as remote interactions. He also reviews William M. Thompson's activities through our client relationship management system.

Supervisor's contact information:

PHONE: 559-432-8400

EMAIL: Michael J. Leffler (mike@portadvisors.com)

Kenneth E. Hatfield

Item 2. Educational Background and Business Experience:

* Year of birth: 1952

* Institutions

Fresno City College – Associate in Arts Degree -1973

California State University Fresno – Bachelor of Science Degree Social Sciences -1976

Business Experience:

Portfolio Advisors, Inc., Fresno, CA, Director of Client Relations and Financial Advisor;
2011 - Present

The Fresno Bee, Fresno, CA, VP of Community Relations and Senior Circulation
Manager, 1972 - 2011

Item 3. Disciplinary Information:

None

Item 4. Other Business Activities:

None

Item 5. Additional Compensation:

None

Item 6. Supervision:

Kenneth E. Hatfield is supervised by Michael J. Leffler, President. He reviews Kenneth E. Hatfield's work through frequent office interactions as well as remote interactions. He also reviews Kenneth E. Hatfield's activities through our client relationship management system.

Supervisor's contact information:

PHONE: 559-432-8400

EMAIL: Michael J. Leffler (mike@portadvisors.com)

Tina Mistry

Item 2. Educational Background and Business Experience:

* Year of birth: 1985

* Institutions

California State University, Fresno, CA, 2007, BS Business Administration

Business Experience:

Portfolio Advisors, Inc., Fresno, CA, Financial Advisor, 2011 - Present

Portfolio Advisors, Inc., Fresno, CA, Assistant, 2006 - 2011

Item 3. Disciplinary Information:

None

Item 4. Other Business Activities:

None

Item 5. Additional Compensation:

None

Item 6. Supervision:

Tina Mistry is supervised by Michael J. Leffler, President. He reviews Tina Mistry's work through frequent office interactions as well as remote interactions. He also reviews Tina Mistry's activities through our client relationship management system.

Supervisor's contact information:

PHONE: 559-432-8400

EMAIL: Michael J. Leffler (mike@portadvisors.com)