

FORM ADV Part 2B

Brochure Supplement for Guerdon T. Ely

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This brochure supplement provides information about Guerdon T. Ely that supplements the Ely Prudent Portfolios, LLC brochure. You should have received a copy of that brochure. Please contact Guerdon T. Ely if you did not receive Ely Prudent Portfolios, LLC's brochure or if you have any questions about the contents of this supplement.

Additional information about Guerdon T. Ely is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for Guerdon T. Ely is 1198844.

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Name of Investment Adviser: Ely Prudent Portfolios, LLC
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This part of Form ADV gives information about the investment adviser and its business for the use of clients.
This information has not been approved or verified by any governmental authority.

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Item 2. Educational Background and Business Experience

Guerdon T. Ely

- born in 1949
- B.S. Economics, University of California, Santa Barbara
- Masters of Business Administration (MBA), California State University, Chico
- Certified Financial Planner® (CFP®), College for Financial Planning
- Accredited Investment Fiduciary Analyst® (AIFA®), Center for Fiduciary Studies, at the University of Pittsburgh
- 11/2006 to Present - Ely Prudent Portfolios, LLC, owner/advisor
- 6/2002 to 5/2007 - Prudent Investor Advisors, LLC, owner/advisor
- 9/1996 to 6/2002 - Silver Oak Advisory Group of Oregon, Inc., adviser
- 1990 to 1997 - Ely Financial Services, owner/adviser/registered representative
- 1985 to 1989 - Ely & Joksche Insurance & Financial Services, general agent/registered representative

CFP® Certification Explanation

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP” marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board’s *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

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Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

AIFA® Designation Explanation

AIFA designees' primary function is to perform, or assist in, assessments of an Investment Steward's, Advisor's, or Manager's conformance to a Global Fiduciary Standard of Excellence using fi360's ISO¹-like procedure of assessment. AIFA designees possess the ability and knowledge to advise clients of deficiencies in investment processes. It is also the required mark to perform a CEFEX² Fiduciary Certification, the independent recognition of a fiduciary's conformity to all fiduciary Practices and Criteria.

Item 3. Disciplinary Information.

Guerdon Ely has not been involved in, nor had any convictions for, theft, fraud, bribery, perjury, forgery, counterfeiting, extortion or violations of securities laws.

Item 4. Other Business Activities

Guerdon Ely is not actively engaged in any other business than giving investment advice. Guerdon Ely is not engaged in other financial industry activities or affiliations.

¹ ISO: International Standard for Organization

² CEFEX is an independent global assessment and certification organization. It works closely with investment fiduciaries and industry experts to provide comprehensive assessment programs to improve risk management for institutional and retail investors. CEFEX certification helps determine the trustworthiness of investment fiduciaries.

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Item 5. Additional Compensation

Guerdon Ely does not receive any economic benefit, such as sales awards, travel or other prizes or compensation other than fees regular fees charged as outlined in ADV 2A for investment advisory services.

Guerdon Ely does NOT directly or indirectly compensate any person for client referrals.

Item 6. Supervision

All EPP advisers are required to adhere to a passive asset allocation strategy that is implemented with low cost index or asset class funds, whenever possible. For those clients that EPP provides ongoing money management and investment advice, supervised advisers are required to prepare written investment policy statements and/or other guidelines that are reviewed and approved by the supervising person. For other advising clients, advisers are required to provide advice in writing that is reviewed and approved by the supervising person.

Guerdon T. Ely, the owner and principal of EPP, is the supervising person. His phone number is (530) 895-0636; his email address is gtely@elyportfolios.com.

Item 7. Requirements for State-Registered Advisers

Guerdon Ely has never been the subject of a bankruptcy petition nor has he ever been involved in any of the following events:

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
 - (a) an investment or an investment-related business or activity;
 - (b) fraud, false statement(s), or omissions;
 - (c) theft, embezzlement, or other wrongful taking of property;
 - (d) bribery, forgery, counterfeiting, or extortion; or
 - (e) dishonest, unfair, or unethical practices.
2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
 - (a) an investment or an investment-related business or activity;
 - (b) fraud, false statement(s), or omissions;
 - (c) theft, embezzlement, or other wrongful taking of property;
 - (d) bribery, forgery, counterfeiting, or extortion; or
 - (e) dishonest, unfair, or unethical practices.