

Part 2A of Form ADV: *Firm Brochure*



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This brochure provides information about the qualifications and business practices of Prudent Investor Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at (866) 446-1848 or smorrison@prudentllc.com. 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. Additional information about Prudent Investor Advisors, LLC also 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. Our firm's CRD number is 121922.

Item 2 Material Changes

There have been no material changes to the brochure since the last annual amendment was filed in 2015.

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Item 4 Advisory Business

Prudent Investor Advisors, LLC (“Prudent”) began conducting business in 2007. As of April, 2011, Prudent began using Prudent Retirement Services as a brand to market retirement plan services to other investment professionals only and not to the general investing public. Prudent began using MYworkIRA™ in 2014 to market retirement plan services to business owners and their employees.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company):

- Gary K. Allen, Principal
- Jeffrey B. Coontz, Principal
- Wendall Scott Simon, Principal

Prudent offers the following advisory services to our clients:

INVESTMENT MANAGEMENT

Prudent provides investment management services to its clients on a discretionary and non-discretionary basis. When Prudent manages client assets on a discretionary basis, Prudent executes securities transactions for clients without having to obtain specific client consent prior to each transaction. Discretionary authority is limited to investments within a client's managed accounts and the investments options within a group plan when applicable. However, clients may impose restrictions on investing in certain securities or types of securities.

When Prudent manages client assets on a non-discretionary basis, Prudent notifies the client and obtains permission prior to the sale or purchase of each security within the managed account. Clients may decide not to invest in certain securities or types of securities and may refuse to approve securities transactions.

Prudent provides investment management services that include, among other things, advice regarding asset allocation and the selection of investments, retirement plan participant meetings, portfolio design including model portfolios, investment plan implementation and ongoing investment monitoring. Prudent relies on the stated objectives of the client and considers the client's risk profile and financial status and/or investment policy statement prior to making any recommendations. Prudent doesn't participate in wrap fee programs by providing portfolio management or any other services.

FINANCIAL PLANNING SERVICES

Prudent provides financial planning services consistent with a client's stated investment objectives, tolerance for risk, liquidity and suitability. To ensure that our initial determination of an appropriate portfolio remains suitable and that the account continues to be managed in a manner consistent with the client's financial circumstances, we will:

1. Send quarterly written reminders to each client requesting any updated information regarding changes in the client's financial situation and investment objectives;
2. At least annually, contact each participating client to determine whether there have been any changes in the client's financial situation or investment objectives, and whether the client wishes to impose investment restrictions or modify existing restrictions;
3. Be reasonably available to consult with the client; and
4. Maintain client suitability information in each client's file.

There is a potential conflict of interest because there is an incentive for Prudent to recommend investment management services for which it receives compensation. However, financial planning clients are under no obligation to act upon any recommendations of Prudent or to execute any transactions through Prudent if they decide to follow the recommendations.

AMOUNT OF MANAGED ASSETS

As of 12/31/2015, we were actively managing \$41,210,975 of clients' assets on a discretionary basis plus \$505,466,087 of clients' assets on a non-discretionary basis.

Item 5 Fees and Compensation

INDIVIDUAL ACCOUNTS

Annual fees are based on a percentage of assets under management and generally range from 0.60% to 0.95%.

Annualized Investment Management Fees

	Per Quarter	Per Year
Up to \$1 million	.2375%	.95%
Between \$1 – 5 million	.1500%	.60%
Over \$5 million	Negotiable	Negotiable

Fees are paid quarterly in arrears. They are payable on the first day of the calendar quarter, and are based on an account's asset value as of the last business day of the prior calendar quarter.

In addition to an investment advisory/management service fee, accounts may incur transaction costs, retirement plan administration fees, deferred sales charges on mutual funds initially deposited in an account, and 12b-1 fees and other mutual fund annual expenses as described in fund prospectuses.

Limited Negotiability of Advisory Fees: Prudent has established the aforementioned fee schedule, but retains the discretion to negotiate alternative fees on a client-by-client basis.

Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client's circumstances, assets to be placed under management, anticipated future additional assets; related accounts; family members and friends of associated persons of our firm; portfolio style, account composition, reports, among other factors. We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee. The specific annual fee schedule is identified in the contract between the adviser and each client.

ERISA ACCOUNTS

Fees are based upon a percentage of assets under management and generally range from 0.75% to 1.25%.

Annualized ERISA Fee Guideline

	Per Quarter	Per Year
Up to \$1 million	0.3125%	1.25%
Between \$1 – 10 million	0.25 %	1.00%
Between \$10 million - \$20 million	0.1875%	0.75%
Above \$20 million negotiable		

Fees are paid in arrears. They are payable on the first day of the calendar quarter or month, and are based on the account's asset value as of the last business day of the prior calendar quarter or month. In addition to an investment advisory/management service fee accounts may incur transaction costs, retirement plan administration fees, deferred sales charges on mutual funds initially deposited in the account, and 12 (b)(1) fees and other mutual fund annual expenses as described in the fund's prospectus.

The advisor has instituted a one-time plan implementation fee that is \$1,000 or less depending on the individual circumstances of the engagement. The implementation fee is due and payable immediately. The Adviser, at its discretion, reserves the right to waive all or part of this implementation fee as an incentive to encourage the immediate signing of an agreement for the provision of investment advisory services.

Limited Negotiability of Advisory Fees: Prudent has established the aforementioned fee schedule, but retains the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule.

The actual fee is negotiated based on factors that include the types of services being provided and the number of plan employees. The assets to be placed under management, anticipated future additional assets; portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client.

FINANCIAL PLANNING FEES

Financial planning fees are negotiable but generally fees are charged at the rate of \$200 to \$300 an hour or for a fixed fee that generally ranges from \$1,000 to \$25,000. The Adviser may also provide general non-securities advice on topics that may include tax and budgetary planning, estate planning and business planning. This is considered an integral part of the financial planning process and does not generate a separate fee. On occasion, the Adviser may enter into an agreement to offer financial consultation at a similar hourly rate as the financial planning rate.

When both investment management and financial planning services are offered, there is a conflict of interest since there is an incentive for the party offering financial planning services to recommend itself to be the investment manager. Clients of the Adviser, however, are under no obligation to act upon any recommendations of the Adviser or to effect any transactions through the Adviser if they decide to follow the Adviser's recommendations.

Either the client or the Adviser may terminate an account agreement at any time upon written notice. All fees are paid in arrears. There are no prepaid unearned fees. The Adviser will not assign client agreements to any other person without first securing the written permission of the client.

Prudent's Financial Planning fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

Our Financial Planning fees are calculated and charged on an hourly basis, ranging from \$200 to \$300 per hour. Although the length of time it will take to provide a Financial Plan will depend on each client's personal situation, we will provide an estimate for the total hours at the start of the advisory relationship. We may request a retainer upon completion of our initial fact-finding session with the client; however, advance payment will never exceed \$500 for work that will not be completed within six months. The balance is due upon completion of the plan.

The client is billed quarterly in arrears based on actual hours accrued.

GENERAL INFORMATION

Termination of the Advisory Relationship: A client agreement may be canceled at any time, by either party, for any reason upon receipt of written notice. All fees are paid in arrears upon completion. There are no prepaid unearned fees. The advisor will not assign client agreements to any other person.

Mutual Fund Fees: All fees paid to Prudent for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee.

If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Additional Fees and Expenses: In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

Advisory Fees in General: Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

Limited Prepayment of Fees: Under no circumstances do we require or solicit payment of fees in advance. All our fees are paid in arrears.

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

Prudent does not charge performance-based fees.

Item 7 Types of Clients

Prudent provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High Net Worth Individuals – Individuals who are “qualified clients” under rule 205-3 of the Advisers Act of 1940 or are “qualified purchasers”
- Pension and profit sharing plans (other than plan participants)
- Charitable organizations
- Other investment advisers
- State or municipal government entities

Grandfathering of Minimum Account Requirements: Pre-existing advisory clients are subject to Prudent's minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements will differ among clients.

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

METHODS OF ANALYSIS

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

Mutual and Exchange Traded Funds: Prudent follows a “passive” investment philosophy for the investment accounts it manages. Prudent primarily uses index mutual funds and selects them based on a variety of factors. These factors may include but are not limited to the fund’s overall expenses, performance in relation to its peers, diversification and correlation in relation to the other portfolio holdings. A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector.

Variable Annuities: The criterion used to analyze subaccounts is similar to the processes used for mutual and exchange traded funds.

Variable Life Insurance: The criterion used to analyze subaccounts is similar to the processes used for mutual and exchange traded funds.

Public Equity: We rely on rating agencies and other publicly-available sources of information about these securities. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

INVESTMENT STRATEGIES

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term purchases: We purchase securities with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when we want exposure to a particular asset class over time, regardless of the current projection for this class. Prudent is not involved in the frequent trading of securities.

RISK OF LOSS

Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk. The Adviser doesn't recommend a type of security that involves significant or unusual risks.

Item 9 Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. Our firm and our management personnel have no reportable disciplinary events to disclose.

Reportable violations include: Having been found guilty of or has any criminal or civil actions pending in a domestic, foreign or military court; any administrative proceedings pending before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority.

Having been found by any SRO to have caused an investment-related business to lose its authorization to do business, or to have been involved in violating the SRO's rules, or were barred or suspended from membership or from associating with other members, or were expelled from membership, otherwise significantly limited from investment-related activities, or fined.

Item 10 Other Financial Industry Activities and Affiliations

Our firm and our related persons are not engaged in other financial industry activities and have no other industry affiliations. W. Scott Simon, a member of our firm's management, is an attorney licensed to practice law in the state of CA. However, this individual does not currently provide direct legal services to any client in that capacity and will not act in this capacity for any advisory client of Prudent.

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Prudent and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons.

Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions. Prudent's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information.

While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to smorrison@prudentllc.com, or by calling us at (866) 446-1848.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Prudent is not involved in any transactions as a principal. Neither Prudent nor any associated person recommends that clients buy from or sell securities to other clients.

Prudent recommends that clients invest in primarily mutual funds and ETFs. The Adviser and its associated persons may invest in the same types of assets. Permitted investments for associated persons are all asset classes.

Associated persons may own an interest in or buy or sell for their own accounts the same securities, which may be recommended to advisory clients. Associated persons seek to ensure that they do not personally benefit from the short-term market effects of their recommendations to clients and their personal transactions are regularly monitored.

Associated persons are aware of the rules regarding material non-public information and insider trading. Associated persons may also buy or sell a specific security for their own account based on personal investment considerations, which the Adviser does not deem appropriate to buy or sell for clients.

Item 12 Brokerage Practices

For discretionary clients, Prudent requires these clients to provide us with written authority to determine the broker dealer to use and the commission costs that will be charged to these clients for these transactions. These clients must include any limitations on this discretionary authority in this written authority statement. Clients may change/amend these limitations as required. Such amendments must be provided to us in writing.

Prudent does not have any soft-dollar arrangements and does not receive any soft-dollar benefits.

As a matter of policy and practice, Prudent does not generally block client trades and, therefore, we implement client transactions separately for each account. Consequently, certain client trades may be executed before others, at a different price and/or commission rate. Additionally, our clients may not receive volume discounts available to advisers who block client trades.

Prudent has an arrangement with Mid Atlantic Trust Company ("MATC") to provide custodial and other support services. Brokerage services may be provided through its affiliate Mid Atlantic Capital Corporation. Prudent will create model portfolios on the MATC platform using their mutual fund and ETF allocation and other portfolio management tools.

MATC executes the transactions necessary to apply the model to the applicable accounts when third party managers, individuals and other entities select a Prudent Investor Advisors, LLC model portfolio. Additionally MATC will execute transactions to rebalance and mirror changes to a Prudent Investor Advisors, LLC model portfolio.

When a third party investment adviser places a client account in a Prudent Investor Advisors, LLC model portfolio, Prudent will not make any determinations regarding the appropriateness of the investment regarding that client.

Prudent has an arrangement with National Financial Services LLC, and Fidelity Brokerage Services LLC (together with all affiliates, "Fidelity") through which Fidelity provides our firm with their "platform" services.

The platform services include, among others, brokerage, custodial, administrative support, record keeping and related services that are intended to support intermediaries like Prudent in conducting business and in serving the best interests of our clients but that may also benefit us.

Fidelity charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity enables Prudent to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges.

Fidelity's commission rates are generally considered discounted from customary retail commission rates. However, the commissions and transaction fees charged by Fidelity may be higher or lower than those charged by other custodians and broker-dealers. As part of the arrangement, Fidelity also makes available to our firm, at no additional charge to us, certain research and brokerage services, including research services obtained by Fidelity directly from independent research companies, as selected by Prudent (within specified parameters). These research and brokerage services are not used by our firm to manage accounts for which we have investment discretion.

As a result of receiving such services for no additional cost, we may have an incentive to continue to use or expand the use of Fidelity's services.

We examined this potential conflict of interest when we chose to enter into the relationship with Fidelity and have determined that the relationship is in the best interests of Prudent's clients and satisfies our client obligations, including our duty to seek best execution. A client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where we determine in good faith that the commission is reasonable in relation to the value of the brokerage and research services received.

In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, while Prudent will seek competitive rates, to the benefit of all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions.

Although the investment research products and services that may be obtained by us will generally be used to service all of our clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account. Prudent and Fidelity are not affiliated, and no broker-dealer affiliated with us is involved in the relationship between Prudent and Fidelity.

Item 13 Review of Accounts

ERISA PLANS

REVIEWS: Prudent reviews client's Investment Policy Statement (IPS) whenever the client advises us of a change in circumstances regarding the needs of the plan. Prudent will also review the investment options of the plan according to the agreed upon time intervals established in the IPS. Such reviews will generally occur quarterly.

These accounts are reviewed by: Gary Allen, Principal

REPORTS: Prudent Investor Advisors, LLC will provide reports to Pension Consulting Services clients based on the terms set forth in the client's Investment Policy Statement (IPS).

OTHER ACCOUNTS

REVIEWS: Accounts are reviewed on at least a quarterly basis. Accounts are reviewed in the context of the stated investment objectives and guidelines of each client or model portfolio and in the context of any investment restrictions. More frequent reviews may be triggered by material changes in variables such as individual circumstances, the market, political or economic environment.

These accounts are reviewed by: Jeff Coontz, Principal

REPORTS: In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer, we provide quarterly reports summarizing account performance, balances and holdings.

FINANCIAL PLANS

REVIEWS: While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews of financial plans will be conducted unless otherwise agreed upon.

REPORTS: Financial Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise agreed upon.

Item 14 Client Referrals and Other Compensation

Prudent may engage solicitors to whom it will pay cash or a portion of the fees paid by clients referred by those solicitors. All solicitors who refer clients will be in compliance with the requirements of the jurisdiction where they operate. When applicable the solicitors will be licensed as investment advisers or notice filed in the appropriate jurisdictions.

Whenever Prudent compensates solicitors for referrals, the effected clients will receive a disclosure document discussing the referral fees paid and informing the client about whether the client or the Adviser pays the fee.

It is Prudent's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

Item 15 Custody

We directly debit advisory fees from client accounts. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Prudent doesn't accept custody of client funds or securities. Client assets are held by qualified custodians.

Item 16 Investment Discretion

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell; and/or
- determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Item 17 Voting Client Securities

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for:

(1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and

(2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets. We do not offer any consulting assistance regarding proxy issues to clients.

Item 18 Financial Information

Under no circumstances do we require or solicit payment of fees in advance of services rendered. Therefore, we are not required to include a financial statement. There is no financial condition that is reasonably likely to impair Prudent's ability to meet its contractual commitments to its clients.

Prudent has not been the subject of a bankruptcy petition at any time during the past ten years.