

**Part 2A of Form ADV: Firm Brochure**

Item 1 Cover Page

**Form ADV Part 2 Narrative**

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This brochure provides information about the qualifications and business practices of Pacific Coast Investment Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at (877) 411-7242. 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 Pacific Coast Investment Advisors also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

The title of "registered investment adviser" or describing oneself as being "registered," does not imply a certain level of skill or training, but requires successfully passing an examination to be a "registered investment adviser" with the appropriate regulatory agencies.

Item 2 Material Changes

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Item 4 Advisory Business

Pacific Coast Investment Advisors, LLC has been in business since 2006, and is wholly owned by John J Murphy. Pacific Coast Investment Advisors LLC offers investment advisory and portfolio management services. Pacific Coast Investment Advisors LLC manages \$3.1 million in non-discretionary assets, and \$49.5 million in discretionary assets as of 02-28-2011. Clients can place restrictions on types of securities to be excluded, such as tobacco companies, or minimum bond quality ratings for their accounts. Portfolio's consist of a variety of U.S. common stock, U.S. Treasury and governmental agency obligations, municipal bonds, corporate bonds, insured certificates of deposit, no-load mutual funds (including money market funds), and ETF's. ADR's may be included in the portfolios but not to exceed 10% of portfolio value. We do not include options, futures, insurance, limited partnership or real estate, except publically traded REIT's (real estate investment trusts).

Item 5 Fees and Compensation

Pacific Coast Investment Advisors LLC charges a fee as a percentage of your account value. The fee schedule is detailed in appendix A. Our fees are negotiable. Fees are deducted from client accounts at the client's custodian and paid on a quarterly basis in advance. The custodian may charge brokerage commissions on securities transactions which are additional to our management fee. More information about custodian brokerage fees can be found on their websites. Fees associated with Pacific Coast Investment Advisors LLC are billed quarterly in advance, and any refund is prorated. To prorate the fee Pacific Coast Investment Advisors LLC determines the number of days which have already passed in the quarter and divides this number by the total number of days in the quarter. The remaining unused balance is the amount refunded to the client. Some accounts are managed for a specific dollar amount, not as a percent of assets.

Pacific Coast Investment Advisors LLC receives no compensation for the purchase or sale of any securities or other investment products. Pacific Coast Investment Advisors LLC uses only no load mutual funds for the mutual fund portion of the portfolios we manage. Compensation from the purchase or sale of securities or other investment products presents a conflict of interest and

gives the salesperson or the supervised person an incentive to recommend investment products based on the compensation received, rather than on a client's needs. Since Pacific Coast Investment Advisors LLC receives no compensation from the purchase or sale of securities or mutual funds, we are free of this conflict of interest.

Pacific Coast Investment Advisors LLC does not participate in any performance-based fees. We do not share in any profits or losses in the client's portfolios.

Item 7      Types of *Clients*

The services of Pacific Coast Investment Advisors LLC are available to individuals, trusts, and small businesses. Pacific Coast Investment Advisors LLC has a minimum account size of \$300,000 but exceptions are made for friends and family of current clients. Small retirement accounts are accepted if the client meets the \$300,000 minimum in other accounts.



Pacific Coast Investment Advisors LLC employs qualitative and quantitative analysis when performing fundamental securities valuation. Investing in securities involves potential risk of loss which clients should be prepared to bear. Portfolios are diversified by sector, industry, quality, and number of securities in an effort to reduce various types of risk. Fundamental analysis is used and drawn from both company and industry reports. We review the company's annual and quarterly reports as well as other SEC filings. Independent financial research services are used as well as corporate rating services. There is an effort made to hold securities long term, over one year, but market volatility and tax harvesting may affect holding periods. We may engage in short term trading, 30 days or less, if it is advantageous to the portfolios, but our intention is to have longer term holding periods.

Item 9      Disciplinary Information

Pacific Coast Investment Advisors LLC or its owner or employees have not been involved with nor were the subject of any criminal or civil action in a domestic, foreign or military court of competent jurisdiction. Pacific Coast Investment Advisors LLC or its owner or employees are not involved with nor were the subject of any administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority. Pacific Coast Investment Advisors LLC is not involved with nor the subject of any self-regulatory organization (SRO) proceeding.

Charles Schwab Institutional provides Pacific Coast Investment Advisors LLC with administrative support and we purchase portfolio management software from them. This relationship does not create a material conflict of interest because the client or potential client has the option of having a different custodian than Charles Schwab Institutional, while still having Pacific Coast Investment Advisors LLC as the advisor. Other custodians which clients have used are Fidelity, Morgan Stanley, Chase Manhattan Bank, Wells Fargo Bank, and Vanguard.

Pacific Coast Investment Advisors LLC will select other portfolio managers and no load mutual funds for our clients. We charge an account management fee as a percentage of the account if we manage the account internally or select other managers. We receive no other fees, commissions or inducements to select one manager, mutual fund or custodian over any other.

Pacific Coast Investment Advisors LLC is open to working with any custodian with which a client or potential client may want to maintain a relationship.

Pacific Coast Investment Advisors LLC will provide a copy of the adopted code of ethics to any client or prospective client upon request. Our duty is to act as a fiduciary and our clients' interests always come first. Pacific Coast Investment Advisors, LLC will act with integrity, competence, diligence, respect, and in an ethical manner with clients and prospective clients.

We fully disclose any possible or potential conflicts of interest. Pacific Coast Investment Advisors, LLC does not purchase or sell any securities from any client for the account of Pacific Coast Investment Advisors, LLC, nor do we purchase or sell any securities from Pacific Coast Investment Advisors, LLC to any client. This practice is a fundamental conflict of interest and contrary to a basic fiduciary relationship.

Pacific Coast Investment Advisors LLC, its owner or employees may invest in the same securities which Pacific Coast Investment Advisors LLC purchases for our clients. Securities for Pacific Coast Investment Advisors LLC and/or its employees and owner are purchased or sold at the same time and price as client securities. To avoid any conflicts of interest and pricing

differences, the use of block trading and average price allocation is used. Monitoring company and related personal account activity to safeguard against front running, short selling, or other types of market manipulation to the detriment of client interest is done regularly.

Pacific Coast Investment Advisors LLC does not participate in soft dollar arrangements with any broker-dealer.

Pacific Coast Investment Advisors LLC does not consider, in selecting or recommending broker-dealers, whether the firm or any related persons receive client referrals from said broker-dealer or third party and we have received no referrals from broker-dealers, custodians, mutual funds or outside advisors.

Pacific Coast Investment Advisors LLC does permit a client to direct brokerage transactions to other broker-dealers. Pacific Coast Investment Advisors LLC discloses to the client requesting the use of a specific broker-dealer, that directing brokerage transactions may cost clients more money. We recommend clients use the custodian which holds their assets in most cases, and we explain the difference in costs.

Pacific Coast Investment Advisors LLC uses whenever applicable the practice of block

trading securities for all client accounts in one large order rather than numerous small orders. If a security resides in more than one account, then block trading is used, otherwise trades are entered at the account level. If trades are entered individually for a list of clients trading the same security, the accounts farther down the list can potentially receive a higher price when buying and a lower price when selling. Block trading provides a weighted average of the prices received and then gives the same price to all clients, so no client benefits at the expense of any other client.

Pacific Coast Investment Advisors LLC monitors all accounts under management continually.

There is also an annual review which consists of reviewing the client's account objectives, risk tolerance, and suitability of investments. Reviews are conducted by the principal owner John J Murphy.

Pacific Coast Investment Advisors LLC provides periodic reviews other than annually which are triggered by a client request, inheritance, significant deposit/withdrawal, or a significant market movement.

Pacific Coast Investment Advisors LLC provides quarterly report to all clients. Reports include positions, current value, cost basis, current yield if any, weighting, total account value, maturity schedule, average credit rating, performance, and fees. Reports are generated internally from data downloaded to Pacific Coast Investment Advisors LLC from Charles Schwab Institutional and other custodians.



Item 14      *Client Referrals and Other Compensation*

Pacific Coast Investment Advisors has no relationship with nor has ever had a relationship with an outside firm or related person who provides referrals of potential or current clients for compensation. It is our hope that our personal service will inspire referrals from satisfied clients.

Item 15      *Custody*

Pacific Coast Investment Advisors LLC does not have custody of any client assets. Client assets are held by their custodian who delivers monthly account statements, and quarterly statements are sent from Pacific Coast Investment Advisors LLC. Clients are encouraged to compare the two sets of statements to ensure accuracy.

Item 16 Investment Discretion

Pacific Coast Investment Advisors LLC does have discretionary authority over most client accounts. Pacific Coast Investment Advisors LLC has a signed advisory contract in which each client specifically directs discretionary or non-discretionary authority to Pacific Coast Investment Advisors LLC to manage their accounts. Non-discretionary accounts are an exception to our normal process and are discouraged.

Item 17      Voting *Client* Securities

Pacific Coast Investment Advisors LLC does not vote proxies. Clients receive proxies directly from their custodian. Pacific Coast Investment Advisors LLC does not render advice about how to vote proxies.

Item 18 Financial Information

Pacific Coast Investment Advisors LLC is a solvent entity which has zero long term debt.

Principal and owner: John J Murphy

Born: 1946

Formal Education:

1971-1972: San Francisco State University

1969-1970: DeAnza College

Business Background:

2006-Present: Registered Investment Advisor, owner Pacific Coast

Investment Advisors, LLC

1993-2006: Registered Representative, Morgan Stanley

1983-1993: Registered Representative, Merrill Lynch

Pacific Coast Investment Advisors LLC does not engage in any business other than giving investment advice and managing securities portfolios.

Appendix A

NON-PROGRESSIVE ACCOUNT FEES

Rate Level	Asset Range	Equities, Equity Funds & ETFs	Fixed Income, Bond Funds & ETFs
A	\$0-\$250,000	1.50%	0.65%
B	\$250,001 - \$500,000	1.25%	0.60%
C	\$500,001 - \$1,000,000	1.00%	0.50%
D	\$1,000,001 - \$3,000,000	0.80%	0.40%
E	\$3,000,001 - \$5,000,000	0.65%	0.35%
F	\$5,000,001 - \$10,000,000	0.55%	0.30%
G	\$10,000,001 - \$25,000,000	0.40%	0.25%
H	\$25,000,001 & Up	Negotiable	Negotiable