



Part 2A of Form ADV: Firm Brochure

2598 Fortune Way, Suite G • Vista, CA 92081

(760) 597-9255 • fax (760) 597-9259

(800) 455-1288

www.PrudentNetwork.com

February 18, 2020

This brochure provides information about the qualifications and business practices of Prudent Investors Network, Inc. ("PIN"). If you have any questions about the contents of this brochure, please contact us at (760) 597-9255 or elisa@prudentnetwork.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. PIN is a Registered Investment Adviser. Registration as an Investment Adviser with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Additional information about PIN is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as an IARD number. The IARD number for PIN is 127284.

ITEM 2 – MATERIAL CHANGES

This section of the Brochure will address only those “material changes” that have been incorporated since our last delivery or posting of this document on the SEC’s public disclosure website (IAPD) www.adviserinfo.sec.gov.

There have been no material changes since our last annual amendment January 16, 2019.

If you would like another copy of this Brochure, please download it from the SEC Website as indicated above or you may contact our Chief Compliance Officer, Elisa Williamson (760) 597-9255 or elisa@prudentnetwork.com.

We encourage you to read this document in its entirety.

ITEM 3 – TABLE OF CONTENTS	
ITEM 1 – COVER PAGE	1
ITEM 2 – MATERIAL CHANGES	2
ITEM 3 – TABLE OF CONTENTS	3
ITEM 4 – ADVISORY BUSINESS	4
ITEM 5 - FEES AND COMPENSATION	5
ITEM 6 - PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT	7
ITEM 7 - TYPES OF CLIENTS	8
ITEM 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS	8
ITEM 9 - DISCIPLINARY INFORMATION	12
ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	12
ITEM 11 - CODE OF ETHICS PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING	13
ITEM 12 - BROKERAGE PRACTICES	14
ITEM 13 - REVIEW OF ACCOUNTS	17
ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION	17
ITEM 15 – CUSTODY	18
ITEM 16 – INVESTMENT DISCRETION	18
ITEM 17 – VOTING YOUR SECURITIES	19
ITEM 18 – FINANCIAL INFORMATION	20

ITEM 4 – ADVISORY BUSINESS

This Disclosure document is being offered to you by Prudent Investors Network, Inc. (“PIN”) about the investment advisory services we provide. It discloses information about our services and the way those services are made available to you, the client.

We are an investment management firm located in Vista, California. We specialize in investment advisory services for fiduciaries, individuals, high net worth individuals, trusts, estates and other institutions. PIN became a registered investment adviser in April 2014. Ted Ong and Jeremy Lau are both 50% owners.

We are committed to helping clients build, manage, and preserve their wealth, and to provide assistance that helps clients to achieve their stated financial goals. We will offer an initial complimentary meeting upon our discretion; however, investment advisory services are initiated only after you and PIN execute an Investment Management Agreement.

Investment Management Services

We manage advisory accounts on a discretionary basis. Once we have determined a profile and investment plan with a client, we will execute the day-to-day transactions without seeking prior client consent. Account supervision is guided by the written profile and investment plan of the client. We may accept accounts with certain restrictions if circumstances warrant. We primarily allocate client assets among various exchange-traded funds (“ETFs”), equities, mutual funds, no-load, load-waived, or individual stocks, bonds, managed futures, hedging strategies, and other investments suitable for diversification and management of risk in securities accounts in accordance with their stated investment objectives.

During personal discussions with clients, we determine the client’s objectives, time horizons, risk tolerance and liquidity needs. As appropriate, we also review a client’s prior investment history, as well as family composition and background. Based on client needs, we develop a client’s personal profile and investment plan. We then create and manage the client’s investments based on that policy and plan. It is the client’s obligation to notify us immediately if circumstances have changed with respect to their goals.

Once we have determined the appropriate strategy for you and your family and executed the strategy, we will provide ongoing investment review and management services. This approach requires us to periodically review your portfolio.

With our discretionary relationship, we will make changes to the portfolio, as we deem appropriate, to meet your financial objectives. We trade these portfolios based on the combination of our market views and your objectives, using our investment process. We tailor our advisory services to meet the needs of our clients and seek to ensure that your portfolio is managed in a manner consistent with those needs and objectives.

Where appropriate, we provide advice about concentrated stock positions held in client portfolios. Clients will engage us to advise on certain investment products that are not maintained at their primary custodian, such as annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans).

You are advised and are expected to understand that our past performance is not a guarantee of future results. Certain market and economic risks exist that adversely affect an account's performance. This could result in capital losses in your account.

Consulting Services

We also provide clients investment advice on a more-limited basis on one-or-more isolated areas of concern such as fiduciary investing, compliance with probate codes including the Uniform Prudent Investor Act, tax loss harvesting, structured settlements, or any other specific topic. Additionally, we provide advice on non-securities matters about the rendering of estate planning, insurance, real estate, and/or annuity advice.

Wrap Fee Program

We do not offer a Wrap Fee Program.

Assets

As of December 31, 2019, PIN managed approximately \$150,038,665 in client assets on a discretionary basis, and no non-discretionary assets.

ITEM 5 - FEES AND COMPENSATION

Investment Management Fees and Compensation

PIN charges a fee as compensation for providing investment management services on your account. These services include advisory and consulting services, trade entry, investment supervision, and other account maintenance activities. Our recommended custodian may charge custodial fees, transaction fees, redemption fees, retirement plan and administrative fees or commissions. See ***Additional Fees and Expenses*** below for additional details.

The fees for portfolio management are based on an annual percentage of assets under management and are applied to the account asset value on a pro-rata basis and billed monthly in advance. The initial fee will be on the market value the date the account was funded, prorated for the number of days in the month that your account is under management. Thereafter, the monthly fee will be calculated on the close of the last business day of the prior calendar month. The market value will be determined as reported by the Custodian. Unless otherwise agreed upon and stated in the Management Agreement, fees are assessed on all assets under management, including securities, cash and money market balances. When

applicable and noted in the Management Agreement, legacy positions may be excluded from the fee calculation.

Calculation of the management fee rate is based on a tiered fee structure using the combined value of all PIN managed accounts within a client's household. The tier structure is as follows:

<u>Combined Value of Accounts Managed by PIN</u>	<u>Annual Fee</u>
\$2,000,000 and above	.80%
1,000,000 to 1,999,999	.99%
500,000 to 999,999	1.14%
250,000 to 499,999	1.3%
100,000 to 249,999	1.4%

An example of householding would be a client for whom PIN manages two accounts -- a joint account worth \$475,000 and an IRA worth \$50,000. Individually, they would be subject to fee rates of 1.3% and 1.4% respectively. Under householding, however, the combined value of the two accounts would be \$525,000, so both would be subject to a flat fee rate of only 1.14%. Partial withdrawals during the month will not result in a credit on management fees. In certain circumstances, our fees and the timing of the fee payments may be negotiated. Our employees and their family related accounts are charged a reduced fee for our services.

Accounts invested in the U50/U100 portfolios are charged an annual management fee of 0.50% for reporting, servicing, and managing the account. That is below the rates of our fully managed accounts, so they are not covered by the tier structure shown above and there is no householding of these smaller accounts.

Unless otherwise instructed by the client, we will aggregate asset amounts in accounts from your same household together to determine the advisory fee for all your accounts. We would do this, for example, where we also service accounts on behalf of your minor children, individual and joint accounts for a spouse, and/or other types of related accounts. This consolidation practice is designed to allow you the benefit of an increased asset total, which could potentially cause your account(s) to be assessed a lower advisory fee.

The independent qualified custodian holding your funds and securities will debit your account directly for the advisory fee and pay that fee to us. You will provide written authorization permitting the fees to be paid directly from your account held by the qualified custodian. Further, the qualified custodian agrees to deliver an account statement at least quarterly directly to you indicating all the amounts deducted from the account including our advisory fees. If there is activity in a month, a monthly statement will be sent. At our discretion, PIN will allow advisory fees to be paid by check as indicated in the Management Agreement. You are encouraged to review your account statements for accuracy.

Either PIN or you may terminate the management agreement immediately upon written notice to the other party. The management fee will be pro-rated to the date of termination, for the month in which the cancellation notice was given and the unearned fee refunded to you upon request. Upon termination, you are responsible for monitoring the securities in your account, and we will have no further obligation to act or advise with respect to those assets. In the event of client's death or disability, PIN will continue management of the account until we are notified of client's death or disability and given alternative instructions by an authorized party.

Consulting Fees

We provide expert witness and consulting services for clients who need advice on a limited scope of work. We will negotiate consulting fees with you. Fees are billed at \$350 an hour or a fixed negotiated fee for Consulting Services. An estimate for total hours will be determined before the work begins and the estimated fee may be due upon signing the advisory agreement. If the work expands beyond what was initially anticipated, PIN will consult with the client before proceeding. An additional retainer may be requested in such cases. The balance of the fee (based on actual hours) is due upon presentation of the plan to the client. An agreement may be canceled at any time by either party for any reason upon receipt of written notice. Upon termination, any prepaid, unearned fees will be refunded and any earned, unpaid fees will be due and payable. Additionally, certain research services may be provided at a charge of \$125 per hour. These fees may be negotiable.

Additional Fees and Expenses:

In addition to the advisory fees paid to PIN, clients also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively "Financial Institutions"). These additional charges include securities, transaction fees, custodial fees, fees charged by the Independent Managers, charges imposed directly by a mutual fund or ETF in a client's account, as disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Our brokerage practices are described at length in Item 12, below. Neither PIN nor its supervised persons accept compensation for the sale of securities or other investment products in managed accounts. Further, PIN does not share in any of these additional fees and expenses outlined above.

ITEM 6 - PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT

We do not charge advisory fees on a share of the capital appreciation of the funds or securities in a client account (so-called performance-based fees) nor engage side by side management.

ITEM 7 - TYPES OF CLIENTS

We provide investment advice to public guardians, public and private professional fiduciaries, family fiduciaries, conservators, individuals, trustees of family trusts and retirement plans, pooled investors and businesses. Our minimum initial account value is \$100,000; however, we may accept accounts for less than the minimum at our sole discretion.

ITEM 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Through completion of a questionnaire by the client (and possible follow up questions from PIN) in which goals and objectives based on a client's particular circumstances are established, PIN prepares and submits to the client an Investment Plan that includes a written investment policy and investment recommendation. This is standard for fiduciary accounts but may be done for any client who desires it. The questionnaire includes information related to annual income and expenses, life expectancy, and tax status.

PIN will create a portfolio including (but not necessarily limited to) ETFs. ETFs will be selected on the basis of any or all of the following criteria: economic outlook; effectiveness in diversifying the overall portfolio (non-correlation with other assets in the portfolio); the industry sector in which the position invests; the position's investment objectives; and the fee structure. PIN will allocate the client's assets among various investments taking into consideration the overall management style recommended to the client. Other types of investments may include mutual funds, individual stocks, bonds, managed futures, hedging strategies, and other investments suitable for diversification and management of risk in securities accounts. If mutual funds are used, they are acquired at Net Asset Value (meaning without the front load) in fee-based, managed accounts. Portfolio weighting between funds and market sectors will be determined by the objectives of the portfolio, including risk averseness. Clients will retain individual ownership of all securities.

PIN primarily uses ETFs. In instances when PIN uses mutual funds in our investment strategies, it is PIN's policy to purchase institutional share classes of those mutual funds, which generally offer lower expense ratios. The expense ratio is the annual fee that all mutual funds or ETFs charge their shareholders. It expresses the percentage of assets deducted each fiscal year for funds expenses, including 12b-1 fees, management fees, administrative fees, operating costs, and all other asset-based costs incurred by the fund. ETF and mutual fund expense ratios are in addition to our fee and we do not receive any portion of these charges. If an institutional share class is not available for the mutual fund selected, we will purchase the least expensive share class available for the mutual fund. If clients transfer mutual funds into their accounts with PIN, the clients would bear the expense of any contingent or deferred sales loads incurred upon selling the product. ETF and mutual fund expenses and fees are disclosed in the respective prospectus.

When selecting mutual fund investments for our clients' portfolios we might choose mutual funds on the custodian's Non-Transaction Fee (NTF) list. This means that the account custodian will not charge a transaction fee or commission associated with the purchase or sale of the mutual fund. The mutual fund companies that choose to participate in the custodian's NTF fund program pay a fee to be included in the NTF program. The fee that a mutual fund company pays to participate in the program is ultimately borne by the owners of the mutual fund including our clients. When we decide whether to choose a fund from the custodian's NTF list or not, we consider our expected holding period of the fund, the position size and the expense ratio of the fund versus alternative funds. Depending on our analysis and future events, NTF funds might not always be in the client's best interest.

To protect portfolios in the face of changing markets, PIN may participate in options, short-term trading (selling securities within 30 days of purchase), inverse funds and short sales.

A majority of PIN's managed accounts are designed to optimize the inflation-adjusted "total return" of the portfolio at appropriate levels of investment risk. "Total return" includes both capital appreciation and dividend income. The Uniform Prudent Investor Act (UPIA) emphasizes total return over the traditional pursuit of maximum "income." PIN notes that the Uniform Principal and Income Act (UPAIA) has been adopted in most states in conjunction with the UPIA, enabling income beneficiaries of "income-only" trusts to receive a portion of the capital gains in addition to the income. To ensure that the portfolio maintains real purchasing power, PIN's portfolios are carefully diversified to optimize total return while monitoring and managing portfolio-level risk at prudent levels. This enables PIN to avoid over emphasis on current income.

PIN's investment management discipline is based in Modern Portfolio Theory, a theory of investing that has won Nobel Prizes for three individuals. Its most basic principle is that diversification reduces the riskiness of a portfolio. It has shown that by incorporating non-correlating assets into a portfolio, total returns may be maintained while reducing the portfolio's overall level of risk. Effective diversification can reduce the risk of a portfolio even if the underlying assets may be quite volatile.

PIN's clients' accounts are placed in one of several managed portfolios depending on the objectives of the clients:

Income: Seeks to provide consistent income while maintaining a defensive risk profile. The benchmark for this portfolio is the iShares Core Conservative ETF, which typically has a 20% equity/80% fixed income split.

Conservative: Takes a defensive balanced approach, combining modest investment in equity securities with more exposure in fixed income producing assets. The benchmark for this portfolio is the iShares Core Moderate Allocation ETF, which typically has a 40% equity/60% fixed income split.

Moderate: Takes a balanced investment approach, combining modest investment in fixed income securities with more exposure in equity assets. The benchmark for this portfolio is the iShares Core Growth Allocation ETF, which typically has a 60% equity/40% fixed income split.

Growth: Seeks to provide equity-like returns for investors with longer-term time horizons and higher risk tolerance. The benchmark for this portfolio is the iShares Core Aggressive Allocation ETF which has an equity/fixed income split of 80%/20%.

U50: Designed for accounts less than \$100,000 and invests in a single highly rated mutual fund. Takes a balanced investment approach, combining modest investment in fixed income securities with more exposure in equity assets. The benchmark for this portfolio is the average of the iShares Core Growth Allocation ETF, which typically has a 60% equity/40% fixed income split.

U100: Designed for accounts less than \$100,000 and invests in a single highly rated mutual fund. Seeks to provide equity-like returns for investors with longer-term time horizons and higher risk tolerance. The benchmark for this portfolio is the iShares Core Aggressive Allocation ETF which has an equity/fixed income split of 80%/20%.

Risk of Loss

Clients must understand that past performance is not indicative of future results. Therefore, current and prospective clients should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities involves risk of loss. Further, depending on the different types of investments there will be varying degrees of risk. Clients and prospective clients should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, PIN is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines.

Investors should be aware that accounts are subject to the following risks:

Market Risk — Even a long-term investment approach cannot guarantee a profit. Economic, political and issuer-specific events will cause the value of securities to rise or fall. Because the value of investment portfolios will fluctuate, there is the risk that you will lose money and your investment may be worth more or less upon liquidation.

Foreign Securities and Currency Risk — Investments in international and emerging-market securities include exposure to risks such as currency fluctuations, foreign taxes and regulations, and the potential for illiquid markets and political instability.

Capitalization Risk — Small-cap and mid-cap companies may be hindered as a result of limited resources or less diverse products or services, and their stocks have historically been more volatile than the stocks of larger, more established companies.

Interest Rate Risk — In a rising rate environment, the value of fixed-income securities generally declines and the value of equity securities may be adversely affected.

Credit Risk — Credit risk is the risk that the issuer of a security may be unable to make interest payments and/or repay principal when due. A downgrade to an issuer's credit rating or a perceived change in an issuer's financial strength may affect a security's value and, thus, impact the fund's performance.

Securities Lending Risk — Securities lending involves the risk that the fund loses money because the borrower fails to return the securities in a timely manner or at all. The fund could also lose money if the value of the collateral provided for loaned securities, or the value of the investments made with the cash collateral, falls. These events could also trigger adverse tax consequences for the fund.

Exchange-Traded Funds — ETFs face market-trading risks, including the potential lack of an active market for shares, losses from trading in the secondary markets and disruption in the creation/redemption process of the ETF. Any of these factors may lead to the fund's shares trading at either a premium or a discount to its "net asset value."

Performance of Underlying Managers — We select the mutual funds and ETFs in our portfolios. However, we depend on the manager of such funds to select individual investments in accordance with their stated investment strategy.

Liquidity Risk - Liquidity risk exists when particular investments would be difficult to purchase or sell, possibly preventing clients from selling such securities at an advantageous time or price.

Cybersecurity Risk - In addition to the material risks listed above, investing involves various operational and "cybersecurity" risks. These risks include both intentional and unintentional events at PIN or one of our third-party counterparties or service providers, that may result in a loss or corruption of data, result in the unauthorized release or other misuse of confidential information, and generally compromise PIN's ability to conduct business. A cybersecurity breach may also result in a third-party obtaining unauthorized access to our clients' information, including social security numbers, home addresses, account numbers, account balances, and account holdings. PIN has established business continuity plans and risk management systems designed to reduce the risks associated with cybersecurity breaches. However, there are inherent limitations in these plans and systems, including that certain risks may not have been identified, in large part because different or unknown threats may emerge in the future. As such, there is no guarantee that such efforts will succeed, especially because PIN does not directly control the cybersecurity systems of our third-party service providers. There is also a risk that cybersecurity breaches may not be detected.

ITEM 9 - DISCIPLINARY INFORMATION

We do not have any legal, financial or other “disciplinary” item to report.

ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

PIN has no other financial industry activities or affiliations.

Insurance

Some of our IARs are also licensed insurance agents and sell various life insurance products, long term care and fixed annuities through the licensed insurance agency. Our IARs receive compensation (commissions, trails, or other compensation from the respective product sponsors) as a result of effecting insurance transactions for clients. A limited portion of the time IARs spend (generally less than 5%) is in connection with these insurance activities and it represents less than 5% of the ongoing revenue for our IARs. The adviser has an incentive to recommend insurance and this incentive creates a conflict of interest between your interests and PIN. Clients should note that they have the right to decide whether or not to engage the services of our IARs. Further, clients should note they have the right to decide whether to act on the recommendations and the right to choose any professional to execute the advice for any insurance products through our IAR or any licensed insurance agent not affiliated with PIN. We recognize the fiduciary responsibility to place your interests first and have established policies in this regard to avoid any conflicts of interest.

Clients should be aware that the ability to receive additional compensation by PIN and its management persons or employees creates conflicts of interest that impair the objectivity of PIN and these individuals when making advisory recommendations. PIN endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps, among others to address this conflict:

- we disclose to clients the existence of all material conflicts of interest, including the potential for PIN and our employees to earn compensation from advisory clients in addition to PIN’s advisory fees;
- we disclose to clients that they have the right to decide to purchase recommended investment products from our employees;
- we collect, maintain and document accurate, complete and relevant client background information, including the client’s financial goals, objectives, and risk tolerance;

- we conduct regular reviews of each client advisory account to verify that all recommendations made to a client are in the best interest of the client's needs and circumstances;
- we require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
- we periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by PIN; and
- we educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

IARs of PIN do not have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading adviser, or an associated person of the foregoing entities.

ITEM 11 - CODE OF ETHICS PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

We have developed and implemented a Code of Ethics that sets forth standards of conduct expected of our advisory personnel to mitigate this conflict of interest. The Code of Ethics addresses, among other things, personal trading, gifts, the prohibition against the use of inside information. The Code of Ethics is designed to protect our clients to detect and deter misconduct, educate personnel regarding PIN's expectations and laws governing their conduct, remind personnel that they are in a position of trust and must act with complete propriety at all times, protect the reputation of PIN, guard against violation of the securities laws, and establish procedures for personnel to follow so that we may determine whether their personnel are complying with PIN's ethical principles.

PIN and persons associated with us are allowed to invest for their own accounts or to have a financial investment in the same securities or other investments that we recommend or acquire for your account and may engage in transactions that are the same as or different than transactions recommended to or made for your account. This creates a conflict of interest. We recognize the fiduciary responsibility to act in your best interest and have established policies to mitigate conflicts of interest.

We have established the following restrictions in order to ensure PIN's fiduciary responsibilities:

1. A director, officer or employee of PIN shall not buy or sell any securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part,

by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No supervised employee of PIN shall prefer his or her own interest to that of the advisory client. Trades for supervised employees are traded alongside client accounts.

2. We maintain a list of all securities holdings of anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed on a regular basis by an appropriate officer/individual of PIN.
3. We emphasize the unrestricted right of the client to decline to implement any advice rendered, except in situations where we are granted discretionary authority of the client's account.
4. We require that all supervised employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
5. Any supervised employee not in observance of the above may be subject to termination.

You may request a complete copy of our Code of Ethics by contacting us at the telephone number on the cover page of this Part 2; Attn: Chief Compliance Officer.

ITEM 12 - BROKERAGE PRACTICES

PIN participates in the TD Ameritrade Institutional program and with National Financial Services through a relationship with Ceros Financial Services ("custodians"). TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC. National Financial Services and Ceros Financial Services are members FINRA/SIPC. All custodians are independent and unaffiliated SEC-registered broker-dealers. The custodians offer services to independent investment advisors that include custody of securities, trade execution, clearance and settlement of transactions.

There is no direct link between our participation in the program and the investment advice we give to our clients, although we receive economic benefits through our participation in the program that are typically not available to any other independent investment advisors participating in the program. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; and discounts on compliance, marketing, research, technology, and practice management products

or services provided to us by third party vendors. Our custodians also have paid for business consulting and professional services received by some of our related persons. Some of the products and services made available by our custodians through the program may benefit us but may not benefit your account. These products or services may assist us in managing and administering your account, including accounts not maintained at our custodians. Other services made available by our custodians are intended to help us manage and further develop our business enterprise. The benefits received by PIN or our personnel through participation in the program do not depend on the amount of brokerage transactions directed to our custodians. As part of our fiduciary duties to clients, we endeavor at all times to put the interests of our clients first. You should be aware, however, that the receipt of economic benefits by PIN or our related persons in and of itself creates a conflict of interest and may indirectly influence our choice of these custodians for custody and brokerage services.

In the event you request us to recommend a broker/dealer custodian for execution and/or custodial services, we generally recommend your account to be maintained at one of our custodians. We may recommend that you establish accounts with one of our custodians to maintain custody of your assets and to effect trades for your accounts. You are under no obligation to act upon any recommendations, and if you elect to act upon any recommendations, you are under no obligation to place the transactions through any broker/dealer we recommend. Our recommendation is generally based on the broker's cost and fees, skills, reputation, dependability and compatibility with the client. You may be able to obtain lower commissions and fees from other brokers and the value of products, research and services given to us is not a factor in determining the selection of broker/dealer or the reasonableness of their commissions.

Aggregation and Allocation of Transactions

We may aggregate transactions if we believe that aggregation is consistent with the duty to seek best execution for our clients and is consistent with the disclosures made to clients and terms defined in the client Investment Advisory Agreement. We may make trades in individual accounts (that are not aggregated with others) so that we may address that client's unique circumstances. No advisory client will be favored over any other client, and each account that participates in an aggregated order will participate at the average share price (per custodian) for all transactions in that security on a given business day.

We will aggregate trades for ourselves or our associated persons with your trades, providing that the following conditions are met:

1. Our policy for the aggregation of transactions shall be fully disclosed separately to our existing clients (if any) and the broker/dealer(s) through which such transactions will be placed;
2. We will not aggregate transactions unless we believe that aggregation is consistent with our duty to seek the best execution (which includes the duty to seek best price) for you

and is consistent with the terms of our Investment Advisory Agreement with you for which trades are being aggregated.

3. No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all our transactions in a given security on a given business day, with transaction costs based on each client's participation in the transaction;
4. We will prepare a written statement ("Allocation Statement") specifying the participating client accounts and how to allocate the order among those clients;
5. If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the allocation statement; if the order is partially filled, the accounts that did not receive the previous trade's positions should be "first in line" to receive the next allocation.
6. Notwithstanding the foregoing, the order may be allocated on a basis different from that specified in the Allocation Statement if all client accounts receive fair and equitable treatment and the reason for difference of allocation is explained in writing and is reviewed by our compliance officer. Our books and records will separately reflect, for each client account, the orders of which aggregated, the securities held by, and bought for that account.
7. We will receive no additional compensation or remuneration of any kind as a result of the proposed aggregation; and
8. Individual advice and treatment will be accorded to each advisory client.

Trade Errors

We have implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with our fiduciary duty, it is our policy to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client will be made whole and we will absorb any loss resulting from the trade error if the error was caused by PIN. If the error is caused by the Custodian, the Custodian will be responsible for covering all trade error costs. If an investment gain results from the correcting trade, the gain will be donated to charity. We will never benefit or profit from trade errors.

Directed Brokerage

We do not routinely recommend, request or require that you direct us to execute transaction through a specified broker dealer. Additionally, we typically do not permit you to direct brokerage. We place trades for your account subject to our duty to seek best execution and other fiduciary duties.

ITEM 13 - REVIEW OF ACCOUNTS

Account Reviews and Reviewers – Investment Supervisory Services

Our Investment Adviser Representatives will monitor client accounts on a regular basis and perform annual reviews with each client. All accounts are reviewed for consistency with client investment strategy, asset allocation, risk tolerance and performance relative to the appropriate benchmark. More frequent reviews may be triggered by changes in an account holder's personal, tax or financial status. Geopolitical and macroeconomic specific events may also trigger reviews.

Statements and Reports

The custodian for the individual client's account will provide clients with an account statement at least quarterly. Reports may also be provided at every client meeting. Communication to clients will be done on an as needed basis with a minimum of 1 contact per calendar year. You are urged to compare the reports provided by PIN against the account statements you receive directly from your account custodian.

Those clients who are exclusively Consulting clients (i.e. those who have no assets under management with us in our advisory program) will receive no regular reports from PIN.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

We do not pay referral fees or receive compensation for referrals.

As disclosed under Brokerage Practices, we participate in TD Ameritrade's institutional and National Financial Services through a relationship with Ceros Financial Services ("custodians") customer programs and we may recommend these custodians to you for custody and brokerage services. There is no direct link between our participation in the program and the investment advice we give to our clients, although we receive economic benefits through our participation in the program that are typically not available to any other independent Investment Advisors participating in the program. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving advisor participants; access to block trading (which provides the ability

to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to us by third party vendors. Our custodians may also have paid for business consulting and professional services received by some of our related persons. Some of the products and services made available by our custodians through the program may benefit us but may not benefit your account. These products or services may assist us in managing and administering your account, including accounts not maintained at one of our custodians. Other services made available by these custodians are intended to help us manage and further develop our business enterprise. The benefits received by PIN or our personnel through participation in the programs do not depend on the amount of brokerage transactions directed to the custodian. As part of our fiduciary duties to clients, we endeavor at all times to put the interests of our clients first. You should be aware, however, that the receipt of economic benefits by PIN or our related persons in and of itself creates a conflict of interest and may indirectly influence our choice of one of these custodians for custody and brokerage services.

ITEM 15 – CUSTODY

Custody has been defined by regulators as having access or control over client funds and/or securities. PIN does not have *physical custody*, as it applies to investment advisors.

Deduction of Advisory Fees

For all accounts, PIN has the authority to have fees deducted directly from client accounts. PIN has established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. You should carefully review those statements and are urged to compare the statements against reports received from PIN. When you have questions about your account statements, you should contact PIN or the qualified custodian preparing the statement. Please refer to Item 5 for more information about the deduction of adviser fees.

ITEM 16 – INVESTMENT DISCRETION

For discretionary accounts, prior to engaging PIN to provide investment advisory services, you will enter a written Agreement with us granting PIN the authority to supervise and direct, on an on-going basis, investments in accordance with the client's investment objective and guidelines. In addition, you will need to execute additional documents required by the Custodian to authorize and enable PIN, in its sole discretion, without prior consultation with or ratification by you, to purchase, sell or exchange securities in and for your accounts. We are authorized, in our discretion and without prior consultation with you to: (1) buy, sell, exchange and trade any stocks, bonds or other securities or assets and (2) determine the amount of securities to be bought or sold and (3) place orders with the custodian. Any limitations to such discretionary authority will be communicated to PIN in writing by you, the client.

The limitations on investment and brokerage discretion held by PIN for you are:

1. For discretionary accounts, we require that we be provided with authority to determine which securities and the amounts of securities to be bought or sold.
2. Any limitations on this discretionary authority shall in writing as indicated on the Investment Advisory Agreement. You may change/amend these limitations as required.

ITEM 17 – VOTING YOUR SECURITIES

Proxies:

We will **not** vote proxies on your behalf. You are welcome to vote proxies or designate an independent third-party at your own discretion. You designate proxy voting authority in the custodial account documents. You must ensure that proxy materials are sent directly to you or your assigned third party. We do not take action with respect to any securities or other investments that become the subject of any legal proceedings, including bankruptcies. Clients can contact our office with questions about a particular solicitation by phone at (760) 597-9255.

Class Action Suits:

A class action is a procedural device used in litigation to determine the rights of and remedies, if any, for large numbers of people whose cases involve common questions of law and/or fact. Class action suits frequently arise against companies that publicly issue securities, including securities recommended by investment advisors to clients. With respect to class action suits and claims, you (or your agent) will have the responsibility for class actions or bankruptcies, involving securities purchased for or held in your account. We do not provide such services and are not obligated to forward copies of class action notices we may receive to you or your agents.

ITEM 18 – FINANCIAL INFORMATION

We do not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for our most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, we have not been the subject of a bankruptcy petition at any time.

January 23, 2019

Part 2B – Brochure Supplement

Item 1: Cover Page

The following brochure supplements provide information about **Ted H. Ong, Jeremy Lau, and Jared Ong** that supplements the Prudent Investors Network, Inc. (PIN) Firm Brochure. You should have received a copy of the Firm Brochure. Please contact Elisa Williamson if you did not receive PIN's Firm Brochure or if you have any questions about the contents of this supplement.

PIN is an SEC-registered investment advisor.

Ted H. Ong

Additional information about Ted H. Ong is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Name: Ted H. Ong

Born: 1952

Education:

B.A., Anthropology; Stanford University

M.B.A., International Marketing; Brigham Young University

Employment History for Preceding Five Years:

CEO, Prudent Investors Network

01/2018 to present

President and Marketing Director, Prudent Investors Network

04/2003 to 12/2018

Other:

Securities Examinations: 7, 24, 31, 63, 65

CA Insurance No: 0782651

Item 3: DISCIPLINARY INFORMATION – none

Item 4: OTHER BUSINESS ACTIVITIES

- 1) California State University at Fullerton Fiduciary Certification program; instructor of the "Management of the Investment Portfolio" class since 2006;
- 2) Professional Fiduciary Association of California;
- 3) National Guardianship Association;
- 4) Fiduciary Abuse Specialist Team; Consultant

Ted Ong is insurance licensed. It is anticipated that a small portion, less than 5% of his time, will be spent providing these insurance products. In such capacity, he offers fixed and variable life insurance products and receives normal and customary commissions as a result of any purchases made by clients.

The client is under no obligation to purchase fixed or variable life insurance through Ted Ong on a commissionable basis. In addition, Ted Ong receives other compensation such as fixed or variable life trails. The potential for receipt of commissions and other compensation gives him incentive to recommend insurance products based on the compensation received, rather than on the client's needs. To address this, disclosure is made to the client at the time purchase is made, identifying the nature of the transaction or relationship, the role to be played and any compensation (e.g., commissions, trails) to be paid by the client and/or received by the insurance agent.

Item 5: ADDITIONAL COMPENSATION – none

Item 6: SUPERVISION OF ADVISORY ACTIVITIES

Contact information:

Elisa Williamson, CCO

Prudent Investors Network

2598 Fortune Way, Suite G

Vista, CA 92081

760-597-9255

Jeremy Lau

Additional information about Jeremy Lau is available on the SEC's website at www.adviserinfo.sec.gov

Item 2: EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Name: Jeremy Lau

Born: 1981

Education:

B.S., Accounting (with Honors), Brigham Young University

Employment History for Preceding Five Years:

President/CIO – Prudent Investors Network	01/2018 to present
Chief Investment Officer – Prudent Investors Network	05/2017 to 01/2018
Director, Deutsche Bank AG - Convertible Bond Sales - Hong Kong	2011 to 2017
Associate Director, UBS AG - Equity-linked Sales - Hong Kong	2009 to 2011
Analyst, Deutsche Securities Inc - Credit / CB Sales - Tokyo	2006 to 2009

Other:

Securities Examinations: 65

SFC Paper 1

JSDA L1/L2

Holds the Chartered Financial Analyst® designation

Chartered Financial Analysts are licensed by the CFA Institute to use the CFA mark. CFA certification requirements:

- Hold a bachelor's degree from an accredited institution or have equivalent education or work experience
- Successful completion of all three exam levels of the CFA Program
- Have 48 months of acceptable professional work experience in the investment decision-making process
- Fulfill society requirements, which vary by society. Unless you are upgrading from affiliate membership, all societies require two sponsor statements as part of each application; these are submitted online by your sponsors
- Agree to adhere to and sign the Member's Agreement, a Professional Conduct Statement, and any additional documentation requested by CFA Institute

Item 3: DISCIPLINARY INFORMATION – none

Item 4: OTHER BUSINESS ACTIVITIES – none

Item 5: ADDITIONAL COMPENSATION – none

Item 6: SUPERVISION OF ADVISORY ACTIVITIES

Contact information:

Elisa Williamson, CCO

Prudent Investors Network
2598 Fortune Way, Suite G
Vista, CA 92081
760-597-9255

Jared Ong

Additional information about Jared Ong is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Name: Jared Ong

Born: 1978

Education:

B.M., Music; Brigham Young University

Employment History for Preceding Five Years:

Portfolio Analyst, Prudent Investors Network	09/2010 to Present
Business Systems Analyst, Capital Group Companies	08/2005 to 08/2010

Other:

Securities Examination: 65

Item 3: DISCIPLINARY INFORMATION – none

Item 4: OTHER BUSINESS ACTIVITIES - none

Item 5: ADDITIONAL COMPENSATION – none

Item 6: SUPERVISION

Contact information:

Elisa Williamson, CCO

Prudent Investors Network

2598 Fortune Way, Suite G

Vista, CA 92081

760-597-9255