

Uniform Application for Investment Adviser Registration

Part II - Page 1

OMB APPROVAL

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Name of Investment Adviser:

Parker Carlson & Johnson, Inc.

Address: (Number and Street)

(City)

(State)

(Zip Code)

Area Code Telephone Number

120 W Third St, STE 300

Dayton

OH

45402

937 223-0600

**This part of Form ADV gives information about the investment adviser and its business for the use of clients.
The information has not been approved or verified by any governmental authority.**

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(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

Potential Persons who are not to respond to the collection of information contained in this form are not
required to respond unless the form displays a currently valid OMB control number.

Applicant: Parker Carlson & Johnson, Inc.	SEC File Number: 801- 17956	Date: 11-9-2009
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1. A. Advisory Services and Fees. (check the applicable boxes)

For each type of service provided, state the approximate % of total advisory billings from that service. (See instruction below.)

Applicant:

- | | |
|---|---------|
| <input checked="" type="checkbox"/> (1) Provides investment supervisory services | 95 % |
| <input type="checkbox"/> (2) Manages investment advisory accounts not involving investment supervisory services | _____ % |
| <input checked="" type="checkbox"/> (3) Furnishes investment advice through consultations not included in either service described above | NS % |
| <input type="checkbox"/> (4) Issues periodicals about securities by subscription | _____ % |
| <input type="checkbox"/> (5) Issues special reports about securities not included in any service described above | _____ % |
| <input type="checkbox"/> (6) Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which client may use to evaluate securities | _____ % |
| <input checked="" type="checkbox"/> (7) On more than an occasional basis, furnishes advice to clients on matters not involving securities | 5 % |
| <input type="checkbox"/> (8) Provides a timing service | _____ % |
| <input type="checkbox"/> (9) Furnishes advice about securities in any manner not described above | _____ % |

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

Yes No

B. Does applicant call any of the services it checked above financial planning or some similar term?

☒ ☐

C. Applicant offers investment advisory services for: (check all that apply)

- | | |
|--|--|
| <input checked="" type="checkbox"/> (1) A percentage of assets under management | <input type="checkbox"/> (4) Subscription fees |
| <input checked="" type="checkbox"/> (2) Hourly charges | <input type="checkbox"/> (5) Commissions |
| <input checked="" type="checkbox"/> (3) Fixed fees (not including subscription fees) | <input checked="" type="checkbox"/> (6) Other |

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. Types of Clients -- Applicant generally provides investment advice to: (check those that apply)

- | | |
|---|--|
| <input checked="" type="checkbox"/> A. Individuals | <input checked="" type="checkbox"/> E. Trusts, estates, or charitable organizations |
| <input type="checkbox"/> B. Banks or thrift institutions | <input checked="" type="checkbox"/> F. Corporations or business entities other than those listed above |
| <input checked="" type="checkbox"/> C. Investment companies | <input type="checkbox"/> G. Other (describe on Schedule F) |
| <input checked="" type="checkbox"/> D. Pension and profit sharing plans | |

3. Types of Investments Applicant offers advice on the following: (check those that apply)

- | | |
|---|--|
| <input type="radio"/> A. Equity securities | <input type="radio"/> H. United States governmental securities |
| <input type="radio"/> (1) exchange-listed securities | |
| <input type="radio"/> (2) securities traded over-the-counter | <input type="radio"/> I. Options contracts on: |
| <input type="radio"/> (3) foreign issuers | <input type="radio"/> (1) securities |
| | <input type="radio"/> (2) commodities |
| <input type="radio"/> B. Warrants | |
| <input type="radio"/> C. Corporate debt securities
(other than commercial paper) | <input type="radio"/> J. Futures contracts on: |
| <input type="radio"/> D. Commercial paper | <input type="radio"/> (1) tangibles |
| <input type="radio"/> E. Certificates of deposit | <input type="radio"/> (2) intangibles |
| <input type="radio"/> F. Municipal securities | <input type="radio"/> K. Interests in partnerships investing in: |
| | <input type="radio"/> (1) real estate |
| <input type="radio"/> G. Investment company securities: | <input type="radio"/> (2) oil and gas interests |
| <input type="radio"/> (1) variable life insurance | <input type="radio"/> (3) other (explain on Schedule F) |
| <input type="radio"/> (2) variable annuities | |
| <input type="radio"/> (3) mutual fund shares | <input type="radio"/> L. Other (explain on Schedule F) |

4. Methods of Analysis, Sources of Information, and Investment Strategies.

A. Applicant's security analysis methods include: (check those that apply)

- | | |
|---|---|
| <input type="radio"/> (1) <input type="radio"/> Charting | <input type="radio"/> (4) <input type="radio"/> Cyclical |
| <input type="radio"/> (2) <input type="radio"/> Fundamental | <input type="radio"/> (5) <input type="radio"/> Other (explain on Schedule F) |
| <input type="radio"/> (3) <input type="radio"/> Technical | |

B. The main sources of information applicant uses include: (check those that apply)

- | | |
|---|---|
| <input type="radio"/> (1) <input type="radio"/> Financial newspapers and magazines | <input type="radio"/> (5) <input type="radio"/> Timing services |
| <input type="radio"/> (2) <input type="radio"/> Inspections of corporate activities | <input type="radio"/> (6) <input type="radio"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| <input type="radio"/> (3) <input type="radio"/> Research materials prepared by others | <input type="radio"/> (7) <input type="radio"/> Company press releases |
| <input type="radio"/> (4) <input type="radio"/> Corporate rating services | <input type="radio"/> (8) <input type="radio"/> Other (explain on Schedule F) |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- | | |
|---|---|
| <input type="radio"/> (1) <input type="radio"/> Long term purchases (securities held at least a year) | <input type="radio"/> (5) <input type="radio"/> Margin transactions |
| <input type="radio"/> (2) <input type="radio"/> Short term purchases (securities sold within a year) | <input type="radio"/> (6) <input type="radio"/> Option writing, including covered options, uncovered options, or spreading strategies |
| <input type="radio"/> (3) <input type="radio"/> Trading (securities sold within 30 days) | <input type="radio"/> (7) <input type="radio"/> Other (explain on Schedule F) |
| <input type="radio"/> (4) <input type="radio"/> Short sales | |

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

Applicant: Parker Carlson & Johnson, Inc.	SEC File Number: 801- 17956	Date: 11-9-2009
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5. Education and Business Standards.

Yes No

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients?.....

☒ ☐

(If yes, describe these standards on Schedule F.)

6. Education and Business Background.

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- | | |
|-----------------|--|
| • name | • formal education after high school |
| • year of birth | • business background for the preceding five years |

7. Other Business Activities. (check those that apply)

- ☒ A. Applicant is actively engaged in a business other than giving investment advice.
- ☒ B. Applicant sells products or services other than investment advice to clients.
- ☒ C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

8. Other Financial Industry Activities or Affiliations. (check those that apply)

- ☒ A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- ☒ B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:
- | | |
|--|--|
| <input checked="" type="radio"/> (1) broker-dealer | <input checked="" type="radio"/> (7) accounting firm |
| <input checked="" type="radio"/> (2) investment company | <input checked="" type="radio"/> (8) law firm |
| <input checked="" type="radio"/> (3) other investment adviser | <input checked="" type="radio"/> (9) insurance company or agency |
| <input checked="" type="radio"/> (4) financial planning firm | <input checked="" type="radio"/> (10) pension consultant |
| <input checked="" type="radio"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant | <input checked="" type="radio"/> (11) real estate broker or dealer |
| <input checked="" type="radio"/> (6) banking or thrift institution | <input checked="" type="radio"/> (12) entity that creates or packages limited partnerships |

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

Yes No

- D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest?...

☒ ☐

(If yes, describe on Schedule F the partnerships and what they invest in.)

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

Applicant: Parker Carlson & Johnson, Inc.	SEC File Number: 801- 17956	Date: 11-9-2009
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9. Participation of Interest in Client Transactions.

Applicant or a related person: (check those that apply)

- ☒ A. As principal, buys securities for itself from or sells securities it owns to any client.
- ☒ B. As broker or agent effects securities transactions for compensation for any client.
- ☒ C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- ☒ D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- ☒ E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

Describe, on Schedule F, your code of ethics, and state that you will provide a copy of your code of ethics to any client or prospective client upon request.

- | | | |
|--|-------------------------------------|--------------------------|
| 10. Conditions for Managing Accounts. Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services <i>and</i> impose a minimum dollar value of assets or other conditions for starting or maintaining an account? | Yes | No |
| | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

(If yes, describe on Schedule F.)

11. Review of Accounts. If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggers factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

See Schedule F

- B. Describe below the nature and frequency of regular reports to clients on their accounts.

See Schedule F

Applicant:
Parker Carlson & Johnson, Inc.

SEC File Number:
801- 17956

Date:
11-9-2009

12. Investment or Brokerage Discretion.

A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:

- | | | |
|--|-----------------------|-----------------------|
| (1) securities to be bought or sold? | Yes | No |
| | <input type="radio"/> | <input type="radio"/> |
| (2) amount of the securities to be bought or sold? | Yes | No |
| | <input type="radio"/> | <input type="radio"/> |
| (3) broker or dealer to be used? | Yes | No |
| | <input type="radio"/> | <input type="radio"/> |
| (4) commission rates paid? | Yes | No |
| | <input type="radio"/> | <input type="radio"/> |

B. Does applicant or a related person suggest brokers to clients? ☐ Yes ☐ No

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commission higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for products and research services received.

13. Additional Compensation.

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- | | | |
|---|-----------------------|-----------------------|
| A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? | Yes | No |
| | <input type="radio"/> | <input type="radio"/> |
| B. directly or indirectly compensates any person for client referrals? | Yes | No |
| | <input type="radio"/> | <input type="radio"/> |

(For each yes, describe the arrangements on Schedule F.)

14. Balance Sheet. Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities (unless applicant is registered or registering only with the Securities and Exchange Commission); or
 - requires prepayment of more than \$500 in fees per client and 6 or more months in advance
- Has applicant provided a Schedule G balance sheet? ☐ Yes ☐ No

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
Form ADV
Continuation Sheet for Form ADV
Part II**

Applicant:	SEC File Number:	Date:
Parker Carlson & Johnson, Inc.	801- 17956	11-9-2009

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Form ADV: Parker Carlson & Johnson, Inc.	IRS Empl. Ident. No.: 31-1045966
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Item of Form (identify)	Answer																						
	<p><u>Investment Advisory Services and Fees:</u></p> <p>On a fully discretionary basis we advise clients in the three financial asset classes of stocks, bonds, and cash equivalents. We also select the particular securities that comprise the recommended asset allocation that may include stocks, bonds and mutual funds. Our fee schedule is set for full discretion accounts where we make all buy and sell decisions. We bill our clients after services have been rendered. Our fee schedule may vary from the one presented based on the extent of services required to meet our client's objectives.</p> <p>Standard Asset-Based Investment Management Annual Fee Schedule¹:</p> <table> <tr> <th><u>Asset Levels</u></th><th><u>Marginal Rate</u>²</th></tr> <tr> <td>Of less than \$500,000</td><td>1.25%</td></tr> <tr> <td>On the next \$1,000,000</td><td>1.00%</td></tr> <tr> <td>On the next \$1,500,000</td><td>0.70%</td></tr> <tr> <td>That exceed \$3,000,000</td><td>0.40%</td></tr> </table> <p>¹ Parker Carlson & Johnson will charge a management fee for assets invested in non-affiliated mutual funds, closed-end funds and ETF's. This charge is in addition to the management fee the fund pays its adviser.</p> <p>² Subject to a minimum fee based on the number and size of the accounts.</p> <p><u>Wealth Management Services and Fees</u></p> <p>For clients who desire a more comprehensive service, subject to an annual surcharge, we include them in our Wealth Management Program, which combines our investment advisory service with the development and implementation of a complete financial plan. The components of a financial plan may include a retirement projection, an estate plan review, a college funding plan and an income tax analysis, among others. Through the process of developing a Wealth Management Plan, we may interface with the client's other advisors such as tax accountant or estate planning attorney.</p> <p>Standard Asset-Based Financial Planning Annual Surcharge for Advisory Clients:</p> <table> <tr> <th><u>Asset Levels</u>³</th><th><u>Surcharge</u></th></tr> <tr> <td>\$100,000 - \$200,000</td><td>\$2,000</td></tr> <tr> <td>\$200,001 - \$300,000</td><td>\$1,500</td></tr> <tr> <td>\$300,001 - \$400,000</td><td>\$1,200</td></tr> <tr> <td>\$400,001 - \$500,000</td><td>\$900</td></tr> <tr> <td>\$500,001 - \$600,000</td><td>\$600</td></tr> </table> <p>³ For asset levels above \$600,000, the fee for financial planning services is included as part of the annual investment management fee.</p>	<u>Asset Levels</u>	<u>Marginal Rate</u> ²	Of less than \$500,000	1.25%	On the next \$1,000,000	1.00%	On the next \$1,500,000	0.70%	That exceed \$3,000,000	0.40%	<u>Asset Levels</u> ³	<u>Surcharge</u>	\$100,000 - \$200,000	\$2,000	\$200,001 - \$300,000	\$1,500	\$300,001 - \$400,000	\$1,200	\$400,001 - \$500,000	\$900	\$500,001 - \$600,000	\$600
<u>Asset Levels</u>	<u>Marginal Rate</u> ²																						
Of less than \$500,000	1.25%																						
On the next \$1,000,000	1.00%																						
On the next \$1,500,000	0.70%																						
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\$100,000 - \$200,000	\$2,000																						
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**Schedule F of
Form ADV
Continuation Sheet for Form ADV
Part II**

Applicant:	SEC File Number:	Date:
Parker Carlson & Johnson, Inc.	801- 17956	11-9-2009

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Form ADV: Parker Carlson & Johnson, Inc.	IRS Empl. Ident. No.: 31-1045966
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Item of Form (identify)	Answer
	<p><u>Standard Time-Based Financial Planning Fee Schedule for Non-Advisory Clients:</u></p> <p>Although investment management is the core of our service structure, at times we are engaged to address a financial planning issue that may or may not result in an ongoing advisory relationship. We are happy to draw on our expertise to assist the individuals and families in need of some advice. We charge an hourly fee for these services.</p> <p>Hourly charge: \$75 to \$250 per hour.</p> <p>The hourly charge depends upon the complexity of the engagement and the professional expertise required in developing the plan. Parker Carlson & Johnson will develop an Engagement Letter that will include an estimate of the fees for the financial plan. If Parker Carlson & Johnson is subsequently hired to implement an investment management component, we will discount the first year's asset-based management fee by as much as 50% to offset the charge for the financial planning engagement.</p> <p><u>Security Valuations or Pricing:</u></p> <p>Because the fees for our advisory services are based on the value of our clients' assets, it is important to understand how the assets held in our clients' accounts are valued. Parker Carlson & Johnson provides investment advisory services, while another financial institution provides the custodial service, i.e., holding the securities in an account registered in the name of the client. Charles Schwab (see Custodian) is our custodian of choice, but if directed by our client, we will manage assets held by other financial institutions.</p> <p>The custodian will price the securities using various pricing services resulting in a total value for the assets held in the account. Parker Carlson & Johnson also prepares a set of records that include the securities held in the account and their current market prices. These duplicate records are used to: 1) provide real-time data on the positions owned and available cash for the active management process; 2) reconcile with the custodian records to verify that the account has recorded all principal and income transactions appropriately; 3) prepare performance reports for various time periods and; 4) value the account holdings to generate an invoice for our investment management services.</p> <p>The pricing methodology for common stocks and other exchange-traded issues is straightforward. Daily we download the prices for all of the securities held in our clients' accounts at Schwab. We use these security prices regardless of whether Schwab is the custodian. If a client has a security that is not in an account at Schwab, we will download a price from an independent pricing service.</p> <p>Fixed income securities are not traded over national exchanges and are, therefore, more difficult to value on a daily basis. We will use the same process as described above for our bond holdings when we believe such prices accurately reflect the fair market value</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 2

**Schedule F of
Form ADV
Continuation Sheet for Form ADV
Part II**

Applicant:	SEC File Number:	Date:
Parker Carlson & Johnson, Inc.	801- 17956	11-9-2009

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Form ADV: Parker Carlson & Johnson, Inc.	IRS Empl. Ident. No.: 31-1045966
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Item of Form (identify)	Answer
	<p>of such securities. However, there are a number of securities with little trading activity where this methodology does not produce a value that reflects the most current market environment. In these cases we use a matrix methodology, a commonly used practice of basing the price of one security off the price action of another, more actively quoted security or benchmark.</p> <p>There may be cases when we decide that the pricing sources do not accurately reflect current value, or that prices cannot be readily estimated using the matrix methodology. In these cases we will prepare a good faith estimate of the value. It is incumbent upon us to consider all appropriate factors relevant to the value of the securities for which market quotations are not readily available.</p> <p>Because the sources for the security prices valued by us and by our clients' custodians are different, the account values may differ. The differences are generally insignificant and transparent to the client.</p> <p><u>Proxy Voting Policy and Procedures:</u></p> <p>We do not vote proxies for the investments held in clients' accounts, with the exception of clients governed by the Employee Retirement Income Security Act of 1974 (ERISA). For the ERISA accounts, the following is our proxy voting policy.</p> <p>We manage assets allocated to equities with one overriding goal: to provide capital appreciation to our clients. Inherent in achieving this goal is to buy equity securities of well-managed companies. These are companies that employ managers that have a demonstrated track record of aligning the interests of management with the interests of shareholders. For a company that demonstrates that it acts in the best interests of its shareholders, it becomes difficult for us to believe that we, as investment managers, know more about the company's business than the company's top management. Based upon that criterion, for all proxy issues, we will vote shares in our equity portfolios to follow management recommendations.</p> <p>For each company in our portfolio, should we perceive that management is not acting in the best interest of shareholders, we would be inclined to sell the shares of that company. Included in that perception would be a management recommendation to vote for a proxy issue that we felt would materially harm the shareholders of the company. In trying to achieve capital appreciation in our equity assets, it would be hard for us to conceive of an instance whereby we would continue to own shares in a company where we believed that management recommendations on proxy issues would have a materially negative impact on the shareholders of the company. Therefore, we would simply sell those shares in our portfolios.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 3

**Schedule F of
Form ADV
Continuation Sheet for Form ADV
Part II**

Applicant:	SEC File Number:	Date:
Parker Carlson & Johnson, Inc.	801- 17956	11-9-2009

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Form ADV: Parker Carlson & Johnson, Inc.	IRS Empl. Ident. No.: 31-1045966
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Item of Form (identify)	Answer
Part II, 3	<p>A copy of the above proxy voting policy is available to our clients, without charge and upon request, by calling 937-223-0600 or toll-free 888-223-0600. We will send a copy of the above proxy voting policy within three business days of receipt of a request by first-class mail or other means designed to ensure equally prompt delivery. The policy is also available on our website at http://www.pcjinvest.com. Click on FAQ.</p> <p>In addition, we will provide each client, without charge and upon request, information regarding the proxy votes cast by us with regard to the client's securities held in ERISA accounts.</p> <p><u>Policy for Processing Litigation Claims:</u></p> <p>From time-to-time a security we purchased on the behalf of our clients becomes the subject of a class action lawsuit and either settles or is required to pay damages to the parties in the class. In the pre-Enron era, we spent time evaluating the claims and, if appropriate, filed the required paperwork to participate in a settlement. The damages could have been in the hundreds of dollars.</p> <p>In the post-Enron era with the adoption of the regulation-expanding Sarbanes-Oxley legislation, the number of class action lawsuits purporting a violation of a U.S. securities law has escalated and the possible damages have dropped. It is a practice within the industry for a litigating law firm to send out claim forms to all holders of the defendant-security (over a certain time frame) regardless of whether the holder meets the class criteria. In recent times, it's been our experience that most holders were either not eligible to participate in the class or a settlement was never reached. In the rare instances when a settlement did occur, the amount was less than \$10 per claim and sometimes less than \$1. Weighing the cost of the time required to investigate and then to process a claim against the potential of a successful lawsuit and a resulting award, drove us to adopt a policy of not processing litigation claims for securities owned by our clients.</p> <p><u>Types of Investments:</u></p> <p>In addition to advising clients in the public-market, financial asset classes of stocks, bonds and cash, including such pooled vehicles as opened-end, closed-end and exchange-traded funds (ETFs), we have developed a knowledge base of, and sourcing relationships for, some non-traditional investment opportunities. The selection and management of the individual investments in these alternative asset classes is of a specialized nature so that we generally work with other management teams, teams that have a demonstrated record of performance within their respective asset classes. For example, we've offered advice on a small number of alternative investments including private placements of debt and equity securities and limited partnerships of private equity or real estate investments.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 4

**Schedule F of
Form ADV
Continuation Sheet for Form ADV
Part II**

Applicant:	SEC File Number:	Date:
Parker Carlson & Johnson, Inc.	801- 17956	11-9-2009

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Item of Form (identify)	Answer
Part II, 5	<p>These alternative investments have very different risk, return and liquidity profiles and are not appropriate for everyone. Where the opportunity is appropriate for our clients, we believe participation will add significant value to the risk/return profile of our client portfolios. Illiquidity is often a feature of these alternative investments, offering us little opportunity for ongoing management. In these instances, we believe it makes sense to structure the compensation in the form of a lump-sum advisory fee that approximates the management fee we would earn on the assets over an expected breakeven period. When recommending these alternative investments, Parker Carlson & Johnson will prepare a disclosure document that identifies the risks, fee structure, ownership interests by our employees and any arrangements that might pose a conflict of interest.</p> <p><u>Education and Business Standards:</u></p> <p>As one of our founding philosophies, we believe an individual with an in-depth understanding of portfolio management should personally serve all clients. Therefore, we require the professionals that offer advice to hold at least an undergraduate degree and either to have attained or to be working toward a Chartered Financial Analyst designation or other professional designation appropriate for the area of counsel, such as Certified Financial Planner or Certified Public Accountant. In addition, the client's portfolio manager must have 10 years of investment experience. Finally, all employees must also agree to abide by the Code of Ethics adopted by the firm.</p>
Part II, 6	<p><u>Education and Business Background of Investment Committee:</u></p> <p>Kathleen Carlson, CFA, President & Treasurer, has over 25 years of experience in security analysis and portfolio management. She has the lead role in managing the firm's fixed income portfolios. With a strong background in economics, she assists in the development of firm-wide investment management strategies. She is also responsible for developing and monitoring the firm's approved no-load, mutual fund buy list. Fulfilling a desire to give something back to the community, Kathleen has served in the past as President of the Board for the YWCA of Dayton and Miami Valley Hospital Foundation. She is currently serving on the Board of Premier Health Partners, Dayton Montgomery County Scholarship Program, Miami Valley Research Park and Dayton Area Graduate Studies Institute. Kathleen is a member of the CFA Institute and the Dayton Society of Financial Analysts. She is a Magna Cum Laude graduate of the University of Dayton and received her MBA from Wright State University. Year of birth: 1955</p> <p>Jim Johnson, CFA, Secretary & Chief Investment Officer, also has over 25 years of experience in security analysis and portfolio management. From his background in finance, Jim takes the lead role in managing the firm's equity portfolios. He has a particular strength in analyzing and managing growth stock investments. Jim is from the Troy, Ohio community, has served on the school board, is active in the Troy Rotary</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 5

**Schedule F of
Form ADV
Continuation Sheet for Form ADV
Part II**

Applicant:	SEC File Number:	Date:
Parker Carlson & Johnson, Inc.	801- 17956	11-9-2009

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Form ADV: Parker Carlson & Johnson, Inc.	IRS Empl. Ident. No.: 31-1045966
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Item of Form (identify)	Answer
	<p>and is currently serving on the Governing Board of the Troy Foundation. He is also a founding officer and past President of the Dayton Society of Financial Analysts and a member of the CFA Institute. Jim is a graduate of Duke University and received his MBA from the University of Michigan. Year of birth: 1952</p> <p>Sandy Pierce, CPA, CFP, Vice President, has worked in the financial services sector for over 28 years, working with individuals, executives and business owners. The last sixteen years she has concentrated on the investment and financial planning arena, particularly retirement and estate planning and charitable gifting. As a Certified Financial Planner, she takes the lead role in providing our Wealth Management Program. Sandy is past Chairman of the Ohio Society of CPAs and past President of the Dayton Chapter, as well as an active member of the Financial Planning Association, the Planned Giving Council and the Hospice of Dayton Foundation Board of Trustees. Past Treasurer for the Oakwood Rotary and a current board member, Sandy serves as Chair of the Oakwood Rotary Foundation's Investment Committee. She is Finance Chair for the Oakwood Schools Education Foundation and has served on the Finance Committee for the United Way of the Greater Dayton Area and chaired its Pension Subcommittee. Sandy is a Magna Cum Laude graduate of Miami University. Year of birth: 1958</p> <p>Amy Barker, CFA, CFP, Vice President of Portfolio Management, has more than twenty years of experience in the financial services industry. She has direct responsibility for ensuring implementation and monitoring of portfolio strategies. She also plays an important role in our equity research and strategy. Before joining Parker Carlson & Johnson, Amy was Senior Vice President and Senior Investment Officer for the Private Client Group of National City Bank. She currently serves on the Investment Advisory Committee of the Regional Transit Authority, the Curriculum Committee for the Leadership Dayton program and is a member of the Sinclair Community College Foundation Board. With a strong commitment to her profession, she has received accreditation as a Chartered Financial Analyst and a Certified Financial Planner. Amy was also the founding President of the Dayton Society of Financial Analysts. She is presently a member of the Society, as well as the CFA Institute, and the Financial Planning Association. She earned a BBA in finance and marketing from the University of Cincinnati. Year of birth: 1965</p>
Part II, 9(C)	<p><u>Other Financial Industry Activity:</u></p> <p>Parker Carlson & Johnson, Inc. is the investment adviser for two open-end registered investment companies, PC&J Performance Fund and PC&J Preservation Fund.</p>
Part II,9(D)	<p><u>Affiliated Registered Investment Companies:</u></p> <p>A portfolio manager may recommend investing all or a portion of a client's assets in two mutual funds affiliated with Parker Carlson & Johnson, the PC&J Performance Fund</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 6

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	<p>and the PC&J Preservation Fund. Parker Carlson & Johnson receives compensation from the two funds for investment management advice and PC&J Service Corp., an affiliated company, receives compensation for other operational services. These relationships could lead to a potential conflict of interest. To insure the client's interests are protected, the portfolio manager develops a recommendation that in his/her judgment utilizes sound investment principles that will achieve our client's objectives. The manager will discuss this recommendation with the client prior to implementation to be sure the client is comfortable with the proposed investment program.</p> <p>For example, use of the mutual funds would be desirable for qualified plans with frequent contributions or smaller accounts where adequate diversification is an issue. Use of individual securities utilizing custody services would be desirable for taxable accounts for better management of capital gains taxes.</p> <p>Parker Carlson & Johnson will not charge fees for advisory client assets invested in affiliated mutual funds. The fee schedule of the affiliated mutual funds and for advisory clients is materially similar, minimizing the potential for a conflict of interest.</p> <p><u>Investment Management for Advisory Clients and Registered Investment Companies:</u></p> <p>The firm's investment strategy and investment ideas are developed through a collaborative process by the Investment Committee with various members taking responsibility for specific asset classes. The portfolio managers, who are also members of the Investment Committee and managers of advisory accounts, select the securities for the PC&J Performance and PC&J Preservation Funds. Where the Funds' investment objectives are similar to the objectives of our advisory clients, the same securities may be utilized.</p> <p>Our trading practices must be such that all of our clients, advisory and investment company clients alike, are treated fairly—not being advantaged at the expense of others or disadvantaged. As discussed more fully in Part II, 12(A&B) under the heading of Trading Practices, security transactions are placed as part of a portfolio review process by the investment manager. Trade orders are placed and executed over time. Because having adequate liquidity is normally a factor considered in the security selection process, the size of our trade orders is generally not large enough to significantly change the price of a security where subsequent orders will be entered, thereby not impacting the trades that might be placed for other clients at a later point in time. In the instance when an order is of a size where the manager would like some special handling, such as placing the trade with a broker known for its skill in "working" orders, we use our order blocking system to be sure everyone is treated fairly. Blocking a trade means aggregating individual account orders that are to be placed through the same broker into one trade order, so that all accounts receive the same averaged price.</p>

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Part II, 9(E)	<p><u>Participation in Client Transactions:</u></p> <p>It is Parker Carlson & Johnson's duty to put the interests of our clients first in the execution of all personal security transactions. While our investment professionals are allowed to invest in the same securities as those chosen for our advisory clients, including alternative investment ideas, we have a code of conduct, defined in our Code of Ethics, and trading procedures that are designed to manage this duty. We've found that our clients appreciate knowing we own some of the same investment ideas. They believe it demonstrates the confidence we have in our recommendations. In fact, brokerage relationships developed on behalf of our clients may provide our employees with personal investment opportunities that might not otherwise have been available to them.</p> <p>All employees, as well as officers and directors of the applicant, must adhere to the Code of Ethics adopted by Parker Carlson & Johnson. Our Code's general principles of conduct include 1) as mentioned above, placing the interest of the client first, and conducting transactions in such a manner as to avoid any conflict of interest or any abuse of an individual's position of trust and responsibility; 2) complying with Federal securities laws; and 3) maintaining client confidentiality. Various procedures are in place to control personal trading conflicts, including pre-clearance requirements, and quarterly reporting of security transactions and annual reporting of holdings. A copy of the Code of Ethics is available to our clients and our prospective clients, without charge and upon request, by calling 937-223-0600 or toll free 888-223-0600.</p>
Part II, 10	<p><u>Conditions for Managing Accounts:</u></p> <p>We require a minimum of \$500,000 in assets under management if the entire balance is to be invested in individual equity securities. If the asset allocation were to include bonds, the bond component would be on top of the \$500,000 equity requirement. We will reduce the minimum requirement if we can utilize mutual funds including our affiliated mutual funds, the PC&J Performance Fund and the PC&J Preservation Fund.</p>
Part II, 11(A)	<p><u>Account Reviews:</u></p> <p>Portfolios with similar objectives generally hold the same securities. This enables daily review of our account investments. In general, the allocation between asset categories is reviewed quarterly for each advisory account. External events that affect our market outlook or changes in investment objectives will trigger an allocation review.</p> <p>A client service professional of the firm manages the portfolio decisions. Our portfolio managers have the knowledge and experience needed to make the required investment decisions. They are responsible for maintaining an ongoing understanding of each</p>

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Part II, 11(B)	<p>client's individual circumstances and, as objectives change, making the appropriate portfolio adjustments. These reviews must be documented on at least an annual basis.</p> <p><u>Reviewers:</u></p> <p>Kathleen A. Carlson, CFA, President & Treasurer – portfolio management and client service, 98 clients</p> <p>James M. Johnson, CFA, Secretary & Chief Investment Officer – portfolio management and client service, 29 clients</p> <p>Sandra K. Pierce, CPA, CFP, Vice President – wealth management, portfolio management and client service, 114 clients</p> <p>Amy E. Barker, CFA, CFP, Vice President of Portfolio Management – portfolio management and client service, 59 clients</p> <p><u>Client Reports:</u></p> <p>Generally clients receive quarterly and yearly reports based upon the client's desires. The quarterly statement details additions and withdrawals on a year-to-date basis and the investment return over multiple time periods. Comparison investment performance data for the same time periods are provided for evaluation purposes. If eligible, a client may choose to receive monthly reports. The monthly statements show all or some of the following information: portfolio allocation and value, contributions and withdrawals, and portfolio holdings by sector. A client may also choose, subject to custodial relationship, to have his/her account information available on our website.</p> <p>All clients receive a quarterly communication that discusses our market outlook and investment strategy. In addition, clients choose whether or not to receive our monthly communication that discusses the market. Both the quarterly and monthly communications are available on our web site. A major part of our communication program is done orally, either by telephone or in meetings at the convenience of the client.</p>
Part II, 12(A & B)	<p><u>Best Execution Practices:</u></p> <p>Parker Carlson & Johnson, as a matter of policy and practice, seeks to obtain best execution for client transactions, that is, execution of securities transactions for clients in such a manner that the client's total cost or proceeds in each transaction is the most favorable under the circumstances. Best execution considers the circumstances of the full range and quality of a broker-dealer's services, including execution capability,</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 9

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	<p>commission rates, the value of any research, financial responsibility and responsiveness, among other things.</p> <p>Parker Carlson & Johnson will generally place trades with brokers that are able and have agreed to meet the requirements of our best execution practices. While we may receive other services from our approved brokers such as access to research personnel or subscriptions to various research tools, they are still required to meet all of our best execution practices. These practices include:</p> <ul style="list-style-type: none"> • A willingness to accept and price orders according to agreed upon commission rates and acceptance of bunched orders with average pricing capabilities. • Timely access to their order entry system which includes trade personnel, phone system and Internet connection, if required. • Trades executed on a timely basis and at an expected price for the size and time the order was placed. • Trade settlement capabilities that meet our needs and are timely and accurate to meet the requirements of our custodians. <p><u>Adviser Directed Brokerage:</u></p> <p>Parker Carlson & Johnson has developed relationships with a number of brokerage firms who execute trades on behalf of our clients. These firms have been selected because of their ability to execute transactions in an effective manner for a broad range of securities. They may also provide the firm or our clients with additional services. These additional services include such things as access to research professionals, research information, or, on a client's behalf, consulting and/or custodial services.</p> <p>Trade orders for securities purchased over an exchange that are less than 1,000 shares per account are placed through the account's custodial broker or Schwab, if the custodian is a bank. Orders that exceed 1,000 shares per account may be placed in the same manner or through a broker that provides Parker Carlson & Johnson with research information. Even though the execution skills of the non-custodial brokers often produce lower transaction prices, the total trade order charges, which include commissions and settlement fees, will most likely be higher than if they were placed with the custodial broker.</p> <p>Accounts large enough to require 1,000-share orders are also generally large enough to qualify for price breaks for their management fees. Whereas the typical order charge differential is 1% or less on the trade principal, the 20% to 30% management fee</p>

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	<p>discount for asset levels above a breakpoint easily makes up for any increased trading charges.</p> <p>Trade orders for securities that are not widely traded on an exchange, including most bond securities, will be placed with the broker that provided the research for the investment idea and may result in a trade away charge by the custodian.</p> <p>Over time, as we gain confidence in the research capabilities of our brokers, and as they come to understand the types of investments that are of interest to us, we may be offered access to some unique investment opportunities. Such investment opportunities, like limited partnerships or equity private placements, may not be appropriate for all our clients. They may also be purchased by some of the investment professionals of the firm.</p> <p><u>Client Directed Brokerage:</u></p> <p>Clients may choose to custody their assets at brokerage firms that do not allow us to place trades with another broker. These relationships will result in differences in the cost, availability and timing of security transactions. Because these firms require us to use their trading procedures, we generally place trades for these accounts after trades have been placed with our preferred relationships. In most cases, the timing difference does not result in a significant difference in the price of the securities transacted over an exchange. The commission costs are typically higher, but these costs are used to compensate the broker for the value they provide to the client.</p> <p>None of the trades in a directed brokerage arrangement can be used to pay for our soft-dollar research services, yet the clients derive a benefit from the service. Because this places the burden of covering some of our research costs on our larger, non-directed brokerage arrangements, we discourage establishing these types of relationships. We will allow them if the client-specific circumstances warrant the exception.</p> <p>In addition to not being able to direct trades to our soft-dollar research sources, they will not be able to access any of our investment ideas that require the transaction to be placed directly with the research provider. This limitation reduces our discretion, and more importantly, the range of investments we have to meet the objectives of the account.</p> <p><u>Commission Rates:</u></p> <p>Parker Carlson & Johnson negotiates the commission rates charged by the brokerage firms they select. The commission rates are typically 6 cents per share or less, subject to minimum ticket charges. The minimum ticket charges vary across custodians and</p>

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	<p>even across accounts at the same custodians, due to price breaks based on asset balances. Even though the negotiated commission rates may be higher than a \$.04 - \$.05 per share norm for our closest comparison (managers with an annual volume of client commissions of under \$5 million, our commissions average less than \$200,000), we believe they are reasonable for the access they provide to individual trading specialists or research services utilized by our Strategy Team.</p> <p>In a client directed brokerage relationship, the client negotiates the commission rates with the firms they select. Generally, clients in directed brokerage accounts experience higher commission costs when compared to the commission costs for clients utilizing our negotiated rates.</p> <p><u>Soft Dollars:</u></p> <p>An investment adviser is allowed to direct trades to a broker in return for access to research or for a research-related product or service. The commissions charged by the broker pay for the research provided. These payments are known as soft dollar payments within the brokerage industry. Like our custodial adviser-directed brokers, brokers that provide us with research or with a research product or service must meet our best execution standards.</p> <p>Generally speaking, the commission rates charged by brokers providing a research service are higher than what would be charged by brokers selected solely for the purpose of executing a trade. The ability to access research information is of substantial value to the investment decision-making process of Parker Carlson & Johnson and is of benefit to all of our clients. Paying for research information in soft dollars reduces the adviser's cost of doing business and is an important factor in determining a reasonable investment management fee schedule. It is also a typical practice within the investment advisory industry.</p> <p>Parker Carlson & Johnson is not able to use the commission dollars to purchase research products for accounts that have chosen a client-directed brokerage relationship; however, these clients will still benefit from the value of these products. In these instances the client has chosen to use his/her commission dollars to purchase a product or service for his/her sole benefit.</p> <p><u>Examples of Research and Research-Related Products Acquired with Soft Dollars:</u></p>

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	<table border="1"> <tr> <td>Service Purchased</td><td>Research Information Received</td></tr> <tr> <td>Telemet</td><td>In-depth fundamental and technical information on over 2,000 stocks, updated daily</td></tr> <tr> <td>Hays Advisory Group</td><td>Newsletter</td></tr> <tr> <td>The Street Com Online</td><td>Fundamental and technical research</td></tr> <tr> <td>Morningstar(Principia)</td><td>Performance and portfolio analysis information for mutual fund industry</td></tr> </table> <p>Sometimes a research product or service has content that could also be helpful in the administration of our reporting and accounting processes. Because this is a non-research benefit, it must be paid for by the adviser, that is, paid with "hard" dollars. Currently, we do not subscribe to any such service. Should we do so in the future, we will disclose those services and the percentage of fees paid in hard and soft dollars.</p> <p><u>Research and Research-Related Products with a Non-Research Benefit:</u></p> <p>None.</p> <p><u>Trading Practices:</u></p> <p>We believe the trading procedures we've adopted are fair—no client is being advantaged at the expense of others or disadvantaged— to all our clients. We have testing procedures that measure the effectiveness of our practices and an ongoing compliance program that results in improvements where necessary.</p> <p>As mentioned previously, the firm's investment strategy and investment ideas are developed through a collaborative process by the Investment Committee with various members taking responsibility for specific asset classes. Ideas are shared among the portfolio managers and implemented across our client portfolios, subject to the respective account objectives. Portfolio managers are responsible for all aspects of the service delivery process for an account, including incorporation of appropriate investment ideas into the account.</p> <p>A trade order is created through the process of incorporating the investment idea or strategy into a portfolio. Because portfolios are invested at different times and have different objectives, they will contain different securities. Incorporating a new investment idea will prompt a portfolio review requiring some amount of time. Thus, new ideas will be implemented over a period of time. The review process results in the creation of a series of orders for the same or similar security. Trade orders for the same</p>	Service Purchased	Research Information Received	Telemet	In-depth fundamental and technical information on over 2,000 stocks, updated daily	Hays Advisory Group	Newsletter	The Street Com Online	Fundamental and technical research	Morningstar(Principia)	Performance and portfolio analysis information for mutual fund industry
Service Purchased	Research Information Received										
Telemet	In-depth fundamental and technical information on over 2,000 stocks, updated daily										
Hays Advisory Group	Newsletter										
The Street Com Online	Fundamental and technical research										
Morningstar(Principia)	Performance and portfolio analysis information for mutual fund industry										

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	<p>security may be entered on different days or even several times during the same day, as portfolio managers go about evaluating the appropriateness of the idea for their respective accounts.</p> <p>Trade orders are prepared as part of the review session by the portfolio managers. These orders are given to the trade specialist who then enters them with the appropriate broker. Orders for the same security at the same broker are aggregated and executed as a block trade. The execution price is the average price received for the entire block and allocated across the respective accounts. Later that same day or on another day, a similar series of trades may be created for a different series of accounts. The trade will be handled in the same manner but, of course, the prices received will be different.</p> <p>We believe these differences are a necessary by-product of managing to the portfolio's objective in contrast to managing to a model. We believe our process gives our portfolio managers the flexibility they require to meet the investment objectives of our clients.</p> <p>When the investment idea is of a particularly time-sensitive nature, such as the sale of a stock expected to react to some imminent news, it is implemented across all appropriate accounts in as timely a manner as possible. Again, trade orders placed through the same broker would be blocked with all accounts receiving the same averaged price.</p> <p>Although the vast majority of the block trades are executed in their entirety, there are times when a broker cannot complete the entire transaction within the day. In these instances the broker is directed to allocate the executed portion on a percentage completion basis across all the accounts comprising the trade order. Parker Carlson & Johnson may adjust the allocation in order to save on commissions when the client is subject to minimum ticket charges or brokerage trade away fees. In these instances the client may either have their total order filled or may not have any of the order filled. The decision will be based on the client's relative need to have the investment decision executed. For example, a client that has a need for cash may have a sale order filled over one that has adequate cash in their account.</p> <p>Clients who have directed us to trade with a specific broker will not be able to participate in block trades where Parker Carlson & Johnson has the brokerage discretion and therefore will have different execution prices and commission rates.</p> <p><u>Crossing Trades in Advisory Accounts:</u></p> <p>At times an unexpected need for cash or an estate distribution requires a security to be sold to create the needed liquidity. If it is a security, such as a bond, that does not</p>

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	<p>trade on an exchange AND another client is in need of a similar security, we will cross the trade between the two accounts. Both parties to the transaction will receive a little better price, because we eliminate the commission markup that compensates a broker for handling a trade.</p> <p>We follow a service protocol so that both parties to a cross-traded transaction are treated fairly and thus eliminate the potential for a conflict to exist in their interests. We begin a crossed-trade transaction by asking one of our brokerage relationships to process the transaction. The price will be established by the broker and Parker Carlson & Johnson's Chief Compliance Officer. It is based on the transaction prices for similar securities trading on the same day. A differential or bid-ask spread is established that will cover the broker's minimum ticket charges and split between the two sides.</p> <p><u>Minimum Ticket Charges and Trade Away Fees:</u></p> <p>Parker Carlson & Johnson will make a recommendation regarding custody services. In a number of instances we have recommended the Schwab Institutional division of Charles Schwab & Co. ("Schwab") because of their ability to execute trades effectively, at reasonable rates, offer a wide range of investment options and allow us to execute trades with other brokers. In addition Charles Schwab has developed tools to make communication with Parker Carlson & Johnson more efficient, reducing one aspect of account administration. See "Custodian" below for additional services provided by Schwab.</p> <p>We believe the fees charged by Schwab, a discount broker, are very competitive for the services it provides. Schwab is being paid for its custodial and trade execution services, not for providing investment advice. It does have a minimum ticket charge that is based on the size of the account. And, while Schwab allows us to place trades with another broker, it will charge a fee to settle the trade. Parker Carlson & Johnson will choose to place a trade away from Schwab for a variety of reasons: 1) the security can only be purchased or sold through the sponsoring broker; 2) the trade is used to pay for research; or 3) the trade gives us the ability to execute the transaction at a lower price because another broker holds the security in its inventory.</p> <p><u>Custodian:</u></p> <p>Parker Carlson & Johnson may recommend that clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab"), a FINRA-registered broker-dealer, to maintain custody of clients' assets and to effect trades for their accounts. Parker Carlson & Johnson is independently owned and operated and not affiliated with Schwab. Schwab provides Parker Carlson & Johnson's clients with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to</p>

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Item of Form (identify)	Answer
	<p>independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets is maintained in accounts at Schwab and is not otherwise contingent upon committing to Schwab any specific amount of business (assets in custody or trading). Schwab's services include brokerage, custody, research and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.</p> <p>For Parker Carlson & Johnson's clients' accounts maintained in its custody, Schwab generally does not charge separately for custody but is compensated by account holders through commissions or other transaction-related fees for securities trades that are executed through Schwab or that settle into Schwab accounts.</p> <p>Schwab also makes available other products and services that benefit Parker Carlson & Johnson but may not directly benefit its clients' accounts. Some of these other products and services assist Parker Carlson & Johnson in managing and administering clients' accounts. These include software and other technology that: provide access to client account data, such as trade confirmations and account statements; facilitate trade execution and allocation of aggregated trade orders for multiple client accounts; provide research, pricing information and other market data; facilitate payment of Parker Carlson & Johnson's fees from its clients' accounts; and assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of Parker Carlson & Johnson's accounts, including accounts not maintained at Schwab. Schwab also makes available other services intended to help Parker Carlson & Johnson manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing. In addition, Schwab may make available, arrange and/or pay for these types of services rendered to Parker Carlson & Johnson by independent third parties. Schwab may discount or waive fees it would otherwise charge for some of these services or pay all or part of the fees of a third party providing these services to Parker Carlson & Johnson.</p> <p>Although the "other products and services" provided to us by Schwab are much appreciated and help us better serve our clients, our decision to recommend them for trading and custody services is based solely on the value we believe they offer our clients. Schwab's trading platform provides our clients with the broadest array of no-load mutual funds. In addition, Schwab will also settle trades placed through other brokers. This expands the investment opportunities our clients can access and allows us to better meet their account objectives.</p> <p><u>Client Referrals:</u></p>
Part II, 13(B)	

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 16

**Schedule F of
Form ADV
Continuation Sheet for Form ADV
Part II**

Applicant:	SEC File Number:	Date:
Parker Carlson & Johnson, Inc.	801- 17956	11-9-2009

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Form ADV: Parker Carlson & Johnson, Inc.	IRS Empl. Ident. No.: 31-1045966
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Item of Form (identify)	Answer
	<p>Over the years, we've developed relationships with several non-investment professionals with expertise that our clients draw upon, such as legal, tax and retirement plan administration. As a result, we've gained an understanding of their practice styles, core competencies and work ethics. When asked by our clients, we are very comfortable recommending a service provider we believe will meet their needs. We are not compensated in any way for these referrals, nor are the recommended professionals expected to refer business to us.</p> <p>Just as we provide referrals when appropriate, we will also receive referrals from accountants, attorneys, retirement plan administrators and other service professionals in the Dayton region. While we are grateful for the referral, we do not compensate the referring party, nor is there any expectation that we will refer business to them at some later date.</p> <p>We eliminate the potential for a conflict of interest, because we do not have any explicit or implicit cross referral relationships with any professional service firms. We place the needs and interests of our clients first in referring a service organization that we believe will meet their needs. We expect the firms that refer clients to us to do the same.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 17

Form ADV (Paper Version)

UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION

DOMESTIC INVESTMENT ADVISER EXECUTION PAGE

You must complete the following Execution Page to Form ADV. This execution page must be signed and attached to your initial application for SEC registration and all amendments to registration.

Appointment of Agent for Service of Process

By signing this Form ADV Execution Page, you, the undersigned adviser, irrevocably appoint the Secretary of State or other legally designated officer, of the state in which you maintain your *principal office and place of business* and any other state in which you are submitting a *notice filing*, as your agents to receive service, and agree that such persons may accept service on your behalf, of any notice, subpoena, summons, *order instituting proceedings*, demand for arbitration, or other process or papers, and you further agree that such service may be made by registered or certified mail, in any federal or state action, administrative *proceeding* or arbitration brought against you in any place subject to the jurisdiction of the United States, if the action, *proceeding* or arbitration (a) arises out of any activity in connection with your investment advisory business that is subject to the jurisdiction of the United States, and (b) is *founded*, directly or indirectly, upon the provisions of: (i) the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940, or the Investment Advisers Act of 1940, or any rule or regulation under any of these acts, or (ii) the laws of the state in which you maintain your *principal office and place of business* or of any state in which you are submitting a *notice filing*.

Signature

I, the undersigned, sign this Form ADV on behalf of, and with the authority of, the investment adviser. The investment adviser and I both certify, under penalty of perjury under the laws of the United States of America, that the information and statements made in this ADV, including exhibits and any other information submitted, are true and correct, and that I am signing this Form ADV Execution Page as a free and voluntary act.

I certify that the adviser's books and records will be preserved and available for inspection as required by law. Finally, I authorize any *person* having custody or possession of these books and records to make them available to federal and state regulatory representatives.

Signature: Kathleen Carlson

Date: 11-9-2009

Printed Name: Kathleen A. Carlson

Title: President

Adviser CRD Number: 105815