

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

Applicant:  
**DELTA ADVISORY SERVICES, INC.**

SEC File Number:  
801- **46613**

Date:  
**07/29/2009**

(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 Part I of Form ADV: <b>DELTA ADVISORY SERVICES, INC.</b>		IRS Empl. Ident. No.: <b>59-32410176</b>
Item of Form (identify)	Answer	
<b>Part II Page 1 #6 C</b>	<p>Certain Clients accepted by the Applicant have a prior business relationship with AIM Investments (hereinafter "AIM"), an investment company. These Clients desire to keep their accounts to be managed by the Applicant at AIM, and the Applicant accommodates them even though that is outside the Applicant's customary practice. Because some of the AIM funds pay 12b-1 fees, it is a policy of AIM to pay investment advisers a portion of the marketing fees in the form of 12b-1 fees. If said fees were not paid to the Applicant, AIM would retain these fees. The Applicant's acceptance of the 12b-1 fees does not increase the charge to the Client. The 12b-1 fees are a result of an annual rate of .25% of the average of the aggregate net asset value of the outstanding shares of those AIM funds paying 12b-1 fees which are held by Clients, measured on each business day during each calendar quarter. 12b-1 fees received by the Applicant will fluctuate depending upon the number of Clients who have AIM accounts and the amount invested in funds paying 12b-1 fees.</p>	
<b>Part II Page 2 #1 D</b>	<p><b><u>SERVICES CURRENTLY OFFERED</u></b></p> <p>The Applicant offers a service known as the Preferred Asset Manager through which the Applicant at its discretion moves the Client's money between various securities as market conditions dictate and in consideration of the Client's investment objectives. Such discretionary authority shall be limited to the buying and selling of securities. Each Client shall have a separate account established at either Charles Schwab &amp; Co., Inc. (hereinafter "Schwab") or T.D. Waterhouse. The Client is charged a negotiable management fee not to exceed 2.95% per year. One fourth of the annual management fee is due at the beginning of each quarterly billing period and is based on the value of the account on the last day of the previous billing period. The Client may pay transaction fees and commissions to Schwab or T.D. Waterhouse on transactions within the account, but the Applicant will not receive any portion of said fees and commissions. The aim of this program is to maximize the Client's return considering current economic conditions. However, there can be no assurance that these objectives can be met and past performance is no guarantee that future results will be as successful. The Client shall have the right to terminate the agreement and incur no additional obligation, but the management fee and all management fees paid to date will have been earned and therefore is (are) not refundable. The Client's election to terminate must be in writing and will become effective ninety (90) days following receipt by the Applicant. (For California, Maryland, Massachusetts and Pennsylvania residents, the termination notification will become effective thirty (30) days following receipt by the Applicant, and the Client may be entitled to a refund of the unearned portion of the management fee.) If, however, the Client terminates the agreement within five (5) business days after entering into the agreement, the Client will receive a full refund of the management fee.</p> <p>For a Client who has invested in a variable annuity at John Hancock Life Insurance Company, the Applicant offers a service known as the Managed Venture Annuity through which the Applicant at its discretion moves the Client's money within the Annuity among various available portfolios as market conditions dictate. Such discretionary authority shall be limited to moves within the Annuity. The Client is charged a negotiable management fee not to exceed 1.95% per year. The fee is due on a semi-annual basis and is based on the value of the account on the last day of the previous billing period. It is to be remitted from the Managed Venture Annuity. The Client is advised that the Managed Venture Annuity investment advisory fee is deductible only to the extent that the investment related expenses exceed 2% of the adjustable gross income and are subject to alternative minimum tax calculations. The Client is advised to seek the opinion of their tax preparer for specifics relative to their own circumstances. The Applicant will attempt to maximize the Client's return considering current economic conditions. However, there can be no assurance that these objectives can be met and past performance is no guarantee that future results will be as successful. The Client shall have the right to terminate</p>	

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

**PAGE 1**

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1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>DELTA ADVISORY SERVICES, INC.</b>		IRS Empl. Ident. No.: <b>59-32410176</b>
Item of Form (identify)	Answer	
<b>Part II Page 2 #1 D Continued</b>	<p>the agreement and may receive a refund of the unearned portion of the management fee. The Client's election to terminate must be in writing and will become effective thirty (30) days following receipt by the Applicant. If, however, the Client terminates the agreement within five (5) business days after entering into the agreement, the Client will receive a full refund of the management fee.</p> <p>For a Client who has invested in Schwab Select Variable Annuity, the Applicant offers a service through which the Applicant at its discretion moves the Client's money within the Annuity at Great West Life Insurance Company through Charles Schwab &amp; Co., Inc. among various available portfolios as market conditions dictate. Such discretionary authority shall be limited to moves within the Annuity. The Client is charged a negotiable management fee not to exceed 1.95% per year. The fee is due on a quarterly basis and is based on the value of the account on the last day of the previous billing period. The management fee is remitted from the Client's Charles Schwab Brokerage account or billed directly to the Client, if the Client does not have a Charles Schwab brokerage account one is established. The Applicant will attempt to maximize the Client's return considering current economic conditions. However, there can be no assurance that these objectives can be met and past performance is no guarantee that future results will be as successful. The Client shall have the right to terminate the agreement and may receive a refund of the unearned portion of the management fee. The Client's election to terminate must be in writing and will become effective thirty (30) days following receipt by the Applicant. If, however, the Client terminates the agreement within five (5) business days after entering into the agreement, the Client will receive a full refund of the management fee.</p> <p>The Applicant offers Financial Planning Services and/or Retirement Analysis Consultation with an Investment Advisory Representative of the Applicant based on the Client's financial condition, indebtedness, present and future goals and other related data. The fee for this service is \$195 per hour and 50% of the estimated planning hours is due at the signing of the contract. The balance of the fee is due upon the delivery of the completed financial plan. Within five (5) business days of signing the investment advisory agreement, the Client may cancel said agreement and receive a complete refund. After the five (5) day cancellation period, the Client may cancel the services at any time an incur no additional obligation, but the initial fee will have been earned and therefore is not refundable. The Client's election to terminate must be in writing and will become effective upon receipt by the Applicant.</p> <p>Lower fees for comparable services may be available from other sources.</p> <p><b><u>SERVICES PREVIOUSLY OFFERED</u></b></p> <p>The Applicant provides a service known as the Asset Manager to Clients who already have separate accounts established at AIM Investments (hereinafter "AIM"). The Applicant at its discretion moves the Client's money between various mutual funds as market conditions dictate and in consideration of the Client's investment objectives. Such discretionary authority shall be limited to the buying and selling of mutual funds. The Client is charged a negotiable management fee not to exceed 2.5% per year. One fourth of the annual management fee is due at the beginning of each quarterly billing period and is based on the value of the account on the last day of the previous billing period. In addition, the Applicant may receive 12b-1 fees from AIM on certain transactions. The aim of this program is to maximize the Client's return considering current economic conditions. The Client shall have the right to terminate the agreement and incur no additional obligation, but the management fee and all management fees paid to date will have been earned and therefore is (are) not refundable. The Client's election to terminate must be in writing and will become effective ninety (90) days following receipt by the Applicant. (For California, Maryland, Massachusetts and Pennsylvania residents, the</p>	

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I. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>DELTA ADVISORY SERVICES, INC.</b>		IRS Empl. Ident. No.: <b>59-32410176</b>
Item of Form (identify)	Answer	
<b>Part II Page 2 # 1 D Continued</b>	<p>termination notification will become effective thirty (30) days following receipt by the Applicant, and the Client may be entitled to a refund of the unearned portion of the management fee.) If, however, the Client terminates the agreement within five (5) business days after entering into the agreement, the Client will receive a full refund of the management fee.</p> <p>In addition to the Applicant's advisory fee, Client's who invest in mutual funds should be aware that the funds themselves have fees and expenses associated with their operation. These include but are not limited to filing fees, operational expenses and fees paid to their fund managers, who are themselves investment advisors. All fund expenses are more particularly described in the mutual fund prospectuses available to each purchaser and Clients are encouraged to read and ask questions regarding any issues they may have concerns about.</p>	
<b>Part II Page 3 #4 C (7)</b>	<p>The Money Movement Strategy and the Profitline Strategy are methods of determining equity investment and the time to buy or sell these investments are based on current interest rates, moving averages and momentum rankings. Like all investment plans, neither the Money Movement Strategy nor the Profitline Strategy is an exact science. There may be variations in their application and timing. In addition, the selection and precise timing of the various investment moves which are available is open to interpretation.</p>	
<b>Part II Page 4 #6</b>	<p>CHARLES CLARENCE SMITH, JR. - Born in 1948. He graduated in 1973 from the University of South Carolina with a B.S. Degree in Business. From 1983 until May 1996, Mr. Smith had been the President and Chief Executive Officer of Delta Capital Corporation &amp; subsidiaries, real estate brokerage and development companies that presently are inactive. From 1986 to December 2005, Mr. Smith had been a Registered Representative and Investment Advisory Representative of PremiereTrade Securities f/k/a Delta First Financial, Inc., a broker-dealer and investment adviser registered with the SEC. From January 1992 until May 1996, Mr. Smith was the Vice President of Delta Research Institute, Inc., an educational and employee leasing company. His primary responsibilities included product structuring, marketing and ongoing management and administration. Although is no longer an officer of Delta Research Institute, Inc., he currently is an employee. In October 1994, Mr. Smith became an investment advisory representative with the Applicant. In January 1996 Mr. Smith became the President of the Applicant and the General Partner of Clarence-Pelton, Ltd. owner of the Applicant. In June 2004, Mr. Smith became CEO of the Applicant.</p> <p>SEAN DONOVAN CASTERLINE - Born in 1969. He graduated from the University of Florida in 1991 with a B.S. Degree in Finance and received his MBA in 1998. Mr. Casterline has worked in the securities industry since 1991. From May 1991 until November 1991 he worked as an intern with Koss-Olinger Financial Group. In November 1991, Mr Casterline was hired by F.N. Wolf &amp; Co., where he was sponsored for the Series 7 and 63 examinations. Mr. Casterline worked with F.N. Wolf &amp; Co. as a stockbroker until June 1992. From July 1992 until August 1998 he worked for Delta First Financial, Inc. as a registered representative and investment advisory representative. From January 1996 until August 1998 Mr. Casterline worked for the Applicant as a Senior Vice President. In September 1998, Mr. Casterline worked as a Chief Investment Officer of FAS Wealth Management Services, Inc. His functions included market analysis on radio and TV spots and managed clients portfolios for StockDr.com. As of January 2002, Mr. Casterline has rejoined the Applicant as Senior Vice President. From January 2002 until July 2004 he was the Chief Equity Trader for PremiereTrade Securities, Inc. In June 2004, Mr. Casterline became President of the Applicant.</p> <p>DONALD CARL NESTOR - Born in 1933. Donald C. Nestor is a Senior Vice President of Delta Advisory Services, Inc. With over 30 years of experience as a professional in the financial services industry, Mr. Nestor is certified as a public accountant (CPA) and financial planner</p>	

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Item of Form (identify)	Answer	
<b>Part II Page 4 #6 Continued</b>	<p>(CFP) and is a graduate of West Virginia University. Specializing in retirement planning and asset management, he was the co-host of the financial radio talk show "Money Matters" and has also appeared as a frequent guest on CBS and NBC television affiliates. Having served with distinction in the United States Army, Don is a proud military veteran. He currently serves as chief sponsor of the Orlando Support Group for the Myasthenia Gravis Foundation of America, which is a national volunteer health agency dedicated to fighting the neuromuscular disorder. From August 2000 until December 2005, Mr. Nestor worked for Sigma Financial Corp as a Registered Representative and Investment Advisory Representative.</p>	
<b>Part II Page 4 #8 C (1)</b>	<p>The Applicant has made arrangements with Delta Capital Management LLC (hereinafter "DCM"), an investment advisory firm registered in the State of Florida, to where the Applicant provides investment advice, support and analysis to DCM's Client portfolios.</p>	
<b>Part II Page 5 #9 D</b>	<p>Certain Clients have Asset Manager Accounts where the individual accounts are held at AIM Investments (hereinafter "AIM"), an investment company. Because some of the AIM funds pay 12b-1 fees, it is a policy of AIM to pay investment advisers a portion of AIM's marketing fees in the form of those 12b-1 fees. A potential conflict of interest exists in that funds offering the 12b-1 fees could be selected for the benefit of the Investment Adviser as opposed to what is in the best interest of the Client. The Applicant, however, makes no investment decisions with 12b-1 fees in mind. A Client's account is allocated based upon his management preference and the current economic conditions with the goal of the Applicant being to increase the value of the Client's account. If the asset value of the Client's account increases, the Applicant will benefit in addition to the Client in that the Applicant receives a percentage of the assets under management as an annual management fee. To ensure that investment decisions are in the best interest of the Client, a Supervisor of the Applicant approves all transactions.</p> <p>The 12b-1 fees are a result of an annual rate of .25% of the average of the aggregate net asset value of the outstanding shares of those AIM funds paying 12b-1 fees which are held by Clients, measured on each business day during each calendar quarter. 12b-1 fees received by the Applicant will fluctuate depending upon the number of Clients who have AIM accounts and the amount invested in funds paying 12b-1 fees.</p>	
<b>Part II Page 5 #9 E</b>	<p>An officer, shareholder or employee of the Applicant from time to time may own, buy or sell securities in which Clients of the Applicant who have managed accounts maintain a position. this may represent a potential conflict of interest. An officer, shareholder or employee of the Applicant, however, is too small of an investor to noticeably affect the market.</p>	
<b>Part II Page 6 #12 A (1) and (2)</b>	<p>With regard to a Client who participates in the Preferred Asset Manager service or the Asset Manager service, the Applicant has the authority without obtaining specific client consent to move the Client's money between various securities as market conditions dictate and in consideration of the Client's investment objectives. This discretionary authority, however, is limited to the buying and selling of securities. As for a Client who participates in the Managed Venture Annuity or the Schwab Select Variable Annuity, the Applicant has the authority to move the Client's money invested in the annuity among various available portfolios as market conditions dictate without obtaining specific Client consent. This discretionary authority, however, is limited to moves within the annuity.</p>	
<b>Part II Page 6 #12 B</b>	<p>If a Client participates in the Preferred Asset Manager service, all securities transactions are placed through either Charles Schwab or T.D. Waterhouse. The Applicant has selected Charles Schwab and T.D. Waterhouse because of its flexibility and discount brokerage fees and commissions. The Applicant will not receive any portion of transaction fees and commissions generated by Charles Schwab or T.D. Waterhouse.</p>	

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<b>Part II Page 6 # 12 B Continued</b>	<p>The Client may pay fees and commissions higher than those obtainable from other brokers in return for the same products and services.</p> <p>The following are procedures the firm will follow with respect to allocations and trading of certain stocks in Clients portfolios at Charles Schwab and T.D. Waterhouse:</p> <ul style="list-style-type: none"> <li>• We will not allocate IPOs or other special securities that may have unsure market action.</li> <li>• Allocations will only be done for publicly traded securities. Allocations must be done based on consideration of a Client's individual portfolio and keeping in mind the relationship between size of account versus purchased or sold amount and risk tolerance.</li> <li>• Transactions for any Client account would not be aggregated if prohibited by or inconsistent with the Client's investment management agreement and provided that the Client's purchase of that particular security is consistent with its investment objectives and guidelines. No Client would be favored over any other in connection with such participation.</li> <li>• Before aggregating orders in a particular case, the firm must reasonably believe that it would be able to obtain best price and execution for each Client participating in the aggregated order.</li> <li>• Each Client would participate in the order at the average price for all of the transactions and would share transaction costs pro rata based on such Client's participation in the transaction.</li> <li>• Before entering an aggregated order, the firm would prepare a written statement specifying the participating Client account and the method of allocating securities, costs, etc., among the participating accounts. The written statement (or the order ticket) would indicate the amount (either in dollars, number of securities or percentage of account value) that the firm would accept for each participating client account.</li> <li>• All allocations would reflect separately for each client account the aggregated transactions that have occurred and the securities held for the Client. If an order must be allocated in a manner that is different from that in the written statement, all Client's must receive fair and equitable treatment, and the written rationale for the departure must be approved by the firm's compliance officer.</li> <li>• The firm would not receive any additional compensation or remuneration as a result of aggregating orders.</li> </ul> <p>In the event an order cannot be filled in its entirety at the desired price, then a blended (average) price will be used on all orders. In the event the entire order cannot be filled all parties to the order will receive a pro rata allocation.</p> <p>All allocations should be effected in a Client's account by the close of business on the day the trade was placed.</p>	
<b>Part II Page 6 #13 A</b>	<p>Because the Applicant meets Charles Schwab and T.D. Waterhouse's minimum requirements for assets under management, the Applicant receives from Charles Schwab and T.D. Waterhouse discounts on software and electronic services which the Applicant utilizes in the management of Client's accounts. Clients of the Applicant will not pay Charles Schwab or T.D. Waterhouse higher fees and commissions than if the Applicant did not receive discounts on</p>	

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Continuation Sheet for Form ADV Part II

Applicant: DELTA ADVISORY SERVICES, INC.	SEC File Number: 801- 46613	Date: 07/29/2009
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	these services. Further, the Applicant will not receive any portion of said fees and commissions.