

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:	SEC File Number:	Date:
PARAGON ASSET MANAGEMENT, LTD.	801-60426	7/2010

(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: PARAGON ASSET MANAGEMENT, LTD.		IRS Empl. Ident. No.: 36-3483049
Item of Form (identify)	Answer	
Item 1D	<p>As discussed below in this disclosure statement, the Registrant provides its clients (i.e. individuals, pension and profit sharing plans, and trusts) with comprehensive investment management and consultation services.</p> <p>Investment Management</p> <p>In the event the client desires, the client can engage Registrant to design an investment portfolio and provide ongoing investment management services on a <i>fee-only</i> basis in accordance with the client's investment objectives as same are set forth in the written investment policy statement prepared by the Registrant in conjunction with the client. In the event the client determines to engage Registrant on a <i>fee-only</i> basis, Registrant shall charge an annual investment management fee based upon a percentage of the market value of the assets being managed by Registrant. The investment management fee charged shall vary (between 0.10% and 1.10%) depending upon the market value of assets under management and the specific type of investment management services to be rendered. Registrant generally imposes a minimum annual investment management fee of \$10,000.00. Registrant may utilize the services of third parties for performance reporting and accounting services, and the fees for such services will be paid by Registrant to the third party service provider from Registrant's investment management fee.</p> <p>Registrant's annual investment management fee shall be pro-rated and paid quarterly, in advance, based upon the market value of the assets on the last day of the previous quarter. Registrant does not require an account minimum for investment management services. However, as indicated above, Registrant generally imposes a minimum annual investment management fee of \$10,000.00. Registrant, in its sole discretion, may charge a lesser annual investment management fee and/or require a lesser annual minimum investment management fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).</p> <p>Unless the client directs otherwise, Registrant shall generally recommend that investment management accounts be maintained at Charles Schwab & Co., Inc. ("<i>Schwab</i>") and/or Fidelity Investments ("<i>Fidelity</i>"). Prior to engaging Registrant to provide investment management services, the client will be required to enter into a formal investment advisory agreement with Registrant setting forth the terms and conditions under which Registrant shall manage the client's assets, and a separate custodial/clearing agreement with <i>Schwab</i> and/or <i>Fidelity</i>. Both Registrant's investment advisory agreement and <i>Schwab</i>'s custodial/clearing agreement, may authorize <i>Schwab</i> to debit the account for the amount of the Registrant's investment management fee and to directly remit that management fee to the Registrant in accordance with required SEC procedures. The investment advisory agreement between Registrant and the client will continue in effect until terminated by either party by written notice pursuant to the terms of the investment advisory agreement. Registrant's investment management fee shall be prorated through the date of termination, and any remaining balance shall be promptly refunded to the client.</p> <p>Currently, Registrant allocates investment management assets of its client accounts among various no-load mutual fund classes and/or among separate independent investment manager[s] and/or investment programs (the "<i>Independent Manager[s]</i>"), on a discretionary basis, in accordance with the investment objectives of the client. The terms and conditions under which the client shall engage the <i>Independent Manager[s]</i> shall be set forth in separate written agreements between the client and Registrant and the client and the designated <i>Independent Manager[s]</i>. Registrant shall continue to render advisory services to the client relative to the ongoing monitoring and review of account performance and asset allocation, for which Registrant shall receive an annual advisory fee which is based upon a percentage of the market value of the assets being managed by the designated <i>Independent Manager[s]</i>. Factors which Registrant shall consider in recommending certain <i>Independent Manager[s]</i> include the client's stated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research. The investment management fees charged by the designated <i>Independent Manager[s]</i>, together with the fees charged by the corresponding designated broker-dealer/custodian of the client's assets are exclusive of, and in addition to, Registrant's ongoing investment advisory fee.</p> <p>As discussed above, unless the client directs otherwise, Registrant shall generally recommend that <i>Schwab</i> and/or <i>Fidelity</i> serve as the broker-dealer/custodian for client assets. In addition to Registrant's investment</p>	

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

Item 1D
(continued)

management fee, brokerage commissions and/or transaction fees, the client will also incur, relative to all mutual fund purchases, charges imposed at the mutual fund level (e.g. management fees and other fund expenses). Although not required to do so pursuant to its grant of discretionary authority from the client, Registrant will endeavor, when possible under the circumstances, to discuss a proposed investment transaction with a client prior to the execution thereof.

Factors which Registrant considers in recommending *Schwab* and/or *Fidelity* (or any other broker-dealer/custodian) to clients includes *Schwab* and/or *Fidelity*'s financial strength, reputation, execution, pricing, research, and service. *Schwab* and/or *Fidelity* enable Registrant to obtain many no-load mutual funds without transaction charges and other no-load and load waived funds at nominal transaction charges. *Schwab* and/or *Fidelity* charge commission rates which are generally considered discounted from customary retail commission rates. The commissions and/or transaction fees charged by *Schwab* and/or *Fidelity* may be higher or lower than those charged by other broker-dealers. Registrant will not receive any portion of the brokerage commissions and/or transactions fees charged to *fee-only* clients. In return for effecting securities transactions through *Schwab* and/or *Fidelity*, or other designated broker-dealer/custodian, Registrant may receive certain investment research products and/or services which assist the Registrant in its investment decision-making process for the client, all of which transactions shall be in compliance with Section 28(e) of the Securities Exchange Act of 1934. The brokerage commissions and/or transaction fees charged by *Schwab* and/or *Fidelity* or other designated broker-dealer/custodian are exclusive of, and in addition to, Registrant's investment management fee. Although the commissions paid by Registrant's clients shall comply with the Registrant's duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where the Registrant determines, in good faith, that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Registrant will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. Although the investment research products and/or services that may be obtained by Registrant will generally be used to service all of Registrant's clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account.

MISCELLANEOUS

Please Note: Investment Risk. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by the Registrant) will be profitable or equal any specific performance level(s).

Non-Investment Consulting/Implementation Services. If requested by the client, the Registrant may provide consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. Neither the Registrant, nor any of its representatives, serves as an attorney, accountant or insurance agent, and no portion of the Registrant's services should be construed as same. To the extent requested by a client, the Registrant may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance, etc.). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Registrant.

Please Note: Non-Discretionary Service Limitations. Clients that determine to engage the Registrant on a non-discretionary investment advisory basis **must be willing to accept** that the Registrant cannot effect any account transactions without obtaining prior verbal consent to any such transaction(s) from the client. Thus, in the event of a market correction, and the client is unavailable, the Registrant will be unable to effect any account transactions (as it would for its discretionary clients) **without first obtaining the client's verbal consent.**

Client Obligations. In performing its services, Registrant shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Registrant's previous recommendations and/or services.

Disclosure Statement. A copy of Registrant's written disclosure statement as set forth on Part II of Form ADV shall be provided to each client prior to or contemporaneously with the execution of the *Investment*

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

	<i>Advisory Agreement or Financial Planning Agreement.</i> Any client who has not received a copy of Registrant's written disclosure statement at least 48 hours prior to executing the <i>Investment Advisory Agreement</i> shall have five business days subsequent to executing the agreement to terminate the Registrant's services without penalty.
Item 5	All individuals that give investment advice on behalf of the Registrant must have earned a college degree and/or have substantive investment-related experience. In addition, all such individuals shall have attained all required investment-related licenses and/or designations.
Item 6	<p>Mike Ryan, CFP Born: 1951 Educational Background: Indiana University – BA in Religious Studies; 1974 Indiana University – MA in Religious Studies; 1978 Business Background: Paragon Asset Management, Ltd. – Chief Compliance Officer; President – 1/89-Present Ryan Financial Advisors, Ltd. – President – 1/87-1/93 Mike Ryan and Company – Owner – 1/83-12/86</p>
Item 9E	<p>The Registrant has implemented an investment policy relative to personal securities transactions. This investment policy is part of Registrant's overall Code of Ethics which serves to establish a standard of business conduct for all of Registrant's Associated Persons that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.</p> <p>In accordance with Section 204A of the Investment Advisers Act of 1940, the Registrant also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by the Registrant or any person associated with the Registrant.</p>
Item 10	Please see the previous response set forth on this Schedule "F" to Item 1D.
Items 12A and 12B	<p>Please see the previous responses set forth on this Schedule F to Item 1D. In addition, to the extent applicable to the transactions to be effected, Registrant's general policies relative to the execution of client securities brokerage transactions are as follows:</p> <p><u>Execution of Brokerage Transactions (when applicable).</u> If requested, Registrant will arrange for the execution of securities brokerage transactions for the account through broker-dealers that Registrant reasonably believes will provide "best execution." In seeking "best execution," the determinative factor is not the lowest possible commission cost but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services including execution capability, commission rates, and responsiveness. Accordingly, although Registrant will seek competitive commission rates, it may not necessarily obtain the lowest possible commission rates for account transactions.</p> <p>Over-the-Counter (OTC) securities transactions for Registrant's clients are generally effected on an agency basis, which involve the services of two (2) separate broker-dealers: (1) a "dealer" or "principal" acting as market-maker; and (2) the executing broker-dealer that acts in an agency capacity for the client's account. Dealers executing principal transactions typically include a mark-up/down, which is included in the offer or bid price of the securities purchased or sold. In addition to the dealer mark-up/down, the client will also incur the transaction fee imposed by the executing broker-dealer. Registrant does not receive any portion of the dealer mark-up/down or the executing broker-dealer transaction fee.</p> <p>Registrant may (but is not obligated to) combine or "batch" client orders to obtain "best execution," to negotiate more favorable commission rates or to allocate equitably among Registrant's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among Registrant's clients in proportion to the purchase and sale orders placed for each client account on any given day.</p> <p>The client may direct Registrant to use a particular broker-dealer (subject to Registrant's right to decline and/or terminate the engagement) to execute some or all transactions for the client's account. In such event, the client will negotiate terms and arrangements for the account with that broker-dealer, and Registrant will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Registrant. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.</p>
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	<p>In the event that the client directs Registrant to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through Registrant.</p> <p><u>Proxy Voting Policy.</u> The Registrant does not vote client proxies. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.</p> <p>See additional disclosure at Item 13A relative to <i>Schwab</i> and <i>Fidelity</i>.</p>
Item 13A	<p>Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, Registrant may receive from <i>Schwab</i> and/or <i>Fidelity</i>, without cost (and/or at a discount) support services and/or products, certain of which assist the Registrant to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by the Registrant may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by Registrant in furtherance of its investment advisory business operations.</p> <p>As indicated above, certain of the support services and/or products that <i>may</i> be received may assist the Registrant in managing and administering client accounts. Others do not directly provide such assistance, but rather assist the Registrant to manage and further develop its business enterprise.</p> <p>Registrant's clients do not pay more for investment transactions effected and/or assets maintained at <i>Schwab</i> and/or <i>Fidelity</i> as result of this arrangement. There is no corresponding commitment made by the Registrant to <i>Schwab</i> and/or <i>Fidelity</i> or any other any entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement.</p> <p><u>The Registrant's Chief Compliance Officer, Mike Ryan, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest any such arrangement may create.</u></p>

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