

**Form ADV Part 2B Brochure Supplement
Philip O. Johnson**

Item 1 – Cover Page

Philip O. Johnson
Johnson Financial Advisors
1095 W. Rio Salado Pkwy, Suite 201
Tempe, AZ 85281-2610
Ph: 602-242-4000

Date of Supplement: March 2012

This brochure supplement provides information about Philip O. Johnson (“Phil Johnson”) that supplements the Philip O. Johnson & Company, Ltd. d/b/a Johnson Financial Advisors (“JFA”) brochure. You should have received a copy of that brochure. Please contact Philip O. Johnson at 602-242-4000 if you did not receive the JFA brochure or if you have any questions about the contents of this supplement.

Additional information about Phil Johnson is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Educational Background and Business Experience

Philip O. Johnson, Born 1955

Educational Background:

Phil Johnson attended Glendale Community College and Brigham Young University majoring in business administration.

Business Experience:

Phil Johnson has been involved in the insurance industry since 1976 and in the securities industry since 1977. In 1981, he incorporated Philip O. Johnson & Company, Ltd., which entity currently conducts investment advisory activities under the business name Johnson Financial Advisors. Philip O. Johnson & Company, Ltd. became a Registered Investment Advisor with the SEC in 1982. Due to changes in investment adviser registration requirements, in 2012 Philip O. Johnson & Company, Ltd. transitioned from SEC to state registration. Phil Johnson has been affiliated as a Registered Principal and Registered Representative with Securities America, Inc. since 1991 and he became an agent affiliated with EverBank in November 2008.

Professional Designation:

In 1982 Phil Johnson received the professional designation, Certified Financial Planner™ (CFP®) from the College for Financial Planning in Denver, Colorado. Mr. Johnson is a member of The Financial Planning Association.

Certified Financial Planner™ (CFP®)

The Certified Financial Planner™ (CFP®) designation is issued by the Certified Financial Planner Board of Standards, Inc. It is a voluntary certification recognized by the United States and other countries for its (1) high standard of professional education, (2) stringent code of conduct and standards of practice and (3) ethical requirements governing professional engagements with clients.

To receive the CFP® designation, a candidate must meet strict educational and experience requirements. The candidate must also complete a 10-hour exam covering the areas of financial planning, insurance, taxes, investments, retirement planning, and estate planning. After earning the CFP® designation, a Certificant must complete 30 hours of continuing education every two years and renew the agreement to be bound by the Standards of Professional Conduct. Phil Johnson acknowledges his responsibility as a CFP® Certificant to adhere to the standards that have been established in the CFP Board's Standards of Professional Conduct.

Item 3 – Disciplinary Information

Phil Johnson has no legal or disciplinary events to report.

Item 4 – Other Business Activities

Registered Representative of Securities America, Inc.

Phil Johnson is separately licensed as a Registered Principal and Registered Representative with Securities America, Inc. ("SAI"), a registered securities broker/dealer, member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investors Protection Corporation (SIPC). Approximately 20% of his workweek is spent on his activities as a Registered Representative and Registered Principal of SAI.

When acting in his separate capacity as a registered representative of SAI, he may sell, for commissions, general securities products such as stocks, bonds, mutual funds, exchange-traded funds, and variable annuity and variable life products to advisory clients. As such, he may suggest that advisory clients implement investment advice by purchasing securities products through a commission-based SAI account in addition to a JFA advisory account.

The receipt of commissions creates an incentive for Phil Johnson to recommend those products for which he will receive a commission. Consequently, the objectivity of the advice rendered to clients could be biased. He controls for this potential conflict of interest by discussing with clients the advantages and disadvantages of establishing a fee-based account through JFA versus establishing a commission-based account through SAI. JFA does not require its advisor representatives to encourage clients to implement investment advice through SAI.

Phil Johnson does not earn commissions in fee-based accounts.

Phil Johnson will receive 12b-1 fees from certain mutual fund companies as outlined in the fund's prospectus. 12b-1 fees come from fund assets, therefore, indirectly from client assets. The receipt of such fees could represent an incentive for him to recommend funds with 12b-1 fees over funds that have no fees or lower fees. Typically, he will receive 12b-1 fees only in commission-based brokerage accounts. However, such fees can be earned in fee-based accounts managed by him if 12b-1 fee-paying mutual funds are held in the managed account. For ERISA accounts, there is an offset for any amount of 12b-1 fees. In such a situation, Phil Johnson discusses with clients the selection of a 12b-1 paying mutual fund or other trail-paying mutual funds. JFA maintains records of all 12b-1 fee payments to Phil Johnson.

Clients are never obligated or required to establish accounts through JFA or SAI. However, if a client chooses not to accept Johnson's advice or decides not to establish an account through SAI, Phil Johnson may not be able to provide management and advisory services to the client. Clients should understand that, due to certain regulatory constraints, Phil Johnson, in his capacity as a SAI registered representative, must place all purchases and sales of securities products in commission-based brokerage accounts through SAI or its other approved institutions.

Insurance Agent

Phil Johnson is independently licensed to sell annuities and life and health insurance through various companies for commissions. These insurance products are independent of the other services he provides and represent only 3% of his professional time and/or compensation. When acting in this capacity, he will receive commissions for selling insurance and annuity products.

Phil Johnson may also receive other incentive awards for the recommendation/sale of annuities and other insurance products. The receipt of compensation and other incentive benefits may affect his judgment when recommending products to clients. While he endeavors at all times to put the interest of his clients first as a part of his overall fiduciary duty to clients, clients should be aware that the receipt of commissions and additional compensation itself creates a conflict of interest, and may affect his decision making process when making recommendations.

Clients are never obligated or required to purchase insurance products from or through Phil Johnson and may choose any independent insurance agent and insurance company to purchase insurance products. Regardless of the insurance agent selected, the insurance agent or agency will receive normal commissions from the sale.

Banking & Mortgage Referrals

Securities America, Inc. has established an agreement with EverBank, an FDIC insured Savings Association, to allow Phil Johnson, as an SAI registered representative, to affiliate with EverBank. Pursuant to his affiliation with EverBank, Phil Johnson refers clients to EverBank so that EverBank may provide the clients with banking and mortgage services. JFA is compensated for such referrals. Clients are not obligated to use EverBank for banking or mortgage services. SAI will be compensated by EverBank for client referrals made by Phil Johnson. EverBank activities represent only approximately 1% of Phil Johnson's professional time and compensation.

Item 5 – Additional Compensation

Other than the fees detailed in JFA's Form ADV Part 2A Disclosure Brochure, Phil Johnson receives no other compensation related to advisory services provided to clients.

Item 6 – Supervision

Phil Johnson is the Chief Compliance Officer of JFA. He is responsible for developing, overseeing and enforcing the firm's compliance programs that have been established to monitor and supervise the activities and services provided by the firm and its representatives. Phil Johnson can be contacted at 602-242-4000.

Item 7 – Requirements for State-Registered Advisers – Legal and Financial Disclosure

Phil Johnson has not been the subject of any client arbitrations or similar legal disputes.