

**ITEM 1: COVER PAGE FOR
PART 2B OF FORM ADV:
BROCHURE SUPPLEMENT
DATED JUNE 2012**

JEFFRY JESS JOHNSON

**MUTUAL SECURITIES INC. OF CALIFORNIA d/b/a MUTUAL SECURITIES,
INC. (“Mutual”)
807-A CAMARILLO SPRINGS ROAD CAMARILLO, CA 93012
805-764-6730**

FIRM CONTACT: JULIE LAN COHEN, CHIEF COMPLIANCE OFFICER

WWW.MUTUALSECURITIES.COM

This brochure supplement provides information about Jeffrey Jess Johnson that supplements our brochure. You should have received a copy of that brochure. Please contact Julie Lan Cohen, Chief Compliance Officer if you did not receive Mutual’s brochure or if you have any questions about the contents of this supplement.

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

Item 2 Educational Background and Business Experience

Jeffry Jess Johnson

Year of Birth: 1955

Education Background:

- 1978; Bachelors of Science degree in Public Administration from University of Southern California

Business Experience

- 11/2009 to Present, Mutual Securities, Inc., Investment Adviser Representative
- 05/2004 to Present, PMB Securities, Financial Advisor and Sales Manager
- 06/2003 to 03/2004, Wachovia Securities, Financial Advisor

Examinations:

07/1992 – Series 65

05/1987 – Series 63

Item 3 Disciplinary Information

Jeffry Jess Johnson has disclosure history, the details of which can be found on FINRA's BrokerCheck system or the IAPD. The BrokerCheck link is available at www.finra.org/brokercheck; the IAPD link is www.adviserinfo.sec.gov. You may access the details of Mr. Johnson's disclosure history by clicking on the link above, or typing in the url address indicated above. Follow the online directions to obtain detailed information on this Advisor.

If there are legal or disciplinary events materials to your evaluation of Jeffry Jess Johnson, we are required to disclose all material facts regarding those events.¹

Items 3A and 3B below list specific events presumed to be material for this Item.

- A. A customer complaint was filed against Mr. Johnson in April 2002. The client alleged the purchase of the Alliance California Municipal Fund shares was unsuitable because it was accompany with interest rate risks. The client sought \$50,000 from the lost of the securities liquidation. This claim was denied and the case was closed in June 2002.
- B. Mr. Johnson was permitted to resign from Wachovia Securities due to an allegation of accepting gifts and a fiduciary appointment from a client in which Mr. Johnson failed to obtain the firm's approval.

¹ **Note:** Our firm may, under certain circumstances, rebut the presumption that a disciplinary event is material. If an event is immaterial, we are not required to disclose it. When we review a legal or disciplinary event involving Jeffry Jess Johnson to determine whether it is appropriate to rebut the presumption of materiality, we consider all of the following factors: (1) the proximity of Mr. Johnson to the advisory function; (2) the nature of the infraction that led to the disciplinary event; (3) the severity of the disciplinary sanction; and (4) the time elapsed since the date of the disciplinary event. If we conclude that the materiality presumption has been overcome, we prepare and maintain a file memorandum of our determination in our records. We follow SEC rule 204-2(a)(14)(iii) and similar state rules.

Item 4 Other Business Activities

A. If Jeffry Jess Johnson is actively engaged in any investment-related business or occupation, including if Jeffry Jess Johnson is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant ("FCM"), commodity pool operator ("CPO"), commodity trading advisor ("CTA"), or an associated person of an FCM, CPO, or CTA, we are required to disclose this fact and describe the business relationship, if any, between the advisory business and the other business.

1. If a relationship between the advisory business and Jeffry Jess Johnson's other financial industry activities creates a material conflict of interest with you, the SEC requires us to describe the nature of the conflict and generally how we address it.

See Item 2 below.

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2. If Jeffry Jess Johnson receives commissions, bonuses or other compensation based on the sale of securities or other investment products, including as a broker-dealer or registered representative, and including distribution or service ("trail") fees from the sale of mutual funds, we have to disclose this fact. If this compensation is not cash, we are required to explain what type of compensation Jeffry Jess Johnson receives. We must explain that this practice gives Jeffry Jess Johnson an incentive to recommend investment products based on the compensation received, rather than on your needs.

We are actively engaged in the business of being a registered securities broker-dealer, member FINRA, MSRB, SIPC. All of our firm's investment advisory representatives are dually licensed registered representatives with the affiliated broker-dealer. In their separate roles as registered representatives, they may offer commissionable securities products to clients for which they will earn the normal commissions.

Clients in our firm's Separate Account and Asset Advantage Service Programs may also be clients of the broker-dealer. In such cases a client may be solicited by their respective representative about investment ideas or products for their brokerage account if such solicitations are in line with the client's overall investment objectives and risk tolerance.

Our principal business activity is that of a registered securities broker-dealer. Our firm's officers and employees spend more than half of their time devoted to broker-dealer business.

A conflict of interest may arise as these commissionable securities sales may create an incentive to recommend products based on the compensation adviser and/or our supervised persons may earn and may not necessarily be in the best interests of the client. In order to minimize this conflict of interest, our supervised persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics as well as clearly explaining this conflict when recommending any such products to our clients. Clients are informed they are not obligated to purchase these products.

- B. If Jeffrey Jess Johnson is actively engaged in any business or occupation for compensation not discussed in response to Item 4.A, above, and the other business activity or activities provide a substantial source of Jeffrey Jess Johnson's income or involve a substantial amount of Jeffrey Jess Johnson's time, we are required to disclose this fact and must describe the nature of that business. If the other business activities represent less than 10 percent of Jeffrey Jess Johnson's time and income, we may presume that they are not substantial.

Jeffrey Jess Johnson, one of our firm's representatives is separately licensed as an insurance agent/broker with various companies. In this role, he may offer commissionable insurance products to our firm's clients for which he may receive compensation.

A conflict of interest may arise as these commissionable insurance product sales may create an incentive to recommend products based on the compensation the adviser and/or our supervised persons may earn and may not necessarily be in the best interests of the client. In order to minimize this conflict of interest, our management persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics as well as clearly explaining this conflict when recommending any such products to our clients. Clients are not obligated to purchase these products.

Item 5 Additional Compensation

If someone who is not a client provides an economic benefit to Jeffrey Jess Johnson for providing advisory services, we are required to generally describe the arrangement. For purposes of this Item, economic benefits include sales awards and other prizes, but do not include Jeffrey Jess Johnson's regular salary. Any bonus that is based, at least in part, on the number or amount of sales, client referrals, or new accounts should be considered an economic benefit, but other regular bonuses should not.

We have nothing to disclose in this regard.

Item 6 Supervision

We are required to explain how we supervise Jeffrey Jess Johnson, including how we monitor the advice Jeffrey Jess Johnson provides to you. Our firm has to provide the name, title and telephone number of the person responsible for supervising Jeffrey Jess Johnson's advisory activities on behalf of our firm.

Julie Lan Cohen, Chief Compliance Officer of our firm, supervises and monitors Jeffrey Jess Johnson's activities on a regular basis. Ms. Cohen reviews all outgoing correspondence for written financial advice that Jeffrey Jess Johnson provides to his clients. Please contact Ms. Cohen if you have any questions about Jeffrey Jess Johnson's brochure supplement at 805-764-6730.

Item 7 Requirements for State-Registered Advisers

A. In addition to the events listed in Item 3 of Part 2B, if Jeffry Jess Johnson has been involved in one of the events listed below, we disclose all material facts regarding the event.

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
 - (a) an investment or an investment-related business or activity;
 - (b) fraud, false statement(s), or omissions;
 - (c) theft, embezzlement, or other wrongful taking of property;
 - (d) bribery, forgery, counterfeiting, or extortion; or
 - (e) dishonest, unfair, or unethical practices.

We have nothing to disclose in this regard.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
 - (a) an investment or an investment-related business or activity;
 - (b) fraud, false statement(s), or omissions;
 - (c) theft, embezzlement, or other wrongful taking of property;
 - (d) bribery, forgery, counterfeiting, or extortion; or
 - (e) dishonest, unfair, or unethical practices.

We have nothing to disclose in this regard.

B. If Jeffry Jess Johnson has been the subject of a bankruptcy petition, we must disclose that fact, the date the petition was first brought, and the current status.

We have nothing to disclose in this regard.