

Part 2A of Form ADV: Firm *Brochure*

Item 1 Cover Page

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This brochure provides information about the qualifications and business practices of A. J. Perry & Company, Inc. If you have any questions about the contents of this brochure, please contact us at : 410-539-1144 .The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about A. J. Perry & Company, Inc also is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 Material Changes

This brochure contains no material changes since our last annual update filed on March 30, 2011.

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Item 4 Advisory Business

- A. A.J. Perry & Company, Inc. invests its client's assets in portfolios of no-load mutual funds tailored to meet the objectives of each client and has been in business doing this for 28 years. We have 2 principal owners, Paul F. Nastasi and William Andrew Perry.
- B. We require that the client open a custodial account with an institutional broker, such as Charles Schwab & Company or TD Waterhouse, and we obtain the authority from the client to direct the custodian to make those investment changes as we direct without the client's prior consent.
- C. In order for us to be able to tailor the account to meet our client's expectations, we have to know the client's investment objective which we learn from the client's financial information. In meeting our clients' expectations, we try to accommodate the client in any way we can, so long as the client stays with our core of investing in open-ended mutual funds.
- D. We do not participate in wrap fee programs by providing portfolio management services.
- E. As of December 31, 2010, we have \$57,303,000 of assets which we manage on a discretionary basis and \$2,245,000 on a non-discretionary basis.

Item 5 Fees and Compensation

- A. A.J. Perry & Company, Inc. is compensated for its advisory services based upon the market value of the assets managed, and the fee is charged quarterly in advance. The annual fee is 1% for the first \$250,000, 0.5% for the next \$750,000, and 0.25% for amounts in excess of \$1,000,000. We believe these fees to be fair and reasonable, and they are not negotiable. The fee is based on the value of the assets under management rather than the net value of the account because we do not intend to allow the use of margin accounts except when assisting the client to exercise his options at the initial funding of the account.
- B. We bill the client for the fees incurred, but will, at the specific request of the client, deduct the fee from the client's assets. One-fourth of the annual fee is billed each quarter in advance, and is based on the value of the account on the anniversary dates quarter times one-fourth of the rate.
- C. The fee described in A. (above) is the only fee charged by or paid to A. J. Perry & Company, Inc. The client, however, may incur a fee from the institutional broker for its custodial services or transaction costs. The client may also incur a fee from the mutual funds for the expenses of the mutual funds which is paid from the mutual funds' yield.
- D. As indicated in A. (above), our quarterly fees are to be paid in advance. If the account is terminated during a quarter in which the fee was paid in advance, A.J. Perry & Company, Inc. will pro-rate the refund based on the time for which our services were actually provided.
- E. A.J. Perry & Company, Inc. does not accept compensation for the sale of securities or other investment products. Such a practice would present a conflict of interest, and would in itself be an incentive to purchase the security rather than the need or best interest of the client. Since the security that we purchase for our clients are mutual funds, the funds that we select are no-load funds. While A.J. Perry & Company, Inc. has no affiliation with brokers, and since the custodian institutional broker is selected and employed by the client, there is no possibility of a conflict of interest between A.J. Perry & Company, Inc. and the client. All of the revenues that A.J. Perry & Company, Inc. receives comes from the fees described in A.(above). Since we do not charge commissions or mark-ups, they have no impact on our advisory fees.

Item 6 *Performance-Based Fees and Side-By-Side Management*

A.J. Perry & Company, Inc. does not engage in or charge performance-based fees. If we did, we do not charge a separate hourly fee for services or an asset based fee in addition to a performance-based fee. Again, the only fee which we charge is the fee disclosed in Item 5 A. (above).

Item 7 Types of *Clients*

Most of our clients are individuals other than high net worth individuals, while a substantial portion are high net-worth individuals. The remaining 15% or so are divided among pension and profit sharing plans, charitable organizations and other corporations. We have no minimum fee or minimum account size.

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

A.J. Perry & Company, Inc. provides continuous investment advice to each client, based upon their individual investment goals and overall financial circumstances. Assets managed by us are invested in a portfolio of no-load mutual funds tailored to each client's objectives. In some cases, individual securities acquired by the client will be retained. Recommended investments are continuously monitored by us and individual client portfolios are reviewed periodically on at least a quarterly basis, thus giving the client both an asset and an account review. Even though the client's financial circumstances and the pools of mutual funds are reviewed on an on-going basis, investing in securities presents a risk of loss that the client should be prepared to bear.

A.J. Perry & Company, Inc. purchases information from such industry providers as *Morningstar* and *The Wall Street Journal*.

Because the mutual funds which we use hold a great many separate securities, and while each account has several separate mutual funds to form a strategy which meets the needs of the client, we do not frequently trade these funds which would increase the incidence of capital gains taxes, brokerage and other transaction costs. Our clients' accounts are well diversified and risk-adverse.

Item 9 Disciplinary Information

None of the officers or employees of A.J. Perry & Company, Inc. has not been charged or convicted of any felony or misdemeanor by any federal or state court or regulatory agency involving investment-related business or fraud or any like offenses. No federal or state regulatory agency has found us to have violated any of their regulations or statutes, or entered an order against us for any investment-related activity.

Item 10 Other Financial Industry Activities and Affiliations

A.J. Perry & Company, Inc. has no other financial industry activities or affiliations. While we may from time to time make use of the services of attorneys, appraisers, financial planners or the like, we pay them for their services rendered. We do not receive compensation from any of these advisers that would create any conflict of interest between A.J. Perry & Company, Inc. and our clients.

Item 11 Code of Ethics, Participation or Interest in *Client* Transactions and Personal Trading

- A. A.J. Perry & Company, Inc. has a Code of Ethics, a copy of which is available to any client or prospective client upon request.
- B. A.J. Perry & Company, Inc. permits its employees to purchase mutual funds that it purchases for its clients because these mutual funds are opened ended and very large, so that a purchase or sale by an employee would have no affect whatever on our clients.
- C. Employees of A.J. Perry & Company, Inc. may invest ~~investing~~ in the same large, open-ended mutual funds that it invests in for its clients. ~~while it presents a conflict of interest, does not have any adverse effect on the client due to the size of the mutual fund.~~ All employees are required to advise the Compliance Officer of all of their trades so that the Compliance Officer can determine whether the trades made by the employee have any negative adverse effect on the client.

Item 12 Brokerage Practices

Our clients have relationships with the Institutional Divisions of Charles Schwab & Company and TD Ameritrade to maintain custody of the clients' assets and to effect trades for their accounts which we direct. A.J. Perry & Company, Inc. is independently owned and operated and not affiliated with any of the institutional brokers. The institutional brokers provide A.J. Perry & Company, Inc. with access to their institutional trading and custody services which are not typically available to the institutional brokers' retail investors. These services are generally available to independent investment advisors on an unsolicited basis at no charge to them as long as a total of at least \$10,000,000 of our clients' assets is maintained in accounts at the institutional brokers and is not otherwise contingent upon our committing to the institutional brokers any specific amount of business (assets in custody or trading). The institutional brokers include brokerage, custody, research and access of mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. **We do not use client brokerage commissions to obtain research and have no incentive to select a broker-dealer based on our interest in receiving their research since, in every case, the broker-dealer is selected and employed by the client and not by us.**

Similarly, we do not aggregate our clients' orders because all trades are done by the clients' broker-dealer and not by us.

The institutional brokers also make available to us other products and services that benefit A.J. Perry & Company, Inc. but may not benefit our clients' accounts. Some of these other products and services assist us in managing and administering our clients' accounts. These products and services 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 A.J. Perry & Company, Inc.'s fees from its clients' accounts in those accounts where we do not bill the client directly; 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 A.J. Perry & Company, Inc.'s accounts, including accounts not maintained at the institutional brokers. The institutional brokers also make available to us other services intended to help us 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, the institutional brokers may make available, arrange and/or pay for these types of services rendered to us by independent third parties. The institutional brokers may discount or waive fees that would otherwise charge for some of these services or pay all or a part of the fees of a third party providing these services to A.J. Perry & Company, Inc.

Item 13 Review of Accounts

A.J. Perry & Company, Inc. reviews both the assets that are in the accounts as well as the accounts themselves. The assets are continuously monitored for performance, consistency of investment philosophy, and adherence to stated objectives. The accounts are reviewed at least quarterly, while additional unscheduled reviews may be triggered by changes in economic conditions, client circumstances or client investment objectives. Changes in our rating of a specific investment or mutual fund could also trigger a review of all accounts invested in that security or fund. Clients receive transaction advices and monthly statements from both A.J. Perry & Company, Inc. and the institutional custodian, and for taxable accounts, tax summary statements are provided as well.

Item 14 *Client Referrals and Other Compensation*

Most of A.J. Perry & Company, Inc's new business comes from the referral of its clients. We do not receive an economic benefit from non-clients for providing investment advice to them. Nor do we provide any economic benefit to someone who is not with A.J. Perry & Company, Inc. for referring clients to us.

Item 15 *Custody*

A.J. Perry & Company, Inc. does not custody the assets of its clients' accounts. The clients have a separate and independent relationship with its broker-dealer, from whom they and receives periodic statements.. from its institutional custodian as well as from us, and should compare the statements for discrepancies, which they should carefully review.

Item 16 Investment Discretion

A.J. Perry & Company, Inc. seeks and normally obtains full investment discretion to make those investment changes in the account that we believe are in the client's best interest. We require the client to execute a power of attorney, giving us the authority to make investment changes, and directing the institutional custodian to accept our investment discretion. This broad authority is occasionally limited by the client, as in requiring us to invest in "green" assets, or assets which are believed to have a social consciousness. In the few instances where this applies, we follow up initial discussions with a letter from the client expressing the client's wishes..

Item 17 Voting *Client* Securities

The client votes the proxies for the securities in his account, and the proxy and proxy materials are sent to the client by the client's institutional custodian. If the client has a question about any particular solicitation, they may contact us for our advice.

Item 18 Financial Information

In accordance with the paragraph of the Investment Advisory Agreement dealing with fees, A.J. Perry & Company, Inc. charges its fees in advance on a quarterly basis, and we are therefore not required to provide a balance sheet prepared by an independent public accountant. In addition, A.J. Perry & Company, Inc. does not have custody of any of our client's assets other than, as above, one-quarter's worth of the fees due us which is payable in advance. And, while we do request discretion to buy or sell our clients' assets, the proceeds of these transactions are put back into the account with the clients' custodian. A.J. Perry & Company, Inc. does not know of any financial condition which would impair our ability to meet our financial commitments to our clients.

Finally, A.J. Perry & Company, Inc. has not been the subject of a bankruptcy petition at any time during the last ten years.

Item 19 Requirements for State-Registered Advisers

- A. Paul F. Nastasi: MS, College for Financial Planning, 1991; CFP, College for Financial Planning, 1987; BBA, Loyola College, 1983; Portfolio Manager at A.J. Perry & Company, Inc. since 1986 and President since 2010.
- B. William Andrew Perry, BA, Drew University, 2008; Professional Certificate in Portfolio Management from New York University, 2010, Director of Trading and Investment Research and Portfolio Manager at A.J. Perry & Company, Inc. since 2008.
- C. W.C. Stith: BA, Duke University, 1963; JD Georgetown Law Center, 1966; Senior Administrative Officer and Fiduciary Compliance with Mercantile-Safe Deposit & Trust Company since 2000 until retirement, 2002.
- D. None of the employees listed in A. (above) are engaged in any business other than giving investment advice.
- E. A.J. Perry & Company, Inc. is not compensated for its advisory services with performance-based fees.
- F. No employee of A.J. Perry & Company, Inc. has been found liable in an arbitration proceeding or civil proceeding involving fraud, theft, bribery or any dishonest, unfair or unethical practice.
- G. None of the employees of A.J. Perry & Company, Inc. have any relationship of any issuer of securities.
- H. A.J. Perry & Company, Inc. does not make use of a "wrap-fee program."