

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:	SEC File Number:	Date:
PARAGON ASSET MANAGEMENT, LTD.	801-60426	4/2008

(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, trusts, and business entities) 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></p>	

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

Item 1D
(continued)

and/or *Fidelity* serve as the broker-dealer/custodian for client assets. In addition to Registrant's investment 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.

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. The client is free to accept or reject any recommendation made by the Registrant. 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, or if they wish to impose any reasonable restrictions upon Registrant's management services.

Neither Registrant nor the client may assign the *Investment Advisory Agreement* without the prior consent of the other party. Transactions that do not result in a change of actual control or management of the Registrant shall not be considered an assignment.

Copies of the written disclosure statements for the Registrant, 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 advisory agreement. Any client who has not received a copy of Registrant's written disclosure statement within forty-eight (48) hours prior to executing the investment advisory agreement shall have five (5) business days subsequent to executing the agreement to terminate the Registrant's services without penalty.

Consultation Services

In addition to investment management services, Registrant may also provide its clients with investment-related consultation services on an hourly rate basis. Registrant's consultation services primarily entail: (1) the Registrant's involvement, at the client's request, in discussing and/or coordinating its investment management services with the client's other professionals (i.e. accounting, legal, insurance) relative to insurance, tax and estate planning matters; and (2) the review of an individual's investment portfolio and the providing of corresponding recommendations (this service does not include any ongoing investment portfolio monitoring, review or supervisory services – to the extent that such services are requested, they shall be set forth in a separate written investment advisory agreement for a separate and additional fee). Registrant's hourly rates range from \$50.00 to \$200.00, depending upon the level and scope of the consultation services required and the individual performing the services (i.e. Administrative Assistant, Investment Management Consultant). Prior to engaging the Registrant to provide consultation services, and depending upon the scope of the services to be rendered, the client will generally be required to enter into a written agreement setting

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	forth the terms and conditions of the engagement, describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to the Registrant at commencing services.
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	Please see the previous response set forth on this Schedule “F” to Item 1D.
Item 13A	Please see the previous responses set forth on this Schedule F to Item 1D relative to investment research products and/or services which assist the Registrant in its investment decision-making process for its clients, all of which transactions shall be in compliance with Section 28(e) of the Securities Exchange Act of 1934. Specifically, although not a material consideration when determining whether to recommend that a client utilize the services of <i>Schwab</i> and/or <i>Fidelity</i> , Registrant may receive from <i>Schwab</i> and/or <i>Fidelity</i> , without cost, computer software and support services, which allow Registrant to better monitor and service client accounts maintained at <i>Schwab</i> and/or <i>Fidelity</i> . Registrant may receive the software and support services without cost, because Registrant renders investment management services to clients that maintain accounts at <i>Schwab</i> and/or <i>Fidelity</i> , whose aggregate total assets at <i>Schwab</i> and/or <i>Fidelity</i> exceed the established minimum required for an investment manager to receive software and support services without cost.

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