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This brochure provides information about the qualifications and business practices of Johnson Bender & Company. If you have any questions about the contents of this brochure, please contact us at 713-439-1200. 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 Johnson Bender & Company also is available on the SEC's website at www.adviserinfo.sec.gov.

Material Changes

The last annual update of this brochure was in March 2011. There have been no material changes to our business since that update.

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ADVISORY BUSINESS

Advisory Firm Description

Johnson Bender & Company ("JBC" or the "Firm") is a wealth management firm that provides comprehensive financial planning and investment management services to individuals and small business owners. The Firm was founded in 1996 by its current shareholders, Willis Johnson and Dan Bender.

Types of Advisory Services

Specific services provided by JBC include retirement planning, trust and estate planning, income tax planning, risk management and insurance planning, benefits planning, charitable planning, education planning, and investment management. With regard to small business owners, services include business succession planning, tax strategies, executive benefits planning, and retirement plan solutions.

Tailored Advisory Services

JBC provides a wide range of advisory services that are typically tailored to the client's specific situation and needs. However, most investment portfolios are managed according to one of the Firm's model portfolios, with some exceptions. Clients may restrict JBC from buying or selling particular investments on their behalf. These restrictions may be changed at any time by notifying JBC in writing.

Wrap Fee Programs

The Firm does not have a wrap fee program whereby the client pays one fee that covers account management as well as incidental trading or transaction charges. Under the Firm's asset management program, clients pay any trading or transaction charges in addition to the quarterly account management fee.

Client Assets Under Management

At December 31, 2011, the Firm had \$268,622,600 of discretionary assets under management and \$10,982,202 of non-discretionary assets under management.

FEES AND COMPENSATION

The Firm collects fees for its financial planning services. Fees typically are based on a fixed contract that requires payment of one-half the agreed amount at the beginning of the engagement, with the balance due upon completion of the work. However, fees based on hourly rates are also available. Such fees are generally billed on a monthly basis. Clients that ultimately hire JBC to manage an investment account may receive a credit of 50% of financial planning fees that will be applied toward the investment account management fees.

The Firm also collects fees from its investment management services. These fees, which are billed to the client on a quarterly basis in advance, are based on account size

and typically comprise the majority of the investment-related revenue that the Firm generates each year.

The fee schedule for investment advisory services follows:

<u>Assets Under Management</u>	<u>Maximum Annual Fee</u>
\$0 - \$3,000,000	1.00%
\$3,000,000 - \$5,000,000	0.85%
Over \$5,000,000	Negotiable

JBC's fees may be discounted for friends and family from 50% to no charge. Discounts may be negotiated and may apply for a limited period of time.

The Firm may also sell annuities for which it may collect a commission. Annuities sales do not currently comprise a significant part of the Firm's practice.

In addition to annuities, the Firm may periodically sell other investment products that pay a commission. Such products might include shares in non-traded REITS or limited partnership gas interests.

As part of its comprehensive financial planning services, the Firm recommends and sells insurance products typically in the areas of life and long-term care. The Firm receives commissions in connection with these sales. Commissions earned from selling insurance products do not account for the majority of the Firm's annual revenue.

In rare occurrences, JBC may collect a load or commission when selling a mutual fund.

JBC may also indirectly receive 12b-1 fees that are paid from mutual funds to the Firm's broker/dealer, FSC Securities. These fees are a form of marketing expense paid out by some mutual funds and reduce fund assets (and fund investment returns by extension). This compensation may serve as an incentive for JBC to recommend mutual funds that pay 12b-1 fees over those that do not.

Either the client or JBC may terminate the financial planning services or investment advisory services agreement upon receipt of written notice. If the client paid for the investment advisory services in advance and sent in a notice to terminate the contract, the client will receive a refund of a prorated portion of the prepaid advisory fee. If a client should terminate a planning relationship before completion of the plan, JBC will review work completed to date and refund any prepaid unearned fees, if any. Clients who terminate the contract within five (5) business days of signing the contract shall be provided a full refund.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

This section does not apply to JBC, as it does not charge performance-based fees.

TYPES OF CLIENTS

The Firm provides services to individuals and small business owners. Individual clients are often within five years of retirement or retired and have a net worth in excess of \$1 million. The businesses that the Firm works with are typically closely held and vary across industries.

With regard to investment management services, the Firm has an account minimum of \$750,000. Smaller accounts may be accepted under certain circumstances. Family accounts may be aggregated to reach the \$750,000 threshold.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

The Firm relies on both fundamental and technical analyses. The Dorsey Wright point and figure methodology is an important component of the Firm's technical analysis.

JBC manages six model portfolios that range from all equity to all fixed income (Aggressive, Growth, Growth & Income, Balanced, Conservative and Fixed Income). Of course, those models with higher equity weightings typically carry greater risk. In an effort to mitigate risk, the Firm may reduce the equity weighting in a model portfolio below its normal target. The Firm may also sell call options against its equity positions in an effort to reduce risk.

The Firm employs a core-satellite strategy, where the core is intended to provide market exposure that is often broad-based, while the satellite component is more concentrated and designed to capitalize on perceived opportunities.

In terms of investment vehicles, JBC uses mostly exchange traded funds and mutual funds within its investment models. Occasionally, the Firm may purchase individual equities and fixed income securities. Individual municipal securities are often purchased in large taxable accounts as part of creating a bond ladder.

The Firm is GIPS-compliant (Global Performance Investment Standards) and has been since 2004. Copies of the Firm's Verification Report are available upon request.

JBC occasionally invests client monies in variable annuities that offer certain guarantees concerning lifetime income. Annuities sales do not currently comprise a significant part of the Firm's practice.

JBC does not guarantee the future performance of the account or any specific level of performance, the success of any investment decision or strategy that the Firm may use, or the success of the Firm's overall management of the account. The client understands that investment decisions made for the client's account by the Firm are subject to various market, currency, economic, political and business risks, and that those investment decisions will not always be profitable. The client understands that investing in any security entails risk of loss.

DISCIPLINARY INFORMATION

The Firm has no public disciplinary record.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Related persons of JBC may be registered representatives of FSC Securities Corporation ("FSC"), a registered broker/dealer, member FINRA and SIPC.

Under the rules and regulations of FINRA, FSC has the obligation to perform supervisory functions regarding certain aspects of the advisory activities of those advisors who are registered representatives of FSC. Part of this supervisory function includes approving investment products and services that related persons of JBC may offer the Firm's clients. Consequently, the investment products and services that JBC offers its clients may be restricted or limited as a result of its affiliation with FSC. In the event JBC places transactions with FSC, JBC personnel may be placing themselves in a material conflict of interest position with JBC clients.

JBC may pay FSC a portion of the advisory fees that JBC collects, in return for the supervisory functions performed by FSC.

CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics

JBC has a fiduciary duty to clients to act in the best interest of the client and always place the client's interests first and foremost. JBC takes seriously its compliance and regulatory obligations and requires all staff to comply with such rules and regulations as well as JBC's policies and procedures. As such, JBC maintains a Code of Ethics for its Advisory Representatives, supervised persons and staff. The Code of Ethics contains provisions for standards of business conduct relating to, among other things, personal securities trading, inside information and outside business activities.

Misuse of Nonpublic Information

With regard to safeguarding nonpublic information, the Firm has written privacy policies and procedures aimed at respecting the confidentiality of personal client data. The Firm provides a copy of its privacy policy notice to its clients at least annually.

Personal Securities Trading

With respect to personal trading, JBC personnel may not trade in anticipation of client trades, so trades in certain securities require pre-approval from the Firm's Chief Compliance Officer unless they are part of a "block" trade. Personal trades are reviewed on at least a quarterly basis to ensure compliance with the Firm's policy.

Outside Business Activities

With regard to outside business activities, the Firm requires that JBC employees disclose all significant outside business activities to the Firm's Chief Compliance Officer ("CCO"). The CCO will only approve those outside activities that do not conflict with the interests of the Firm or its clients.

Participation or Interest in Client Transactions

The Firm does not buy securities for itself from, or sell securities it owns to, its clients.

For those client accounts for which Pershing serves as the custodian, JBC's broker/dealer, FSC Securities, acts as a broker for all trades executed.

While the Firm does not own or manage any proprietary accounts, its employees may buy or sell securities alongside clients as part of a block transaction whereby all participants in the block receive the same execution price.

JBC may receive commissions when selling certain investment and insurance products. An inherent conflict of interests exists in such a circumstance.

BROKERAGE PRACTICES

JBC recommends that clients use Pershing (through FSC) or Fidelity to custody their accounts that are managed by the Firm. Both are "qualified custodians" which provide quarterly statements to the client showing all transactions, including the deduction of investment management fees. Please see "Custody" section for more information.

Research and Other Soft-Dollar Benefits

Some custodians provide investment advisory firms with additional products and services such as national conferences, compliance newsletters, webcasts on compliance and practice management topics, electronic downloads of client data, access to special trading desks and trading software. JBC receives such benefits from Fidelity Institutional Wealth Services as part of the business relationship. The Firm also receives similar benefits from FSC Securities, its broker/dealer. No formal "soft dollar" relationship occurs between JBC and a broker/dealer whereby JBC receives a specific product as a result of equity or fixed income transactions executed for clients.

Brokerage for Client Referrals

JBC does not use brokerage as an incentive or reward for broker/dealers that may refer JBC clients.

Directed Brokerage

Once the client chooses a custodian, the Firm typically does not direct the execution of trades away from the custodian. On limited circumstances, the Firm may direct the

brokerage of trades away from Fidelity in an effort to secure better pricing or a better selection of fixed income securities.

Order Aggregation

JBC may aggregate ("bunch") transactions in the same security on behalf of more than one client in the same investment strategy and housed at the same custodian to facilitate best execution and to treat all participants in the block equally. (For those accounts that incur ticket charges for orders placed, aggregated orders will not reduce ticket costs.) Each client in the aggregated order will participate at the average share price for all of JBC's transactions in that trade. When possible, securities bought or sold in an aggregated transaction are allocated pro-rata to the participating client accounts in proportion to the size of the orders placed for each account. Under certain circumstances, JBC may increase or decrease the amount of securities allocated to each account if necessary to avoid holding odd lot or small numbers of shares for particular clients. When JBC is unable to fully execute an aggregated order, JBC will allocate such transactions on a pro-rata basis or in a manner JBC determines in good faith to be a fair and equitable allocation.

REVIEW OF ACCOUNTS

JBC reviews its investment models at least quarterly. The underlying investment accounts are generally reviewed at least quarterly as well. Reviewers are Daniel J. Bender, Willis A. Johnson, Kevin F. McNulty, Robert W. Lowerre and Nick Johnson, all of whom are members of the Firm's investment committee. Accounts that are generally too small to manage to a model may be reviewed less frequently than larger accounts that are managed according to one of the Firm's six investment models.

Review triggers would include factors such as changes in the economy, changes in the market place or changes in the client's goals or objectives.

Other than the monthly or quarterly statements from the custodians, clients do not receive additional reports from JBC.

CLIENT REFERRALS AND OTHER COMPENSATION

JBC uses the services of paid solicitors. Briggs & Veselka Advisors (a Registered Investment Advisor) is one such solicitor. The other solicitor is a partner at Harper & Pearson (a CPA firm). Solicitation agreements executed with these solicitors allow for JBC to provide compensation in the form of cash payments and also provide for percentage-based fee sharing. The solicitation agreements executed with all the solicitors are similar; however, the compensation paid to Briggs & Veselka Advisors is higher, stemming in part from a longer relationship between JBC and Briggs & Veselka Advisors. Such solicitation agreements (including compensation provisions) between JBC and any solicitor will be disclosed to any prospective advisory client. Clients coming to JBC as a result of these referral arrangements pay no more than if they were to come to JBC directly. JBC will maintain full compliance with Rule 206-4-3 of the Investment Advisers Act at all times.

CUSTODY

Because JBC generally has the authority to instruct the account custodian to deduct the investment management fee directly from the client's account, JBC is considered to have "custody" of client assets. Custody is defined as having any access to client funds or securities. This limited access is monitored by the client through receipt of account statements directly from the custodian. These statements all show the deduction of the management fee from the account. JBC does not actually custody the assets and may only direct the movement of funds from one account in the client's name to another such titled account. JBC has no other access to funds.

Currently JBC uses either Pershing or Fidelity to custody investment accounts. Fidelity serves as the custodian for most of the Firm's assets.

INVESTMENT DISCRETION

For discretionary accounts, the Firm has full trading authority under a limited power of attorney assigned to JBC. As a result, JBC will determine both the investments, and how much of each, should be purchased or sold on each client's behalf.

In limited circumstances, the Firm will manage investment accounts without the use of discretion.

VOTING CLIENT SECURITIES

Clients receive proxy material directly from their account custodian by either email or U.S. mail. JBC is expressly precluded from voting proxies for securities held in client accounts and will not be required to take any action or render advice with respect to the voting of proxies. Clients are responsible for voting all proxies.

FINANCIAL INFORMATION

JBC is not required to provide financial information.