

**Schedule F of  
Form ADV**

**Continuation Sheet for Form ADV Part II**

Applicant: <b>Griffin Black, Inc.</b>	SEC File Number: <b>801-N/A</b>	Date: <b>02-2009</b>
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(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: <b>Griffin Black, Inc.</b>	IRS Empl. Ident. No.: <b>94-3413288</b>
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Item of Form (identify)	Answer
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<p>Items 1D &amp; 7A</p>	<p>As discussed below in this disclosure statement, the Registrant may provide its clients (i.e. individuals, trusts, and business entities) with financial planning, investment and non-investment related consulting, and discretionary and non-discretionary investment management services and financial advisory services.</p> <p><b>FINANCIAL ADVISORY SERVICES</b></p> <p>Registrant's <i>Financial Advisory Service</i> combines <i>Financial Planning Services</i> with <i>Investment Management Services</i> for an integrated financial advisory offering.</p> <p>Clients who choose the <i>Financial Advisory Service</i> work with Registrant on a multi-faceted financial plan that typically includes the following elements (subject to client need and circumstances):</p> <ul style="list-style-type: none"> <li>- Analysis of Current Financial Condition (<i>Net Worth</i>)</li> <li>- Current Cash Flow Analysis (<i>Income, Spending and Savings</i>)</li> <li>- Tax Impact Review</li> <li>- Insurance and Risk Management Review</li> <li>- Goal Funding Analysis (<i>including College Funding</i>)</li> <li>- Long-Term Cash Flow Analysis (<i>Retirement Funding</i>)</li> <li>- Investment Planning (<i>includes a Risk Tolerance Assessment and an Investment Policy</i>)</li> <li>- Basic Estate Planning</li> </ul> <p>If a <i>Financial Advisory Service</i> client wishes to expand the scope and/or depth of one of the core components of the service, the client may either choose to commission a one-time analysis for a separate fee or can request that Griffin Black expand the definition of the components covered in his/her retainer-based service for an modified retainer fee.</p> <p><i>Financial Advisory Service</i> clients, like <i>Investment Management Service</i> clients, are asked to approve an <i>Investment Policy</i>. This <i>Investment Policy</i> describes the client's overall financial circumstances, financial goals, and risk tolerance guidelines. It also describes the investment approach, guidelines, and constraints to be followed in implementing an investment program that is acceptable to the client.</p> <p>The types of investment accounts as well as the account maintenance specifics for <i>Financial Advisory Service</i> clients are the same as those for <i>Investment Management Service</i> clients (see below).</p> <p>The minimum annual fee (retainer) for the <i>Financial Advisory Service</i> is \$5,000, with an exception for clients who are less than 40 years of age. Clients are generally charged a fixed fee, between \$5000 and \$15,000, based on an initial combination of net worth and assets under Registrant's management. Clients will be billed quarterly in arrears. The fee may be adjusted annually to reflect inflation.</p> <p><b>FINANCIAL PLANNING</b></p> <p>Registrant may, in its sole discretion, determine to provide financial planning services on a standalone basis. Should Registrant determine to do so, the Registrant will generally charge an hourly fee of \$150 to \$300 for these services. Prior to engaging the Registrant to provide financial planning services, the client will generally be required to enter into a <i>Financial Planning Project Agreement</i> with Registrant, setting forth the terms and conditions of the engagement, describing</p>
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Complete amended pages in full, circle amended items and file with execution page (page 1).

the scope of the services to be provided, and the portion of the fee that is due from the client prior to Registrant commencing services. Registrant generally requires a deposit of 25% of the estimated fee upon execution of the *Financial Planning Project Agreement*. Progress payments may be requested if the project lasts longer than one fiscal quarter. An invoice for the balance is issued upon completion of the written analysis, and is payable upon receipt.

Under certain circumstances, Registrant may negotiate a flat fee for financial planning services. Generally, the flat fee will range from \$1,000 to \$8,000.

#### **INVESTMENT MANAGEMENT**

The client can determine to engage the Registrant to provide discretionary or non-discretionary investment management services on a standalone basis (i.e., without financial planning services). The Registrant's annual *Investment Management Service* fee shall be based upon a percentage (%) of the market value of the assets placed under the Registrant's management, and shall generally range from .25% to 1% per year, in accordance with the following schedule:

- 1.00% of the first \$500,000 under management
- 0.85% of the next \$500,000 under management
- 0.70% of the next \$1,000,000 under management
- 0.50% of the next \$2,000,000 under management
- 0.35% of the next \$3,000,000 under management
- 0.25% of the next \$3,000,000 under management

Registrant's annual investment management fee shall be prorated and paid quarterly, in arrears, based upon the average daily market value of the assets managed. The Registrant generally requires a minimum account size of \$250,000.00 for investment management services. However, Registrant, in its sole discretion, may waive its account minimum and/or charge a different 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.).

In the event that the client requests that the Registrant recommend a broker-dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct the Registrant to use a specific broker-dealer/custodian), Registrant generally recommends that investment management accounts be maintained at Shareholders Service Group, Inc. ("SSG"). Prior to engaging Registrant to provide investment management services, the client will be required to enter into a formal *Financial 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 each designated broker-dealer/custodian.

Currently, the Registrant recommends that clients primarily allocate investment management assets among various individual equity and/or fixed income securities and/or mutual funds, on a discretionary or non-discretionary basis, in accordance with the client's designated investment objective(s). As discussed above, unless the client directs otherwise, Registrant shall generally recommend that SSG serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as SSG charge brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and fixed income securities transactions). In addition to Registrant's investment management fee, brokerage commissions and/or transaction fees, the client will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g., management fees and other fund expenses).

Both Registrant's *Financial Advisory Agreement* and the custodial/clearing agreement may authorize the custodian to debit the account for the amount of the Registrant's investment advisory fee and to directly remit that management fee to the Registrant in compliance with regulatory procedures. In the limited event that the Registrant bills the client directly, payment is due upon receipt of the Registrant's invoice. The *Financial Advisory Agreement* between the Registrant and

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	<p>the client will continue in effect until terminated by either party by written notice in accordance with the terms of the <i>Financial Advisory Agreement</i>.</p> <p>Factors that the Registrant considers in recommending <i>SSG</i> (or any other broker-dealer/custodian to clients) include historical relationship with the Registrant, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees 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/transaction fee 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 broker-dealer services, including the value of service 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. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Registrant's investment management fee. The Registrant's best execution responsibility is qualified if securities that it purchases for client accounts are no-load mutual funds that trade at net asset value as determined at the daily market close.</p> <p><b>MISCELLANEOUS</b></p> <p>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. If requested by the client, Registrant may recommend the services of other professionals for implementation purposes. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from 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.</p> <p>Neither the Registrant nor the client may assign the <i>Financial Planning Project Agreement</i> or <i>Financial Advisory Agreement</i> 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.</p> <p>A copy of Registrant's written disclosure statement as set forth on Part II of Form ADV (or an equivalent brochure) shall be provided to each client prior to or contemporaneously with the execution of the <i>Financial Planning Project Agreement</i> or <i>Financial Advisory Agreement</i>. Any client who has not received a copy of Registrant's written disclosure statement at least 48 hours prior to executing the <i>Financial Planning Project Agreement</i> or <i>Financial Advisory Agreement</i> shall have five business days subsequent to executing the agreement to terminate the Registrant's services without penalty.</p>
Item 3K	Registrant may also provide advice regarding pooled investment vehicles and venture capital funds.
Item 4	Registrant employs asset allocation principles consistent with Modern Portfolio Theory as well as other systematic or scientific analysis techniques. Diversification is achieved through various asset classes, investment styles, market capitalizations, sectors and countries. Portfolio composition, consisting primarily of cash, bonds, stocks, commodities, and real estate, is determined in accordance with a client's investment goals and objectives, risk tolerance and time horizon. Both passive and active investment management strategies are utilized to optimize portfolios. Passive investment vehicles, such as no-load index funds and exchange-traded funds, are utilized where appropriate in addition to actively managed investment funds.
Item 5	All individuals that give advice on behalf of the Registrant must have at least two years of college education and prior business experience. Although not required, it is generally preferred that all

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	<p>Accordingly, although Registrant will seek competitive commission rates, it may not necessarily obtain the lowest possible commission rates for account transactions.</p> <p>Over-the-Counter (OTC) securities transactions for Registrant’s clients are generally effected on an agency basis, which involve the services of two (2) separate broker-dealers: (1) a “dealer” or “principal” acting as market-maker; and (2) the executing broker-dealer that acts in an agency capacity for the client’s account. Dealers executing principal transactions typically include a mark-up/down, which is included in the offer or bid price of the securities purchased or sold. In addition to the dealer mark-up/down, the client will also incur the transaction fee imposed by the executing broker-dealer. Registrant does not receive any portion of the dealer mark-up/down or the executing broker-dealer transaction fee.</p> <p>Transactions for each client account generally will be effected independently, unless Registrant decides to purchase or sell the same securities for several clients at approximately the same time. Registrant may (but is not obligated to) combine or "batch" such orders to obtain “best execution”, to negotiate more favorable commission rates or to allocate equitably among Registrant’s clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among Registrant's clients in proportion to the purchase and sale orders placed for each client account on any given day. To the extent that Registrant determines to aggregate client orders for the purchase or sale of securities, including securities in which Registrant's principals) and/or associated persons) may invest, Registrant shall generally do so in accordance with the parameters set forth in SEC No-Action Letter, <i>SMC Capital, Inc.</i> Registrant shall not receive any additional compensation or remuneration as a result of the aggregation.</p> <p>The client may direct Registrant to use a particular broker-dealer (subject to Registrant’s right to decline and/or terminate the engagement) to execute some or all transactions for the client's account. In such event, the client will negotiate terms and arrangements for the account with that broker-dealer, and Registrant will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Registrant. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. In the event that the client directs Registrant to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through Registrant.</p> <p>In the event that the transactions for a client's accounts are effected through a broker-dealer that refers investment management clients to Registrant, there exists the potential for conflict of interest if the accounts incur higher commission or transaction costs than the accounts would otherwise have incurred had the client determined to effect account transactions through alternative clearing arrangements that may have been available through Registrant.</p> <p><b><u>Proxy Voting Policy.</u></b> The Registrant’s clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client’s investment assets. The Registrant and/or the client shall correspondingly instruct each custodian of the assets to forward to the client copies of all proxies and shareholder communications relating to the client’s investment assets.</p> <p><b>See additional disclosure at Items 13A relative to SSG.</b></p>
Item 13A	<p>Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, Registrant may receive from SSG, without cost (and/or at a discount) support services and/or products, certain of which assist the Registrant to better monitor and service client accounts maintained at such institutions. Included</p>

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within the support services that may be obtained by the Registrant may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by Registrant in furtherance of its investment advisory business operations.

As indicated above, certain of the support services and/or products that *may* be received may assist the Registrant in managing and administering client accounts. Others do not directly provide such assistance, but rather assist the Registrant to manage and further develop its business enterprise.

Registrant's clients do not pay more for investment transactions effected and/or assets maintained at *SSG* as result of this arrangement. There is no corresponding commitment made by the Registrant to *SSG* or any other any entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement.

**The Registrant's Chief Compliance Officer, Jane Beule, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest any such arrangement may create.**

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