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DISCLOSURE BROCHURE

Item 1 Cover Page

June 21, 2012



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www.grangecapital.com

This brochure provides information about the qualifications and business practices of Grange Capital, LLC. If you have any questions about the contents of this brochure, please contact us at 503-639-3001 or info@grangecapital.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

Additional information about Grange Capital, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 131699.



The date of our previous annual update to our Brochure was March 28, 2012.

When required, we will ensure that all current Clients receive a Summary of Material Changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Any required Summary of Material Changes will be listed as "Exhibit A" to our Brochure and will also be included with our Brochure on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Grange Capital, LLC is 131699.

We will continue to provide other ongoing disclosure information about material changes as necessary and will provide you with a new Brochure when required based on those changes or new information.

Currently, our Brochure may be requested by contacting Grange Capital, LLC at (503) 639-3001 or info@grangecapital.com. Our Brochure is provided free of charge.

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Grange Capital, LLC is an Oregon corporation, currently registered as an investment advisory firm with the United States Securities and Exchange Commission. We are currently in the process of transitioning to State registration in Oregon, California, New Hampshire, Texas and Washington. Our principal place of business is located in Portland, Oregon. Grange Capital, LLC began conducting business in 2004 and is wholly owned by:

- Brent Keeton, CIO, Principal
- Derek Dukart CEO, Principal

Grange Capital, LLC offers the following advisory services to our clients:

INVESTMENT MANAGEMENT SERVICES

Our firm provides ongoing investment management of client assets. Through an Investment Advisory Agreement with Grange Capital, LLC, the client retains us to provide investment management services on a discretionary basis. In this context, discretionary management means that we will direct, in our sole discretion and without first consulting the client, the investment and reinvestment of the assets in the client's account. For additional information, please see also the Investment Discretion section of this brochure (Item 16). We develop an Investment Policy Statement (IPS) for each client based on extensive personal discussions and data gathering about client objectives and constraints, time horizons, risk tolerance, liquidity needs, investment experience and individual or family needs. Each client portfolio is managed pursuant to the objectives and constraints detailed in the IPS.

Account supervision is guided by the client's stated investment objectives (i.e., capital preservation, income, long term growth, inflation protection, and low volatility), as well as tax considerations and financial planning constraints.

Once the portfolio has been established, we review it regularly and when necessary, rebalance it according to the individual client's asset allocation goals. A detailed description of review processes is provided in Item 13, Review of Accounts. Please see Item 8 for a description of our investment strategies.

Our firm may provide financial planning services in connection with investment management services at no additional fee. We believe financial planning is critical to success in investment management. Financial planning is the analysis of a client's current and future financial situation using current assumptions to predict future results in cash flow, retirement options, asset value and distribution planning. Each client is asked to complete a Financial Analysis Worksheet to provide us with a wide range of financial information. Completion of the worksheet coupled with in-depth personal interviews provide thorough data gathering. Depending on the level of planning desired, clients may receive a financial analysis binder designed to organize their financial information.

Our financial analysis might include any or all of the following areas:

- **PERSONAL/GENERAL SUMMARY:** We believe it is critical to have as much basic data as possible about our clients. We gather the following data: current personal information such as birthdates, social security #s, contact information for clients, parents, heirs; current contact information for other advisors, such as accountant, attorney, insurance agent; short term and long term financial planning goals. Periodically, this area includes cash flow management and budget planning.
- **NET WORTH PROJECTION:** We believe that monitoring net worth is critical to financial planning, whether it is increasing, decreasing or we are merely monitoring all the assets and liabilities. Annually, we prepare an unaudited statement of net worth for many of our clients.
- **RETIREMENT PROJECTION:** We believe that each client should have some sense of their retirement roadmap. Our retirement projection is focused on our clients living to be age 100. We project expenses (including ordinary taxes, capital gains taxes, social security taxes, mortgages, other loans, savings and general household expenses). We project income (including salary, social security, pensions, distributions from trusts, required minimum distributions from qualified plans). We also use assumptions to project account growth. From this projection, clients are able to see year-by-year how their income compares to their expenses.

RY: We work with a qualified group of
aborate a summary of our client's insurance
protection against the risks of health, disability, long term care, and
death.

- **INVESTMENT ANALYSIS:** We believe that thorough investment analysis must be coupled with financial planning. It is at this point in the financial planning process that we work through the client investment analysis. (See Investment Management Services, above.)
- **TAX PLANNING:** We do not prepare income nor estate tax returns for our clients. We believe, however, that tax planning is critical to investment success. We work closely with clients and their tax preparers to understand each client's tax situation. We monitor tax bracket and loss carry-forward.
- **ESTATE SUMMARY:** We prepare a summary of beneficiaries, trusts and other estate details that clients care to share with us. We work closely with estate professionals to help manage and monitor our client's estates as situations change.

Implementation of the financial planning recommendations is at the discretion of the client. However, we keep an ongoing 'Action List' that reminds clients of our recommendations.

ASSETS UNDER MANAGEMENT

We manage approximately \$55,000,000 of Client assets on a discretionary basis. These amounts were calculated as of December 31, 2011.

INVESTMENT MANAGEMENT FEES

In consideration for our services, Clients pay us a fee quarterly in advance. The fee will be equal to the agreed upon rate per annum, times the market value of the account, divided by the number of days in the agreed upon year and multiplied by the number of days in the month. The market value will be construed to equal the sum of the values of all assets in the account, not adjusted by any margin debit.

Compensation to us for our services will be calculated in accordance with fees set-forth in “Schedule A” of the Investment Advisory Agreement which is entered into with each Client when we begin our professional relationship.

Our maximum fee schedule is:

<u>Assets Under Management</u>	<u>Fee</u>
Under \$1,000,000	2.00%
\$1,000,000 and above	1.00%

These advisory fees are not negotiable. However, we reserve the right to waive, discount, or to change our annual management fee percentages and minimum fee amount.

Lower fees for comparable services may be available from other sources. However, Grange has determined that the advisory fee charged is reasonable in light of the type of services to be provided and our experience and expertise.

FINANCIAL PLANNING FEES

Grange Capital, LLC offers financial planning services in connection with investment management services, at no additional fee. However, Clients are advised that Grange may receive additional compensation (advisory fees) if services recommended in a financial plan are implemented through us. Clients are therefore advised that they are under no obligation to act on our recommendations, and further, if Clients do elect to act on any of our recommendations, they are under no obligation to implement any part of the plan through us (or any person associated with our firm).

Valuation of Securities: For purposes of determining value, securities and other instruments traded on a market for which actual transaction prices are publicly reported shall be valued at the last reported sale price on the principal market in which they are traded. Other readily marketable securities shall be priced using a pricing service or through quotations from one or more dealers. In a situation where less actively traded securities do not have readily available market quotations, Advisor will take steps to ensure that an appropriate valuation methodology is used to determine the value of the security.

Payment of Fees: Our advisory fees shall be paid directly to us from the Client account by the custodian upon submission of an invoice to custodian indicating the account number and amount of fees to be paid. Payment of fees may result in the liquidation of Client's securities if there is insufficient cash in the account. The custodian will send Clients a statement at least quarterly. Copies of the fee invoices will be mailed by us to Client when required by law. Grange Capital, LLC reconciles account data between the custodian and our internal accounting records on a daily basis to verify the accuracy of all client account holdings. However, because the custodian does not *calculate* the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation. Clients should contact us directly if they believe that there may be an error in their statement.

Termination of the Advisory Relationship: Clients may terminate an Investment Advisory Agreement without penalty within five business days after entering into the contract. Otherwise, either the client or Grange Capital, LLC may terminate the Agreement by providing written notice to the other. Such termination of the agreement will not affect (a) the validity of any action previously taken by us under the Agreement; (b) liabilities or obligations of the parties from transactions initiated before termination of the Agreement; or (c) client's obligation to pay advisory fees (prorated through the date of termination). In the event of termination, any fees paid in advance which remain unearned will be refunded to the Client. Any fees which have been earned by Grange Capital, LLC but not yet paid by Client will be immediately due and payable to us.

Mutual Fund Fees: All fees paid to Grange Capital, LLC for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (ETFs) to their shareholders. These

in each fund's prospectus. These fees will fee, other fund expenses, and a possible distribution fee. Clients can invest in mutual funds directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by Grange Capital, LLC.

Additional Fees and Expenses: In addition to our advisory fees, clients are also responsible for the fees and transaction costs charged by broker dealers and custodians. Please refer to the 'Brokerage Practices' section (Item 12) of this Form ADV brochure for additional information.

Advisory Fees in General: Clients should note that lower fees for comparable services may be available from other sources.

Item 6 Performance-Based Fees and Side-by-Side Management

In this context, 'side-by-side management' describes a practice where an adviser manages accounts for which it charges performance-based fees while simultaneously managing accounts for which no performance-based fees are charged. This practice can lead to conflicts of interest that must be disclosed to clients and prospective clients. Because Grange Capital, LLC does not charge performance-based fees, this section does not apply to us.

Item 7 Types of Clients

Grange Capital, LLC provides advisory services to the following types of clients:

- Individuals and High Net Worth Individuals
- Pension and Profit Sharing Plans
- Endowments and Foundations

We will not decline a potential client, or terminate the relationship with a current client, based solely on their net worth or amount of investable assets. We also do not charge any account minimum fees.

METHODS OF ANALYSIS

While we are generally long-term oriented investors focused on what is traditionally considered ‘fundamental analysis’, we are open to any credible analysis that we believe can help us optimize our decision-making process. The following represent our most often used methods of analysis.

Asset Allocation. The distribution of financial assets among various types of stocks and bonds is the primary determinant of the variability of returns to an investment portfolio.

Because we believe no one can predict, with any sufficiently consistent level of success, which class of financial assets will generate optimal returns over any period of time, we recommend prudent exposure to multiple asset classes. Each recommended asset class offers what we believe to be an attractive rate of return over time. However, each recommended asset class is expected to generate its returns in a pattern that is different from other recommended asset classes.

One risk of asset allocation is that the benefits (different patterns of return) can dissipate during market panics – precisely the moment they would be needed most. Another risk is that the ratio of the asset classes will change over time due to market movements and, if not corrected, may no longer be appropriate for the client’s goals.

Fundamental Analysis. We attempt to determine the intrinsic value of a security by focusing on the economic and financial factors that affect a company’s current operations and its future prospects. Having established an intrinsic value (or range of values), the current share price may be then revealed to be undervalued (below our intrinsic value – often a good time to buy) or overvalued (above our intrinsic value – often a good time to sell).

Fundamental analysis is silent with regard to anticipating the direction, timing and size of market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market irrespective of the economic and financial factors considered in evaluating the security.

Mutual Fund and Exchange Traded Fund (ETF) Analysis. We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest successfully over a period of time that includes different economic and market

expenses charged by a fund to judge whether the benefits we expect to receive. We study the actual assets that comprise the fund's portfolio to verify that they are following their stated investment strategy and to determine if there is meaningful overlap in the underlying investments and our clients' other holdings.

A risk of mutual fund or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. Additionally, because we do not control the underlying investments in a fund or ETF, managers of various funds held by our clients may buy or sell the same security, increasing our clients' exposure to owning (or not owning/being short) that security. As suggested above, there is also a risk that a manager may deviate from the stated investment mandate of the fund or ETF, rendering ownership less suitable.

Qualitative Analysis. We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and estimate the impact of such factors on intrinsic value.

A risk in using qualitative analysis is that our subjective judgment may prove incorrect.

Technical Analysis. We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and quantify the direction, likelihood and timing of meaningful price changes for individual securities or market indices.

A risk of technical analysis is that it does not consider the underlying financial condition of a company and can therefore introduce the risk of a poorly-managed or financially-challenged company that underperforms irrespective of the price patterns identified.

Cyclical Analysis. In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to measure the direction, likelihood and timing of a meaningful price change.

Charting. In this version of technical analysis, we review charts of market and security activity in an attempt to ascertain whether there is a general trend (up

ability of a continuation or reversal of that

Risks for all forms of analysis. Our securities analysis methods rely on the assumption that the companies whose securities we buy and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

INVESTMENT STRATEGIES

We intend to use the following strategies in managing client portfolios, provided the strategies are appropriate to the objectives and constraints for each client.

Long-term purchases. By holding assets for a long period, we increase the probability of generating positive absolute returns by reducing transaction costs (commissions, spreads, etc.). There is a limit to the number of correct decisions any human can make. We insist on hoarding our precious transactional ammunition for truly worthy targets. Furthermore, in the presence of taxes, it is imperative that an investor benefit from the tax-free compounding and the lower long-term capital gains tax rate to generate an acceptable after-tax rate of return.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we are forgoing possible short-term gains that might be attainable.

Short-term purchases. From time to time we may identify opportunities that are unlikely to be long-term in nature. In some of these situations, we may judge the higher expenses (commissions, spreads, taxes, etc) to be justified by the magnitude and likelihood of the potential benefit.

Short sales. When we identify an investment vehicle as overvalued, we may use short sales to profit from an anticipated decline in a stock or to hedge a portfolio against anticipated volatility. In a short sale, we borrow the intended stock from a broker and sell it with the proceeds deposited to your account. At a later date we will close the position by buying the shares back and returning

back at a lower price than originally sold, the
back at a higher price, the client suffers a loss.

Margin Transactions. If authorized by a client, we may make investments or engage in other permissible transactions which may result in borrowing (margin transactions). Such transactions are utilized for client convenience only and not for the purpose of leverage.

Option writing. If authorized by a client we may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset at a specific price on or before a certain date. An option is a security (just like a stock or bond is a security) and a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts. A call gives the holder the right to buy an asset at a certain price within a specific period of time. A put gives the holder the right to sell an asset at a certain price within a specific period of time.

We intend to use two option strategies:

- We may buy a put to limit the downside of a security we have purchased for a portfolio.
- We may sell a call on a security you own, either to help pay the cost of a put we purchase or to generate additional income to the portfolio.

TYPES OF INVESTMENTS

Our investment recommendations will generally include the following securities:

- Cash and cash equivalents (including money market funds, bank CDs, etc.)
- Domestic Fixed Income – Corporate bonds or preferred stock, US government or US municipal bonds, exchange traded funds or mutual funds investing in these securities
- Foreign Fixed Income – Sovereign debt, mutual funds or exchange traded funds investing in any foreign bonds

on – Common stock of domestic or foreign
market capitalization greater than \$15 billion
(direct or through exchange traded funds or mutual funds)

- Equities: Mid Capitalization – Common stock of domestic or foreign issuers with an equity market capitalization less than \$15 billion but greater than \$3 billion (direct or through exchange traded funds or mutual funds)
- Equities: Small Capitalization – Common stock of domestic or foreign issuers with an equity market capitalization less than \$3 billion (direct or through exchange traded funds or mutual funds)
- Equities: Foreign Emerging Markets (directly through Depositary Receipts or exchange traded funds or mutual funds investing in emerging markets)

Other – commodities, Treasury Inflation Protected Securities, floating rate securities, foreign currencies, option-writing, inverse-return funds and short-selling strategies (directly or through exchange traded funds or mutual funds).

Investment Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate Clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Except as may otherwise be provided by law, we are not liable to Clients for:

- Any loss that a Client may suffer by reason of any investment decision made or other action taken or omitted in good faith by us with that degree of care, skill, prudence and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use;
- Any loss arising from our adherence to a Client's instructions, or the disregard of our recommendations to a Client; or

by a custodian or other third party to a Client's

It is the responsibility of each Client to give us complete information and to notify us of any changes in financial circumstances or goals.

Item 9 Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to a client or prospective client evaluation of our advisory business or the integrity of our management.

No principal or person associated with Grange Capital, LLC has any information to disclose which is applicable to this Item..

Item 10 Other Financial Industry Activities and Affiliations

Grange Capital, LLC and those associated with our firm, do not participate in any other financial industry activities and has no other financial industry affiliations. We do not have any outside business activities that materially impacts our work as a registered investment advisor.

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

Grange Capital, LLC has a Code of Ethics which all employees are required to follow. The Code of Ethics outlines our high standard of business conduct, and fiduciary duty to Clients. The Code of Ethics includes provisions relating to the confidentiality of Client information, a prohibition on insider trading, restrictions on the acceptance of gifts, the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things.

le a copy of the Code of Ethics to any client or
To request a copy, please send an e-mail to
info@grancecapital.com or call us at 503-639-3001.

We do not own or manage any companies or investments that we advise our Clients to buy.

Grange Capital, LLC or individuals associated with us may buy and sell some of the same securities for their own account that we buy and sell for Clients. When appropriate we will purchase or sell securities for Clients before purchasing the same for our account or allowing representatives to purchase or sell the same for their own account. In some cases we or our representatives may buy or sell securities for their own account for reasons not related to the strategies adopted for our Clients. Our employees and other persons associated with us are required to follow the Code of Ethics when making trades for their own accounts in securities which are recommended to and/or purchased for Clients. The Code of Ethics is designed to assure that the personal securities transactions will not interfere with making decisions in the best interest of advisory Clients while at the same time, allowing employees to invest for their own accounts.

We will disclose to advisory Clients any material conflict of interest relating to us, our representatives, or any employees which could reasonably be expected to impair the rendering of unbiased and objective advice. As any advisory situation could present a conflict of interest, we have established the following restrictions to ensure our fiduciary responsibilities:

1. A director, officer, associated person, or employee of Grange Capital, LLC shall not buy or sell securities for his personal portfolio where his decision is substantially derived, in whole or in part, by reason of his employment unless the information is also available to the investing public on reasonable inquiry. No person of Grange Capital, LLC shall prefer his or her own interest to that of the advisory Client.
2. We maintain a list of all securities holdings for ourselves and for anyone associated with our practice with access to advisory recommendations. An appropriate officer of Grange Capital, LLC reviews these holdings on a regular basis.
3. Any individual not in observance of the above may be subject to discipline up to and including termination.

Brokerage Firms and Custodian, Generally

In our written Investment Advisory Agreement, the client gives discretionary authority to Grange Capital, LLC to select the broker dealer and give to them instructions for the investment and reinvestment of the assets in securities and cash or cash equivalents in the client's account. Clients may request us to sell or hold a specific security (such as a legacy holding with which the client has an attachment), and can change these requests in writing at any time.

Charles Schwab (Schwab), Fidelity, and TD Ameritrade are the custodians and primary brokers for client securities accounts. We accept directed brokerage requests from clients but recommend the three custodians listed above.

Custody and institutional trading are available to Grange Capital, LLC on an unsolicited basis and at no additional charge (beyond the institutional commission schedule). Additionally, under the 'prime broker' program at Schwab, Fidelity, and TD Ameritrade we trade through other brokers when it is beneficial to do so. Prime brokers provide research expertise, access to securities markets, access to fixed income inventory, and commission cost breaks (lower rates per share v. standard predetermined rates) that can produce superior trading opportunities.

Soft Dollars, and Compensation for Client Referrals

The term 'soft dollar arrangement' describes a brokerage practice in which investment advisers use client brokerage commissions to pay for goods or services. This practice can create a conflict of interest when an incentive exists to select a broker-dealer based on an adviser's interest in receiving the research or product, rather than on best trade execution for the client. Grange Capital, LLC has an agreement with Fidelity to participate in a soft-dollar arrangement. Soft Dollars earned are held at Fidelity and used exclusively for investment research. We do receive an economic benefit from the services that we obtain from Charles Schwab and TD Ameritrade from time to time.

Specifically, we receive research (broker-created or developed by a third party) to aid us in investment decision-making, access to Internet-based platforms to execute trades, access to Schwab's electronic interface to reconcile account transactions, and access to the advisor area of Schwab's web site to access client account information. These services may benefit accounts other than the one(s) for which trades are executed at any given time. Please see the section entitled Best Trade Execution, detailed below.

Grange Capital, LLC does not receive cash or other compensation from non-clients in connection with giving advice to clients. Likewise, we currently do

client referrals not registered and affiliated with
ate in any sponsored referral program.

Block Trading (Aggregated Orders)

Grange Capital, LLC will trade shares in 'blocks' where possible and when advantageous to clients. This blocking of trades permits the trading of securities composed of assets from or for multiple client accounts.

Block trading may allow us to execute equity trades in a more timely and equitable manner, at an average share price. Grange Capital, LLC's block trading policy and procedures are as follows:

- Transactions for any client account may not be aggregated for execution if the practice is prohibited by or inconsistent with the client's advisory agreement with Grange Capital, LLC or our firm's order allocation policy.
- The portfolio manager must determine that the purchase or sale of the particular security involved is appropriate for the client and constraints applicable to the client's account.
- The portfolio manager must reasonably believe that the order aggregation will enable Grange Capital, LLC, to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution. It does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a '20-20 hindsight' perspective. Our Best Trade Execution Practices are discussed in greater detail, below.
- Prior to entry of an aggregated order, a written trade order must be completed which identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients. Grange Capital LLC creates a monthly spreadsheet workbook for all trades: ordered, allocated and posted, which is our written trade order.
- If an order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated pro rata among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, adjustments to this pro rata allocation may be made to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges on smaller orders.

participates in the aggregated order will do so at separate transactions made to fill the order, and

typically share in the commissions on a pro rata basis in proportion to the client's participation. However, under the client's account agreement with the custodian/broker, transaction costs may be based on the value of the account, client participation in electronic delivery of trade confirmations and statements, or the number of shares traded for each client.

- If the order will be allocated in a manner other than that stated in the initial statement of allocation, a written explanation of the change must be provided following the execution of the block trade.
- Funds and securities for aggregated orders are clearly identified with participating client account numbers in Grange Capital LLC's records and to the broker-dealers handling the transactions. We account for all transactions in individual accounts.
- No client or account will be favored over another.

BEST TRADE EXECUTION PRACTICES

Best trade execution practices include gathering relevant information, monitoring trading activities and periodically reviewing and evaluating the services provided by broker/dealers, research, commission rates, and overall relationships as well as the best overall qualitative execution. Costs are important in trading, but we believe that the main purpose of trading is to capture the value of investment decisions. Factors that we consider in reviewing for best qualitative trade execution include:

- Timeliness and Accuracy of Trade Confirmations
- Liquidity of Securities Traded
- Research Services Provided
- Order Flow, Execution Facilitation and Services Provided
- Record-keeping Services Provided
- Custody Services Provided
- Frequency and Correction of Trading Errors
- Access to a Variety of Market Venues
- Expertise Related to Specific Securities
- Financial Condition of the Brokerage
- Business Reputation of the Brokerage.

It is our policy to minimize the occurrence of trade errors. Should any trade errors which are attributable to Grange Capital, LLC occur, we shall take any steps necessary to put the Client in the position it should have been as if the trade error never occurred. In the event we determine that a bona fide trade error has occurred which is attributable to us, we will correct the trade error using funds from our error account. Depending on the internal trade error policies and procedures of the particular custodian, our error account may be debited if the correction results in a loss. Likewise, our error account may be credited if the correction results in a gain. This situation creates a conflict of interest as we have an incentive to recommend particular custodians over others that may not have a similar policy.

Item 13 Review of Accounts

INVESTMENT MANAGEMENT SERVICES

REVIEWS: Our clients agree to meet with us no less than annually for the dual purpose of reviewing client circumstances and investment activity. We believe that these regular meetings are critical to our clients' financial success. If a client is unable or unwilling to comply with the annual review agreement, a letter is sent to the client reminding the client of their responsibility to advise us of any changes to their circumstances. Repeated failure to comply with this annual review agreement may result in the resignation of Grange Capital, LLC from the relationship.

While the underlying securities within individual accounts are continuously monitored, these accounts are reviewed at least annually for conformity with existing recommendations. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. Specific reviews can also occur at the client's request and when individual circumstances change, when a client adds or withdraws funds from an account, when new positions are added or positions are sold, and when triggered by material changes in market, political or economic environment variables.

Accounts are reviewed by Brent Keeton, CIO.

viewer to assure that client portfolios are in
client Investment Policy Statement.

In the course of reviewing client portfolios, we also review the pricing of assets for accuracy. We subscribe to third party pricing services for the daily valuation of client portfolios. Such services generally value securities at the last quoted sales price or an 'official closing price'. Securities for which there are no reported sales are valued within the range of the most recent bid and ask prices. Investments in open-end mutual funds are valued at the closing net asset value as reported by the respective fund sponsors.

REPORTS ON A QUARTERLY BASIS: In addition to the monthly statements and confirmations of transactions that our investment advisory clients receive from the custodian, Grange Capital, LLC will provide on a quarterly basis the following written reports:

- Portfolio Report will itemize and value all positions for which Grange Capital, LLC provides supervisory services. The written report will include the size of each position (number of shares/units), security name, unit and total cost, share/unit price as of quarter-end date, market value, percentage of total portfolio value held in each security, and current market yield.
- Summary of Management Fees for the quarter, for each account within the portfolio.

In addition to these quarterly reports, for the year ended December 31 we include:

- Realized Gains and Losses Report for taxable accounts
- Management Fees summary, year-to-date, for each of the four quarters during which assets were managed by us
- Privacy Policy Statement addressing our safeguards in place for the handling, access, and storage of client confidential information.

REPORTS FOR PERIODIC CLIENT REVIEW

In addition to the quarterly reports described above, Grange also periodically provides to Clients additional written reports such as:

straints, Risk Tolerance, and Financial Planning

- Current Asset Allocation v. Target Allocation, by Asset Class
- Portfolio Value History (compares net invested capital against the value of the portfolio)
- Performance History v. Benchmark (for all years during which client assets have been under our management)
- Action List (for follow up, includes points unique to client circumstances, and discussion points relating to investment management, financial planning updates, and general ‘housekeeping’).

FINANCIAL PLANNING SERVICES

REVIEWS: Grange Capital, LLC offers financial planning services to clients in connection with investment management services, at no additional cost. Any reviews of financial planning matters normally will be conducted during the course of client reviews for investment advisory services.

REPORTS: Clients who request financial planning services will receive reports or plan documents according to the level and purpose of planning requested. This may or may not include a financial analysis binder, as described in Item 4 (Advisory Business).

Item 14 Client Referrals and Other Compensation

Grange Capital, LLC does not engage solicitors or pay related or non-related persons for referring potential clients to our firm. Grange Capital, LLC does not accept or allow our related persons (this includes all personnel) to accept any form of compensation, including cash, awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

In this context, ‘custody’ means holding directly or indirectly client funds or securities, or having the authority to obtain possession of them. With the limited exception of our ability to debit advisory fees from Client accounts, we do not otherwise have actual or constructive custody of client accounts or account assets.

In addition to the monthly statements that clients receive directly from their custodians, we also send reports directly to our clients on a quarterly basis. We urge our clients to carefully compare the information provided on these reports to ensure that all account transactions, holdings and values are correct and current.

Item 16 Investment Discretion

Clients give us discretionary authority when they complete and sign an Investment Advisory agreement and an Investment Policy Statement (IPS) with our firm. They can limit this authority by giving us written instructions in the IPS. Clients may also change such limitations at any time by providing us with written instructions.

Additionally, via a Limited Power of Attorney (LPOA) authorizations, clients grant Grange Capital, LLC the limited authority to trade, access client account information, and disburse funds via check, wire or journal when the registration at the receiving institution is identical to the custodian account or when the disbursement is made payable to the account registration and mailed to the address of record.

Once clients engage us to provide discretionary asset management services, we may place trades in a client account without receiving specific client approval for each transaction.

Our discretionary authority includes the ability to do the following:

- Determine the security to buy or sell.
- Determine the amount of the security to buy or sell.

4 of this brochure (Advisory Business), our non-discretionary asset management services.

Exceptions to this practice can include providing investment guidance to the children of clients who manage their own portfolio accounts.

Item 17 Voting Client Securities

Generally, we do vote proxies for Client accounts. However, Client's may retain the right to vote their own proxies. We have established guidelines in our Proxy Voting Policies and Procedures in a manner generally intended to support the ability of management to run its business in a responsible and cost effective manner while staying focused on maximizing shareholder value. Generally we will vote proxies in accordance with management's recommendations. However, all proxy votes are ultimately cast on a case-by-case basis, taking into account relevant facts and circumstances at the time of the vote. For this reason, consistent with our fiduciary duty to ensure that proxies are voted in the best interest of our Clients, we may from time to time vote proxies against management's recommendations.

Where a proxy proposal raises a material conflict between us and a Client's interest, we will resolve the conflict as follows:

- Disclose the conflict and refer the proposal to the client to obtain instructions from the client on how to vote the proxy relating to that proposal.
- Notify the client of the conflict and assign proxy votes outright to an independent third-party.

With respect to ERISA accounts, we will vote proxies unless the plan documents specifically reserve the plan sponsor's right to vote proxies. We vote proxies for some, but not all, of our clients. Clients may, at their election, choose to receive proxies related to their own accounts.

If a client opts out of our proxy voting services, that client retains exclusive responsibility for:

- Directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and

...ive to any mergers, acquisitions, tender offers,
...or other type events pertaining to the client's
investment assets.

We will maintain the following records for 5 years (the first 2 of which shall be in our office):

- Proxy voting procedures and policies, and all amendments;
- A record of all proxy statements received by us regarding Client securities (provided however, that we may rely on any proxy statement filed on EDGAR as our records);
- A record of all votes cast on behalf of Clients;
- Records of all Client requests for proxy voting information;
- Any documents prepared by us which were material to making a decision how to vote or that memorialized the basis for the decision; and
- All records relating to requests made to Clients regarding conflicts of interest in voting the proxy.

Clients may request, in writing, information on how proxies for their shares were voted. If any client requests a copy of our complete proxy policies and procedures or how we voted proxies for their account(s), we will promptly provide such information to the client.

Item 18 Financial Information

As a registered investment adviser, we are required to provide you with certain information or disclosures about our financial condition. Grange Capital, LLC has no financial commitments that impair the firm's ability to meet its contractual obligations and fiduciary responsibilities.

We do not require payment of fees for services to be provided six months or more in advance. Grange Capital, LLC has never been the subject of a bankruptcy petition.

Item 19 – Requirements for State-Registered Advisers

The owners and executive officers of Grange Capital include: M. Brent Keeton, Principal and Chief Information Officer; Derek N. Dukart, Principal and Chief Executive Officer; and Micah F. Child, Chief Compliance Officer.



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investment advisory services on behalf of Grange
ation and background are separately detailed in

Form ADV Part 2B, Item 2 (below).

Neither the firm nor its management personnel have ever been subject to any arbitration claims or any other proceedings (civil, self-regulatory organization or administrative) related to providing investment advisory services. We also have no relationships or arrangements with any issuers of securities.

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ADV: Brochure Supplement

M. Brent Keeton
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503-639-3001
www.grangecapital.com



May 17, 2012

This brochure supplement provides information about M. Brent Keeton that supplements the Grange Capital, LLC brochure. You should have received a copy of that brochure. Please contact Micah Child if you did not receive Grange Capital, LLC's brochure or if you have questions about the contents of this supplement.

Additional information about Brent Keeton is also available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Mr. Keeton's CRD number is 1409084.

and and Business Experience

Name: Michael Brent Keeton
Born: 1957

Education: Portland State University BSBA 1982

Business Experience:

1985-2001	Merrill Lynch, Registered Representative
2001-2006	UBS Financial Services, Financial Advisor
2004-Present	Grange Capital, Chairman, CIO

Item 3 Disciplinary Information

Mr. Keeton has not been subject to any legal or disciplinary proceedings which would be considered material (or otherwise) to a Client's evaluation of him or any of the services Grange Capital, LLC provides.

Item 4 Other Business Activities

Mr. Keeton is not involved in any other investment related business activity or occupation other than through Grange Capital, LLC.

Item 5 Additional Compensation

Mr. Keeton does not receive any additional compensation or other economic benefits from third parties for providing advisory services to Clients of Grange Capital, LLC.

Item 6 Supervision

Mr. Keeton prepares investment policies, forms and procedures for those clients to whom he is the primary adviser representative and firm contact. Derek Dukart and Mr. Keeton founded Grange Capital, LLC in 2004. They own and manage the firm as such, collaborate with "checks and balances" oversight, in all matters related to the operation of GC. Micah F. Child serves as the Firm's Chief Compliance Officer.

Item 7 – Requirements for State-Registered Advisers

Mr. Keeton has never been the subject of any bankruptcy petition or subject to any arbitration claim or any other proceedings (civil, self-regulatory organization or administrative) related to investments, fraud, theft, bribery or dishonest, unfair or unethical practices.

ADV: Brochure Supplement

Derek N. Dukart
11850 SW 67th Ave, Suite 110
Portland, OR 97223
503-639-3001
www.grangecapital.com



May 17, 2012

This brochure supplement provides information about Derek N. Dukart that supplements the Grange Capital, LLC brochure. You should have received a copy of that brochure. Please contact Micah Child if you did not receive Grange Capital LLC's brochure or if you have questions about the contents of this supplement.

Additional information about Derek Dukart is also available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Mr. Dukart's CRD number is 4407742.

and Business Experience

Name: Derek Nels Dukart
Born: 1971

Education: Portland State University, BS, 2000

Business Experience:

2001-2004 UBS Financial Services, Financial Advisor
2004-Present Grange Capital, CEO

Item 3 Disciplinary Information

Mr. Dukart has not been subject to any legal or disciplinary proceedings which would be considered material (or otherwise) to a Client's evaluation of him or any of the services Grange Capital, LLC provides.

Item 4 Other Business Activities

Mr. Dukart is not involved in any other investment related business activity or occupation other than through Grange Capital, LLC.

Item 5 Additional Compensation

Mr. Dukart does not receive any additional compensation or other economic benefits from third parties for providing advisory services to Clients of Grange Capital, LLC.

Item 6 Supervision

Mr. Dukart prepares investment policies, forms and procedures for those clients to whom he is the primary adviser representative and firm contact. Mr. Dukart and Brent Keeton founded Grange Capital, LLC in 2004. They own and manage the firm as such, collaborate with "checks and balances" oversight, in all matters related to the operation of GC. Micah F. Child serves as the Firm's Chief Compliance Officer.

Item 7 – Requirements for State-Registered Advisers

Mr. Dukart has never been the subject of any bankruptcy petition or subject to any arbitration claim or any other proceedings (civil, self-regulatory organization or administrative) related to investments, fraud, theft, bribery or dishonest, unfair or unethical practices.

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ADV: Brochure Supplement

Micah F. Child
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May 17, 2012

This brochure supplement provides information about Micah F. Child that supplements the Grange Capital, LLC brochure. You should have received a copy of that brochure. Please contact Micah Child if you did not receive Grange Capital, LLC's brochure or if you have questions about the contents of this supplement.

Additional information about Micah Child is also available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Mr. Child's CRD number is 5102305.

Background and Business Experience

Name: Micah F. Child
Born: 1983

Education: University of Puget Sound
Bachelor of Arts in Business: International Emphasis (2005)

Business Experience:

2006-2008	IMS Capital Management, Wholesale Support
2008-Present	Grange Capital, Investment Adviser Representative and Chief Compliance Officer

Item 3 Disciplinary Information

Mr. Child has not been subject to any legal or disciplinary proceedings which would be considered material (or otherwise) to a Client's evaluation of him or any of the services Grange Capital, LLC provides.

Item 4 Other Business Activities

Mr. Child is not involved in any other investment related business activity or occupation other than through Grange Capital, LLC.

Item 5 Additional Compensation

Mr. Child does not receive any additional compensation or other economic benefits from third parties for providing advisory services to Clients of Grange Capital, LLC.

Item 6 Supervision

Mr. Child prepares investment policies, forms and procedures for those clients to whom he is the primary adviser representative and firm contact. Mr. Child also serves as Chief Compliance Officer for the firm. Brent Keeton and Derek Dukart founded Grange Capital, LLC in 2004. They own and manage the firm as such, collaborate with "checks and balances" oversight, in all matters related to the operation of GC.

Item 7 – Requirements for State-Registered Advisers

Mr. Child has never been the subject of any bankruptcy petition or subject to any arbitration claim or any other proceedings (civil, self-regulatory organization or administrative) related to investments, fraud, theft, bribery or dishonest, unfair or unethical practices.