

DISCLOSURE BROCHURE

THE INVESTMENT ADVISERS ACT OF 1940 RULE 204-3
Part 2A of Form ADV: Firm Brochure



Griffith & Werner, Inc.

Investing In You.

Firm CRD/IARD #: 136380

Griffith & Werner, Inc.
REGISTERED INVESTMENT ADVISOR

Cover Page **ITEM 1**

107 Mountain Brook Drive
Suite 108
Canton, Georgia 30115

Tel: 678.901.4167
Fax: 678.493.7854

www.griffith-werner.com

This Disclosure Brochure provides information about the qualifications and business practices of Griffith & Werner, Inc., which should be considered before becoming a client. You are welcome to contact us if you have any questions about the contents of this brochure - our contact information is listed to the right. Additional information about Griffith & Werner, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov.

The information contained in this Disclosure Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any State Securities Administrator. Furthermore, the term "registered investment advisor" is not intended to imply that Griffith & Werner, Inc. has attained a certain level of skill or training.

© eAdvisor Compliance, Inc. - Disclosure Brochure Design Layout: www.eadvisorcompliance.com

BROCHURE
DATED

1
MAY
2012



MATERIAL CHANGES

ITEM 2

There have been no material changes made to this document since the last revision date indicated on the cover of this Disclosure Brochure.



TABLE OF CONTENTS

ITEM 3

ITEM 4	Advisory Business	4
	Who We Are	4
	Our Mission	4
	What We Do	4
ITEM 5	Fees & Compensation	7
	Portfolio Management	7
	Portfolio Monitoring	9
	Investment Consulting	10
	Financial Planning	11
ITEM 6	Performance-Based Fees & Side-By-Side Management	12
ITEM 7	Types of Clients	12
ITEM 8	Methods of Analysis, Investment Strategies & Risk of Loss	12
	Portfolio Management - Methods of Analysis, Investment Strategies & Managing Risk	12
	Portfolio Monitoring - Methods of Analysis, Investment Strategies & Managing Risk	15
ITEM 9	Disciplinary Information	15
ITEM 10	Other Financial Industry Activities & Affiliations	15
	Brokerage & Insurance Company Activities & Affiliations	15
ITEM 11	Code of Ethics, Participation or Interest in Client Transactions & Personal Trading	16
	Code of Ethics	16
	Client Transactions	16
	Personal Trading	17
ITEM 12	Brokerage Practices	17
	Custodial Services	17
	12(b)-1 Distribution Fees	18
	Selection of Portfolio Managers	19
	Aggregating Trade Orders	19
ITEM 13	Review of Accounts	19
	Portfolio Management Reviews	19
	Portfolio Monitoring Reviews	20
	Financial Planning Reviews	20
ITEM 14	Client Referrals & Other Compensation	20
	Referral Compensation	20
	Other Compensation (Indirect Benefit)	20
	Securities Transactions for Compensation	20
	Financial Planning Compensation	21
ITEM 15	Custody	21
	Management Fee Deduction	21
ITEM 16	Investment Discretion	22
	Securities & Amount Bought or Sold	22
ITEM 17	Voting Client Securities	22
ITEM 18	Financial Information	23
ITEM 19	Requirements for State-Registered Advisers	23

BROCHURE SUPPLEMENTS



ADVISORY BUSINESS

ITEM 4

Who We Are

Griffith & Werner, Inc. is a registered investment advisor¹ offering personalized portfolio management and financial planning services to assist you, our client², with creating financial stability and security and the financial independence you desire.

Our History

Griffith & Werner, Inc. (hereinafter referred to as "the Company", "we", "us" and "our") has been offering advisory services since the inception of our firm in March of 1983. We have over 28 years of experience in portfolio management and financial planning.

Owners

The Company is controlled by the following persons:

Name	Title	CRD#
Gregory S. Phelps	President & Chief Compliance Officer	4845819

Assets Under Management

As of January 1, 2012, our assets under management totaled:

Client Discretionary Managed Accounts.....	\$27,800,000
Client Non-Discretionary Managed Accounts.....	\$15,700,000

Our Mission

Our mission is to come alongside you and assist with making your dreams a reality. We do everything in our power to keep you focused on where you want to go, offer advice on how to get there, and continually remind you of the importance of maintaining a disciplined approach to realizing your dreams.

What We Do

We offer financial solutions that stress fiscal responsibility and shrewd planning that is not always about the accumulation of assets, which we believe has little to do with real happiness, but what is best for your personal health and well-being. Some of the best advice we could ever offer you is that success, achievement, and contentment in life have little to do with personal wealth but are instead related to lifestyle choices. These **lifestyle choices are your unique values, life goals, and plans**. Therefore the economic solutions we develop, whether

¹ The term "registered investment advisor" is not intended to imply that Griffith & Werner, Inc. has attained a certain level of skill or training. It is used strictly to reference the fact that we are "registered" as a licensed "investment advisor" with the Georgia Office of the Secretary of State - and with such other State Regulatory Agencies that may have limited regulatory jurisdiction over our business practices.

² A client could be an individual and their family members, a family office, a foundation or endowment, a corporation and/or small business, a trust, a guardianship, an estate, another fiduciary or any other type of entity to which we choose to give investment advice.



investment management and/or financial planning, reflect how *you* define true wealth not us. Our services include:

Investment Management

Depending on your monetary needs and investment objectives, time horizon, and risk tolerance, along with your unique desires, we can offer you three (3) Investment Management services. The Investment Management services are as follows:

Portfolio Management

Our Portfolio Management strategies focus on designing a portfolio allocation of investment company products (mutual funds) and variable annuity sub-accounts to achieve the best return on your investment capital relative to your investment parameters. Investment parameters are defined as your personal benchmarks and tolerance to risk outlined in your Investment Policy Statement ("IPS"). You will find more information about our management services under "Portfolio Management" in Item 5, "Fees & Compensation" below and further description of our investment strategies under Item 8, "Methods of Analysis, Investment Strategies & Risk of Loss."

Portfolio Monitoring

We can also recommend third-party money managers ("Portfolio Managers") for you to choose from, whose investment disciplines most closely resemble your investment objectives as outlined in your IPS. Included in your IPS is:

- ❖ An asset allocation study illustrating the balancing of investment return and risk, emphasizing spreading risk among various asset classes and investment vehicles as a classic way to increase portfolio security; and,
- ❖ A recommended Portfolio Manager to implement your asset allocation strategy.

Under these arrangements, we are not involved in the day to day management of your portfolio assets. Our responsibility will be to continuously evaluate the performance of your portfolio to ensure the Portfolio Manager adheres to the standards of your IPS and will make recommendations to you regarding the Portfolio Manager as market factors and your personal goals dictate. More information about our "Portfolio Monitoring" services is available below under Item 5, "Fees & Compensation" below and how we evaluate Portfolio Managers is also discussed under Item 8, "Methods of Analysis, Investment Strategies & Risk of Loss."

Investment Consulting

Investment consulting services are independent of any and all of our advisory services. Under this arrangement, we do not provide any on-going portfolio management, portfolio monitoring, or financial planning of your account. Such consulting may include, but are not limited to:

- ❖ General and/or specific advice on investment selection
- ❖ Construction of an IPS and asset allocation guideline
- ❖ Estate planning
- ❖ Insurance planning

You can find more information about our consulting services fees under "Investment Consulting" below in Item 5, "Fees & Compensation".



Financial Planning

Financial planning is one of the most important tools that successful people use to create an extraordinary personal life and business career. However it requires a lifetime commitment, not only from us, the Financial Planner, but from you as well.

What is a Financial Plan?

Financial planning is an evaluation of the investment and financial options available to you based upon your defined lifestyle choices. Planning includes: (i) attempting to make optimal decisions; (ii) projecting the consequences of these decisions for you in the form of a financial plan - a **working blueprint**; and, (iii) implementing the protocols to achieve the objectives of the plan. Once complete the financial plan, or working blueprint, becomes the plumb-line to compare a future financial performance to be sure you are achieving your economic goals and objectives.

Financial Planning Composition

A financial plan can be **coordinated** - a mutually defined review of your personal financial life needs; or, **targeted** - a review, analysis and evaluation of a core area of financial need. In general, our financial planning may encompass one or more of the following areas of financial need as communicated by you:

- ❖ Identify and clarify personal and family core values, mission, vision, and goals.
- ❖ Preparation of the financial plan/roadmap, which encompasses your:
 - Current financial situation.
 - Liquidity and asset preservation needs.
 - Wealth accumulation and growth.
 - Wealth distribution and transfer.
- More specifically the financial plan/roadmap may include, but is not limited to the following modules:
 - Financial Statements - Cash Flow and Balance Sheet.
 - Savings and Emergency Reserves.
 - Asset Allocation and Investment Portfolio Analysis.
 - Potential Income Tax consequences in collaboration with your tax advisor.
 - Risk Management and Insurance Analysis.
 - Retirement and Income Analysis.
 - Long-Term Healthcare.
 - Estate and Family Legacy Planning.
 - Business Succession Planning.
- ❖ Outline of recommendations, strategies, solutions and resources.
- ❖ Prioritizing and implementing the written action plan.
- ❖ Investment consultations that allow us to create and implement a customized investment strategy tailored to your long-term investment goals.
 - Prepare a professional investment proposal that will include a written Investment Policy Statement.
 - Access to our open-architecture platform with a variety of investment management solutions.
- ❖ Informative periodicals, market commentaries and research via e-mail and website.
- ❖ Facilitate meetings with you and/or advisors or specialists within our professional network.
- ❖ Coordinate and facilitate meetings with family members, business associates, partners or other key individuals to assist with implementing your action plan.



Preparing the Financial Plan

We gather the necessary information to complete our analysis through personal interviews, review of various documents supplied by you, and completion of one or more profile questionnaires. Information gathered may include statements regarding your current financial status, a list of assets, insurance, wills and/or trust documents, income and expenses, Social Security eligibility, and other information³ based on your financial status and future goals.

You will find more information about our financial planning fees under “Financial Planning” below in Item 5, “Fees & Compensation”.

FEES & COMPENSATION

ITEM 5

Portfolio Management

Portfolio management is provided on an asset-based fee arrangement that is a **non-negotiable annual rate of 1.10%**. Our management fee is calculated based on the aggregate market value of your account on the last business day of the prior **calendar month** multiplied by one-twelfth (1/12th) of the annual percentage rate (i.e., $1.10\% \div 12 = 0.09167\%$).

In addition to the management fee we charge to manage your portfolio(s), some of the open-end Investment Company Funds we recommend assess a 12(b)-1 distribution or trailer fee of which we can collect up to an additional 0.50% of your assets managed by that Mutual Fund. These 12(b)-1 fees are built-in costs paid by the Investment Company regardless of whether we collected a portion or not. We have elected to accept a portion of these distribution fees to help keep the overall management fee we bill your account lower than what could be if we did not accept the 12(b)-1 fee. Therefore because we receive a 12(b)-1 distribution fee, the fee we earn for managing your portfolio could be higher than the 1.10% but will not exceed 1.60%:

Management Fee	+	12(b)-1 Fee
1.10%		Up to 0.50%

For more information on these fees, please refer to “12(b)-1 Distribution Fees” under Item 12, the “**Brokerage Practices**” section of this Disclosure Brochure.

We require a minimum initial investment of \$100,000.00 to open a managed account; however, this minimum may be waived under certain circumstances.

Protocols for Portfolio Management

The following protocols establish how we handle our portfolio management accounts and what you should expect when it comes to: (i) managing your account; (ii) your bill for investment services; (iii) deposits and withdrawing funds from your account(s); and (iv) other fees charged to your account(s).

³ All information provided by and to you will be kept entirely confidential. Such information will be disclosed to third parties only with mutual written consent or as may be permitted by law.



Discretion

Unless otherwise negated by you, we will establish discretionary trading authority on all management accounts to execute securities transactions at anytime without your prior consent or advice.

At anytime however, you may impose restrictions, **in writing**, on our discretionary authority (i.e., limit the types/amounts of particular securities purchased for your account, exclude the ability to purchase securities with an inverse relationship to the market, limit our use of leverage, etc.)

Billing

Your account will be billed **monthly in arrears** based on the above fee arrangements. For **new managed accounts** opened in the middle of the month, our fee will be based on a pro-rata calculation of the fair market value of your assets managed for the monthly period.

Advisory fees will be deducted first from any money market funds or cash balances. If such assets are insufficient to satisfy payment of such fees, a portion of the account assets will be liquidated to cover the fees. Such liquidation may affect the relative balances of the account.

Account Set-up Fee

New management accounts **may be assessed a one-time set-up fee** not to exceed 1.00% of the fair market value of your Portfolio Management account. This set-up fee covers: (i) the time and expenses in preparation of internal records for portfolio management and data preparation based on your Investment Policy Statement; (ii) the administrative services involved in the transfer of your portfolio management accounts to our custodian; and, (iii) general telephone consultations and research to finalize the account set-up process. The set-up fee is **non-refundable** should you wish to terminate the Investment Advisory Agreement due to time we expensed to create the management account(s).

The exact amount of the set-up fee you will be charged will be fully disclosed in the Investment Advisory Agreement.

Fee Exclusions

The above fees for all of our management services are exclusive of any charges imposed by the custodial firm including, but not limited to: (i) any Exchange/SEC fees; (ii) certain transfer taxes; (iii) service or account charges, including, postage/handling fees, electronic fund and wire transfer fees, auction fees, debit balances, margin interest, certain odd-lot differentials and mutual fund short-term redemption fees; and (iv) brokerage and execution costs associated with securities held in your managed account. There can also be other fees charged to your account that are unaffiliated with our management services.

In addition, all fees paid to us for portfolio management services are separate from any fees and expenses charged on mutual fund shares by the investment company or by the investment advisor managing the mutual fund portfolios. These expenses generally include management fees and various fund expense, such as: redemption fees, account fees, and purchase fees may occur but are the exception within managed accounts at institutional custodians. A complete explanation of these expenses charged by the mutual funds is contained in each mutual fund's prospectus. You are encouraged to carefully read the fund prospectus.



Termination of Portfolio Management Services

To terminate our investment advisory services, either party (you or us) by written notification to the other party, may terminate the Investment Advisory Agreement at any time, provided such written notification is received **at least 15 days prior** to the date of termination (i.e.; To terminate services on October 1st, a request for termination should be received in our office by September 15th). Such notification should include the date the termination will go into affect along with any final instructions on the account (i.e., liquidate the account, finalize all transactions and/or cease all investment activity).

You will only be able to terminate our advisory services on the last/first day of a calendar month. We will perform one final monthly billing prior to releasing your account. Once the termination of investment advisory services has been implemented, neither party has any obligation to the other - we no longer earn management fees or give investment advice and you become responsible for making your own investment decisions.

Portfolio Monitoring

Under the arrangements with the Portfolio Managers, we are not involved in the day to day management of your portfolio assets. **Our responsibility to the Portfolio Manager(s)** will be to ensure you meet their minimum qualifications. Once your account has been established we will provide all administrative and clerical duties as may be required to service your account. The Portfolio Manager(s) may have little or no direct contact with you.

Our responsibility to you will be to continuously evaluate the performance of your portfolio to ensure the Portfolio Manager adheres to your asset allocation guidelines, as outlined in your IPS, and will make recommendations to you regarding the Portfolio Manager as market factors and your personal goals dictate.

Portfolio Managers Fee Structure

The Portfolio Managers who will be used to manage your account(s) will disclose their fees for management services in their Disclosure Brochures (the Portfolio Manager's ADV Part 2A: Firm Brochure or Part 2A Appendix 1: Wrap Fee Program Brochure), **which we will provide you prior to, or at the same time as, opening an account.** The fees that will be charged to your account(s) will include:

1. The Portfolio Manager's management fee;
2. Our Portfolio Monitoring fee (not to exceed an 1.00%) that the Portfolio Manager **will pay us from the total management fee they collect;** and,
3. Trading commissions and/or account charges, depending on if the Portfolio Manager is "wrapping" all the fees, which may be imposed by the custodian or broker/dealer used to custody your account(s).

The Portfolio Manager's Disclosure Brochure contains all pertinent disclosures relating to their management services, fee structure for such services, and their termination provisions - **you are encouraged to carefully review these disclosures.**

Protocols for Portfolio Monitoring

You will want to consult the Portfolio Manager's Disclosure Brochure for their policies on how they will handle your account; such as, billing, deposits and withdrawals, fee exclusions, termination, and any other unique advisory costs associated with their service since we **do not take discretion** over the management of your account and we **do not handle any of the**



billing. We will discuss these arrangements with you when we go to open your account with a Portfolio Manager; however, **you are encouraged to read their terms for management on your own - don't take our word for it!**

Investment Consulting

Our investment consulting fee **will not exceed \$150.00 per hour** to construct an Investment Policy Statement and/or customized "No-Load" mutual fund investment portfolio. Investment consulting services are independent of our Portfolio Management, Portfolio Monitoring and/or Financial Planning services. **Under this arrangement, we do not provide any on-going management of your account or give continuous investment advice. We will perform the desired task but you are responsible for implementing any of the advice.**

However, in the case of us preparing an asset allocation model from an IPS we prepared for you, you can contact us to schedule a quarterly review of your portfolio allocation to determine how the account is performing. We will review the account and make any recommendation, if necessary, for you to rebalance the account.

Billing

At minimum, we **require four (4) hours of initial consultation** to conduct an adequate interview to determine your investment needs, goals, and objectives to adequately provide the service you desire.

All consulting fees will be completely itemized in a billing statement. For the initial consultation, the fee will be due at the end of the session. Thereafter we will bill you, at the agreed upon hourly rate, should we be contacted by you for future reviews and advice on any re-balancing.

Important Considerations

If you were to pay \$600 (4 hours @ \$150 per hour) for the initial consultation this fee may be a higher fee than if you had us manage your investments based on a percentage of assets under management. For example, if you wanted us to design a tailored Mutual Fund asset allocation mix for your \$55,000.00 investment portfolio, our fee of \$600.00 would only include the initial consultation with no further management, monitoring, or follow-up on your account; yet, if you approached us to manage your investments for an annual fee of 1.10% (not including the 12(b)-1 fee earnings) and we waived our minimum account size, the same \$55,000.00 would generate an annual fee of \$605.00, and include continuous investment advice and the monitor of your account to be sure it was meeting your investment needs and objectives.

Therefore, if your investment portfolio is less than \$55,000.00, you may be able to retain equivalent service at lower costs by having us manage your account or approach another investment advisor.

Termination

Our investment consulting services can be terminated at any time.



Financial Planning

How we charge to develop a financial plan depends on the size, complexity, and nature of your personal and financial situation and the amount of time it will take to analyze and summarize the plan and perform the services you desire.

Planning Fees

Coordinated Planning

Coordinated financial planning services are offered on an **hourly rate not to exceed \$150 with a maximum fixed fee not to exceed \$2,500** for the initial engagement. Coordinated planning fees are significantly reduced if we are providing you additional services, such as portfolio management or portfolio monitoring services.

The coordinated planning fee will be fully disclosed up-front in a Financial Planning Agreement, which will include the cost⁴ to review your financial information and prepare the comprehensive financial plan. We have the option to:

1. Require full payment up-front; or,
2. Require one-half the fee be paid at the time the Agreement is signed, with the remaining balance due upon completion of the financial plan⁵.

Targeted

If you desire only targeted planning - review, analysis and evaluation of a core area of financial need - the fee will be billed at our **hourly rate not to exceed \$150**⁶. All fees will be completely itemized in a billing statement to you, or as otherwise predetermined in a proposal, engagement letter and/or by retainer.

Annual Review

It is important to note that any planning is kinetic (always in motion) and alive. A financial plan is a roadmap that is only as good as how well it reflects your current economic position to then guide you on a clear path to a future financial destination. However you can veer off course, intentionally or unintentionally, as circumstances in your life take you down another path. An annual financial plan review is designed to systematically address these unexpected diversions and continually keep you on the right road headed to your future financial destination.

Annual Review

Once the initial financial planning services have been completed, we will establish future "Annual Review" dates. The Annual Review dates generally begin after the first anniversary will be to review and make adjustments, if necessary, to the financial plan. Together we will set the calendar dates for your future reviews; inasmuch, an Annual Review may consist of two or three visits during the calendar year.

⁴ Rarely will a fee exceed those costs outlined in the Agreement. However, there can be instances where we did not contract with you to perform a particular task and therefore merit notifying you of the additional cost prior to beginning such services.

⁵ The recommendations made in a financial plan are generally completed within 30 to 45 days from you signing the Agreement. However, implementing the plan using outside professionals (i.e., attorneys, CPAs, etc...) may require additional time that is out of our control. Therefore when we refer to the completion of the financial plan, we are referring to us (you and us) finalizing your financial benchmarks/objectives before approaching any outside professional.

⁶ For a Targeted Financial Plan, we require a minimum of four hours consultation to address any personal and financial needs you may have.



Annual Review Fee

We reserve the option to waive our annual review fee if we are currently managing your investments. If we are not managing your investment portfolio and you want us to review your financial plan, we will notify you of the cost to perform the desired work before commencing. Such retainer fee will generally range from 25% to 40% of the first year planning fee depending on the length of time since our last review and on the services you request (i.e., If the first year planning fee was \$1,500, the annual review fee would be from \$375 to \$600.). However, if you have experienced significant change in your life circumstances since the date of your previously prepared plan, the fee could be exceedingly higher.

Termination

Coordinated or Targeted Planning Termination

You can terminate the Financial Planning Agreement at any time prior to the presentation of any final planning documents. We will be compensated through the date of termination for time spent in design of such financial documents at the hourly rate agreed to in the Agreement. If you have prepaid any fees, such un-earned fees will be returned on a pro-rata basis. After the financial plan has been completed and presented to you, termination of the Agreement is no longer an option.

Annual Review Termination

Annual Review services can be terminated at any time. The Company will bill you for any services rendered from the date of the last bill up to the date of termination at the fee rate that was agreed to in the proposal, engagement letter and/or retainer agreement.

PERFORMANCE-BASED FEES & SIDE-BY-SIDE MANAGEMENT

ITEM 6

We do not charge fees based on a share of capital gains or the capital appreciation of the assets held in your accounts.

TYPES OF CLIENTS

ITEM 7

The types of clients we offer advisory services to are described above under "Who We Are" in the Item 4, the "Advisory Business" section. Our minimum account size for portfolio management is disclosed above under "Portfolio Management" in Item 5 above in the, "Fees & Compensation" section of this Brochure.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES & RISK OF LOSS

ITEM 8

Portfolio Management - Methods of Analysis, Investment Strategies & Managing Risk

Our portfolio management services are designed to build long-term wealth while maintaining risk tolerance levels acceptable to you. We combine your financial needs and investment objectives, time horizon, and risk tolerance, as outlined in your Investment Policy Statement, to yield an effective investment strategy. Your portfolio is then tailored to these unique investment parameters using a mix of investment company products (mutual funds).



Methods of Analysis

In analyzing mutual funds we will use a combination of analysis techniques to guide us in our management decisions.

Fundamental Analysis

Fundamental analysis considers: economic conditions, earnings, cash flow, book value projections, industry outlook, politics (as it relates to investments), historical data, price-earnings ratios, dividends, general level of interest rates, company management, debt ratios and tax benefits.

Technical Analysis

Technical analysis utilizes current and historical pricing information to help us identify trends in the broader domestic and foreign equity and fixed income markets, and in the underlying assets themselves. This may involve the use of various technical indicators, such as moving averages and trend-lines, among others.

Cyclical Analysis

Market cycles provide historic tried and true timing mechanisms to indicate turning points in future market prices. By tracking historic data through charts and graphs we can improve entry and exit timing strategies. Coupling cyclical analysis with technical analysis helps to ensure the most favorable buy/sell signal.

Fundamental analysis provides us with a broad long-term view of a security that begins with determining a company's value and the strength of its financials while technical analysis is short-term focusing on the statistics generated by market activity. Cyclical analysis provides us with historical data on market trends to focus our technical analysis for ideal entry/exit points.

Investment Strategies

We are not bound to a specific investment strategy or ideology for the management of your investment portfolio. We understand markets and **money made** from increased stock values has greater risk (volatility) than **money earned** from dividends (secure and stable) in income-oriented securities. Our goal is to balance making and earning money by maintaining a disciplined management approach, regardless of the strategy, so as to not sacrifice long-term goals for short term gains. However, our investment strategies generally incorporate these methodologies:

Modern Portfolio Theory

Modern Portfolio Theory ("MPT")⁷ is the analysis of a portfolio of stocks as opposed to selecting stocks based on their unique investment opportunity. The objectives of MPT is to determine your preferred level of risk then construct a portfolio that maximizes your expected return for that given level of risk. Our investment methodology follows five (5) basic premises, each of which is derived from MPT.

1. You, as with all clients, are inherently risk-averse.

⁷ Modern Portfolio Theory was developed and introduced by Harry M. Markowitz in his paper "Portfolio Selection" published in 1952 by the *Journal of Finance*.



2. The markets are basically efficient.
3. The focus of attention is shifted away from individual securities analysis to consideration of portfolios as a whole, predicated on explicit risk-reward parameters.
4. For any level of risk that you are willing to accept, there is a rate of return that should be targeted.
5. Portfolio diversification is not so much a function of how many issues are involved, but more a function of the relationships and proportions of each asset to its correlating asset.

Asset Allocation

Asset Allocation is a broad term used to define the process of selecting a mix of asset classes and the efficient allocation of capital to those assets by matching rates of return to a specified and quantifiable tolerance for risk. From this there are more narrow and aggressive Asset Allocation derivatives that we may use.

Dollar-Cost Averaging

Dollar-cost averaging is the technique of buying a fixed dollar amount of securities at regularly scheduled intervals, regardless of the price per share. This will gradually, over time, decrease the average share price of the security. Dollar-cost averaging lessens the risk of investing a large amount in a single investment at the wrong time.

Managing Risk

The biggest risk to you is the risk that the value of your investment portfolio will decrease due to moves in the market. This risk is referred to as the **market risk factor**, which is made up of four primary risks:

- ❖ **Interest Rate Risk** - Interest rate risk affects the value of bonds more than stocks. Essentially, when the interest rate on a bond begins to rise, the value (bond price) begins to drop; and vice versa, when interest rates on a bond fall, the bond value rises.
- ❖ **Equity Risk** - Equity risk is the risk that the value of your stocks will depreciate due to stock market dynamics causing one to lose money.
- ❖ **Currency Risk** - Currency risk is the risk that arises from the change in price of one currency against that of another. Investment values in internationally securities can be affected by changes in exchange rates.
- ❖ **Inflation Risk** - The reduction of purchasing power of investments over time.
- ❖ **Commodity Risk** - Commodity risk refers to the uncertainties of future market values and the size of future income caused by the fluctuation in the prices of commodities (i.e., grains, metals, food, electricity, etc...).

The risk factors we have cited here are not intended to be an exhaustive list, but are the most common risks your portfolio will encounter. Other risks that we haven't defined could be political, over-concentration, and liquidity to name a few. However notwithstanding these risk factors, the most important thing for you to understand is that regardless of how we analyze securities or the investment strategy and methodology we use to guide us in the management of your investment portfolio, **investing in a security involves a risk of loss that you should be willing and prepared to bear**; and furthermore, **past market performance is no guarantee that you will see equal or better future returns on your investment**.



Portfolio Monitoring - Methods of Analysis, Investment Strategies & Managing Risk

With the use of Portfolio Managers, focus of our selection and monitoring is to balance investment return and risk, with the emphasis on spreading risk among asset classes. The specific methods of analysis, investment strategies, and risk management will be handled at the discretion of the Portfolio Manager.

We will perform a due-diligence review of our current and prospective Portfolio Managers to evaluate:

- ❖ **Regulatory Oversight:** Show proper licensure as: (a) a bank/trust company, (b) an insurance company, (c) a registered investment company, or (d) a registered investment advisor. In addition, a clear track record of compliance and understanding of their fiduciary duties.
- ❖ **Track Record:** The Portfolio Manager should have at least three years of history so that performance statistics can be properly calculated.
- ❖ **Stability:** The same management team should be in place for at least two years. This reflects team unity and balance.
- ❖ **Composition:** At least 80% of the Portfolio Manager's underlying securities investments should be consistent with the broad asset class.
- ❖ **Performance:** The Portfolio Manager's investment performance should show a competitive advantage relative to their peer group in both up and down markets. This reflects an investment knowledge and understanding of the inner-workings of the securities markets.

In monitoring the investment performance of Portfolio Managers, we will utilize the above criteria to trigger when we should more closely scrutinize a particular Manager for possible replacement.

DISCIPLINARY INFORMATION

ITEM 9

We have no legal or disciplinary events to report at this time that are material to your evaluation of our advisory business.

OTHER FINANCIAL INDUSTRY ACTIVITIES & AFFILIATIONS

ITEM 10

Brokerage & Insurance Company Activities & Affiliations

Lincoln Financial Securities Corporation

All of our supervised persons are licensed registered representatives of Lincoln Financial Securities Corporation (Lincoln Financial), a licensed broker/dealer (member FINRA/SIPC), allowing them to sell investment company and variable insurance products.

Notwithstanding the fact that our supervised persons are licensed registered representatives of Lincoln Financial, we are solely responsible for all investment management services rendered. The investment management services which we provide are separate and independent of Lincoln Financial.



Independent Insurance Agents

All of our supervised persons are licensed as resident life, health, and variable annuity insurance agents by the State of Georgia and may be licensed as non-resident agents in other states. Each agent is licensed to sell insurance-related products and earn commissions from the sale of these products.

For further information on the potential conflicts and economic benefits from these and other activities, see Item 14, “Client Referrals & Other Compensation” of this Brochure. In addition, more information about our management persons who offer financial planning services and their brokerage and insurance activities can be found in their individual “Brochure Supplements.”

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

ITEM 11

Code of Ethics

As a fiduciary, the Company has an affirmative duty to render continuous, unbiased investment advice, and at all times act in your best interest. To maintain this ethical responsibility, we have adopted a Code of Ethics that establishes the fundamental principles of conduct and professionalism expected by all personnel in discharging their duties. This Code is a value-laden guide committing such persons to uphold the highest ethical standards, rooted in the most elementary maxim. Our Code of Ethics is designed to deter inappropriate behavior and heighten awareness as to what is right, fair, just and good by promoting:

- ❖ Honest and ethical conduct.
- ❖ Full, fair and accurate disclosure.
- ❖ Compliance with applicable rules and regulations.
- ❖ Reporting of any violation of the Code.
- ❖ Accountability.

To help you understand our ethical culture and standards, how we control sensitive information and what steps have been taken to prevent personnel from abusing their inside position, a copy of our Code of Ethics is available for review upon request.

Client Transactions

We have a fiduciary duty to ensure that your welfare is not subordinated to any interests of ours or any of our personnel. The following disclosures are internal guidelines we have adopted to assist us in protecting all of our clientele.

Participation or Interest

It is against our policies for any owners, officers, directors and employees to invest with you or with a group of clients, or to advise you or a group of clients to invest in a private business interest or other non-marketable investment unless prior approval has been granted by Mr. Gregory S. Phelps, and such investment is not in violation of any SEC and/or State rules and regulations.



Class Action Policy

The Company, as a general policy, does not elect to participate in class action lawsuits on your behalf. Rather, such decisions shall remain with you or with an entity you designate. We may assist you in determining whether you should pursue a particular class action lawsuit by assisting with the development of an applicable cost-benefit analysis, for example. However, the final determination of whether to participate, and the completion and tracking of any such related documentation, shall generally rest with you.

Personal Trading

Since we manage portfolios made up of primarily open-end mutual funds, these personal trading policies are directed to securities transactions in: equity ("stock") positions; fixed income/debt ("bond") instruments; and, exchange traded funds ("ETFs").

Employees of ours are permitted to personally invest their own monies in securities, which may also be, from time to time, recommended to you. Most of the time, such investment purchases are independent of, and not connected in any way to, the investment decisions made on your behalf. However, there may be instances where investment purchases for you may also be made in an employee's account. In these situations we have implemented the following guidelines in order to ensure our fiduciary integrity:

1. No employee acting as an investment advisor representative, or who has discretion over your account, shall buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment, unless the information is also available to the investing public on reasonable inquiry. No employee of ours shall prefer his or her own interest to that of yours or any other advisory client.
2. We maintain a list of all securities holdings for all our access employees. Our Chief Compliance Officer reviews these holdings on a regular basis.
3. We require that all employees act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
4. Bunched orders (See "Aggregating Trade Orders" under Item 12, "Brokerage Practices") may include employee accounts. In such cases, priority and advantage will be given to satisfy your order first regardless of the situation.
5. Any individual not in observance of the above may be subject to termination.

Personal trading activities are monitored by Chief Compliance Officer to ensure that such activities do not impact upon your security or create conflicts of interest.

BROKERAGE PRACTICES

ITEM 12

Custodial Services

The Company has custodial arrangements with Pershing, LLC ("Pershing"), a licensed broker-dealer (member FINRA/SIPC), through their affiliated division, Pershing Advisor Solutions, LLC. All managed accounts will be maintained with Pershing.

Our recommendation for you to custody your assets with Pershing has no direct correlation to the services we receive from Pershing and the investment advice we offer you, although we do receive economic benefits through our relationship with Pershing that are typically not available to Pershing retail clients. These benefits include the following products and services



(provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a dedicated trading desk; access to batch trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to accounts); the ability to have advisory fees deducted directly from accounts; access to an electronic communications network for order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers.

We are not a subsidiary of, or an affiliated entity of Pershing. We have sole responsibility for investment advice rendered, and our advisory services are provided separately and independently from Pershing.

Direction of Transactions and Commission Rates (Best Execution)

We have a fiduciary duty to put your interests before our own. Pershing's advisory support services create an economic benefit to us and a potential conflict of interest to you; in that, our recommendation to custody your account(s) with Pershing may have been influenced by these arrangements/services. This is not the case; we have select Pershing as the custodian of choice based on:

1. Pershing's competitive transaction charges, trading platform, and on-line services for account administration and operational support.
2. Pershing's general reputation, trading capabilities, investment inventory, their financial strength, and our personal experience working with Pershing staff.

Since we do not recommend, suggest, or make available a selection of custodians other than Pershing, and we have not verified whether their transaction fees are competitive with another custodian, **best execution may not always be achieved**. Therefore, **you do not have to accept our recommendation to use Pershing as your custodian**. However if you elect to use another custodian, we may not be able to provide you complete institutional services.

12(b)-1 Distribution Fees

In addition to our management fee, some of the open-end investment company funds that we purchase for clients assess a 12(b)-1 distribution or trailer fee of which we can collect up to an additional 0.50% annually. This could theoretically increase the overall fees that we can earn to as high as 1.60%. Keep in mind, these 12(b)-1 fees are built-in costs paid by the Investment Company regardless of whether we collect a portion or not. Such information will be disclosed in the mutual fund prospectus.

Accepting these 12(b)-1 fees creates an incentive for us to select mutual funds for your managed account based on which Investment Company would pay us the highest 12(b)-1 fee and not for what is in your best interest. We recognize that by accepting these fees, we are creating a situation of divided loyalty and our fiduciary duty to render continuous, unbiased investment advice may be called into question. However, regardless of whether the mutual fund is paying a 12(b)-1 fee or not, our investment decision is to select top quintile performing funds in their asset class after all fund fees and expenses. We **do not** base any of our investment decisions on what mutual fund is paying a 12(b)-1 fee.



Selection of Portfolio Managers

We will make available a select group of Portfolio Managers from which you may choose to manage your account(s). We will assist you in determining which will provide the most effective financial growth based upon your stated investment objectives and risk tolerance level as outlined in your IPS. **The brokerage practices of the Portfolio Manager will be disclosed in their ADV Part 2A: Firm Brochure or Part 2A Appendix 1: Wrap Fee Program Brochure, which we will provide you prior to, or at the same time as, opening an account.**

While we have exercised our best efforts evaluating the investment performance and cost of service offered by these Portfolio Managers, we make no representation that the Portfolio Manager in which we refer you has the best investment performance or has the lowest portfolio management costs. In addition, your selection of such Portfolio Managers will be limited to those with whom we have entered into service agreements. Therefore, it is possible that you might be able to contract for similar services elsewhere or separately, with equivalent or better performance at lower cost.

Aggregating Trade Orders

Since we manage portfolios made up of primarily open-end mutual funds, these trade order policies are directed to securities transactions in: equity ("stock") positions; fixed income/debt ("bond") instruments; and, exchange traded funds ("ETFs").

Our objective in order execution is to act fairly, impartially, and to take all reasonable steps to obtain the best possible results (known as "best execution") for our clients. Therefore, we will not bunch (aggregate) orders for a block trade unless: (i) the bunching of orders is done for the purpose of achieving best execution; and (ii) no client is systematically advantaged or disadvantaged by bunching the orders. In consideration of these objectives, we will take into account the unique execution factors of the buy/sell order before bunching accounts for a block trade. A few of those factors are:

- ❖ **Security Trading Volume** - Bunching orders in a block trade can secure price parity and continuity for our clients during heavy trading activity.
- ❖ **Number of Clients** - The fewer the number of client accounts involved in the bunched order may not yield better pricing or order execution; it may be more advantageous to perform an individual market order for each client. In addition preparing individual market orders, for the small number of accounts involved, may be quicker to complete than preparing a bunch order.
- ❖ **Financial Instruments** - The type of security involved as well as the complexity of order can affect our ability to achieve best execution.

REVIEW OF ACCOUNTS

ITEM 13

Portfolio Management Reviews

Each account is reviewed by Gregory S. Phelps on an ongoing basis to ensure that your needs and objectives are being met. All accounts are reviewed in the context of your stated investment objectives and guidelines. Cash needs will be adjusted as necessary.

You will receive at least quarterly statements from Pershing where your account is custodied. You are encouraged to review each statement which summarizes the specific investments held, the value of your portfolio and account transactions.



You are also encouraged to review with us investment strategies and account performance on an annual basis. Material changes in your personal circumstances, the general economy, or tax law changes can trigger more frequent reviews. However, **it is your responsibility to communicate these changes to us so that the appropriate adjustments can be made.**

Portfolio Monitoring Reviews

Mr. Phelps will continuously monitor and evaluate the Portfolio Manager's performance on a regular basis. We understand your goals and tolerance for risk may change over time; therefore, **even though we are not involved in any way with the day-to-day management** of your assets maintained with a Portfolio Manager(s), we will supervise your portfolio and will make recommendations to you regarding the Portfolio Manager(s) as market factors and your personal goals dictate.

Financial Planning Reviews

Mr. Phelps will work closely with you to be sure the action points identified in the financial plan have been or are being properly executed. Once the action points have been completed, the financial plan should be reviewed at least annually. Material changes in your lifestyle choices, personal circumstances, the general economy, or tax law changes can trigger more frequent reviews. However, **it is your responsibility to communicate these changes to us so that the appropriate adjustments can be made.**

CLIENT REFERRALS & OTHER COMPENSATION

ITEM 14

Referral Compensation

We may directly compensate persons/firms for client referrals, provided that those persons are qualified and have entered a solicitation agreement with us. Under such arrangements, if you were referred to us by a solicitor, the solicitor will provide complete information on our relationship and the compensation that solicitor will receive should you choose to open an account. In no case will the fee that you pay be higher than it would be if you had dealt directly with us. In addition, we will adhere to each State's rules and regulations where the Solicitor resides prior to entering into any solicitation agreement with that person/firm.

Other Compensation (Indirect Benefit)

The Company receives an indirect economic benefit from Pershing (See "Custodial Services" above under Item 12, "Brokerage Practices" for more detailed information on these services and products could be.).

Securities Transactions for Compensation

As mentioned above in Item 10, "Other Financial Industry Activities & Affiliations", our management persons are licensed registered representatives of Lincoln Financial. As registered representatives, they may execute, as a broker, securities transactions for you and earn sales commissions from such transactions. This can be considered a conflict of interest when giving investment advice for a fee on security products that can be sold for a commission. **We do not receive commissions for securities transactions that occur within the accounts that we monitor.**



Financial Planning Compensation

All of our investment advisor representatives are licensed registered representatives and commissioned insurance agents (See “Brokerage & Insurance Company Activities & Affiliations” above in Item 10, “Other Financial Industry Activities & Affiliations” for more information.). This creates an incentive for each RA to recommend only those products in which they will receive a commission. Consequently, loyalties could be divided and the objectivity of our advice could be subjective and create a disadvantage to you.

There are also potential conflicts of interest when an investment advisor representative preparing a financial plan suggests the need for outside consultations and professional services (i.e., attorneys, accountants, etc.) to implement certain aspects of an estate or financial plan. Even though we do not share in any fees earned by the outside professionals when implementing a financial plan, it does create an incentive on our part to refer your business to only those professionals that in turn refer potential clients to us. This can eliminate the possibility for you to be referred to someone who may provide equivalent professional services, and possibly at a lower cost.

Therefore, to ensure you understand the full relationship of our investment advisor representatives with any related persons and outside parties that he may refer your business, as well as the choices and risks you have in receiving investment and financial planning services, the following disclosures are provided:

- ❖ Certain aspects of a financial plan require the assistance of a registered representative of a broker-dealer to execute securities transaction and licensed agents to purchase insurance products. In this situation, regardless of who performs the transaction(s), whether affiliated with us or not, **such person will be entitled to earn a commission.**
- ❖ If requested by you to implement any insurance recommendations made in the financial plan, the investment advisor representative will execute such transactions through those insurance companies in which they are appointed insurance agents. In such cases, **the investment advisor representative will receive the normal commissions associated with such insurance transactions.**
- ❖ You are under no obligation to have any related parties that we recommend prepare planning documents (i.e.; financial, estate, tax, etc...). **You are free to choose those outside professionals to implement the recommendations made in the financial plan.**
- ❖ The Company does not receive any economic benefit from referring you to another professional without first notifying you of such possibilities.

Notwithstanding such potential conflicts of interest, we strive to serve your best interest and ensure such disclosure is being properly made to you in compliance with the Investment Adviser Act of 1940, Rule 275.206.

CUSTODY

ITEM 15

Management Fee Deduction

We do not take possession of or maintain custody of your funds or securities, but will simply monitor the holdings within your portfolio and trade your account based on your stated investment objectives and guidelines. Physical possession and custody of your funds and/or



Investing In You.

securities shall be maintained with Pershing as indicated above in Item 12, "Brokerage Practices."

We are however defined as having custody since you have authorized us to deduct our advisory fees directly from your account. To protect you as well as to protect our advisory practice, we have implemented the following regulatory safeguards:

- ❖ We report to the regulatory authority (the Georgia Office of the Secretary of State) having jurisdiction over our advisory practice that we have custody.
- ❖ Your funds and securities will be maintained with a qualified custodian (Pershing) in a separate account in your name.
- ❖ Authorization to withdrawal our management fees directly from your account will be approved by you prior to engaging in any portfolio management services.
- ❖ At the time we notify Pershing to withdrawal our monthly fee from your account, we will send you a monthly notice itemizing our fee. Itemization includes the formula used to calculate our fee, the amount of assets under management the fee is based on, and the time period covered by the fee.

Pershing is required by law to send you, at least quarterly, brokerage statements summarizing the specific investments currently held in your account, the value of your portfolio, and account transactions. You are encouraged to compare the financial data contained in our report and/or itemized fee notice with the financial information disclosed in your account statement from Pershing to verify the accuracy and correctness of our reporting.

INVESTMENT DISCRETION

ITEM 16

Securities & Amount Bought or Sold

We have you complete our Investment Advisory Agreement which sets forth our authority to buy and sell securities in whatever amounts are determined to be appropriate for your account and whether such transactions are with, or without, your prior approval.

You may, at anytime, impose restrictions, in writing, on our discretionary authority (i.e., limit the types/amounts of particular securities purchased for your account, exclude the ability to purchase securities with an inverse relationship to the market, limit our use of leverage, etc.).

VOTING CLIENT SECURITIES

ITEM 17

We do not vote client proxies. You understand and agree that you retain the right to vote all proxies, which are solicited for securities held in your managed accounts. Any proxy solicitations inadvertently received by us will be immediately forwarded to you for your evaluation and decision.

However if you have specific questions regarding an action being solicited by the proxy that you do not understand or you want clarification, you may contact us and we will explain the particulars. Keep in mind we will not advise you in a direction to vote, that ultimate decision will be left to you.



FINANCIAL INFORMATION

ITEM 18

We are not required to include financial information in our Disclosure Brochure since we will not take physical custody of client funds or securities or bill client accounts six (6) months or more in advance for more than \$500.

We are not aware of any current financial conditions that are likely to impair our ability to meet our contractual commitments to you.

REQUIREMENTS FOR STATE-REGISTERED ADVISERS

ITEM 19

Information on each of our principal executive officers and management persons can be found in the attached "Brochure Supplements".

END OF DISCLOSURE BROCHURE

FORM ADV: PART 2B

BROCHURE SUPPLEMENT



Investing In You.

Griffith & Werner, Inc.

107 Mountain Brook Drive
Suite 108
Canton, Georgia 30115

Tel: 678.901.4167
Fax: 678.493.7854

SUPERVISION

Gregory S. Phelps
Chief Compliance Officer

Phone: 678.901.4167
e-mail: greg@griffith-werner.com

Mr. Phelps oversees the supervision of all our supervised persons and manages our compliance related issues.

Duties include reviewing investment activities to ensure all supervised persons are acting in our clients best interests in discharging their duties. Any activities that appear to be out of the ordinary are checked.

BROCHURE SUPPLEMENT
DATED

1

MAY
2012

This Brochure Supplement provides information about Gregory S. Phelps that is an accompaniment to the Disclosure Brochure for our firm, Griffith & Werner, Inc. You should have received both of these together as a complete disclosure packet. If you did not receive our Disclosure Brochure or if you should have questions about this Brochure Supplement for Mr. Phelps, you are welcome to contact us - our contact information is listed to the left.

Additional information about Griffith & Werner, Inc. and Gregory S. Phelps are also available on the SEC's website at www.adviserinfo.sec.gov.

Gregory S. Phelps

CRD#: 4845819

Year of Birth: 1977

EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Education

2000 - Clearwater Christian College: Bachelor of Science in Psychology

Licenses

FINRA Exams: Series 6 - Investment Company and Variable Contracts Products Representative
Series 26 - Investment Company and Variable Contracts Products Principal
Series 63 - Uniform Securities Agent State Law Examination
Series 65 - Uniform Investment Advisor Law Examination

Insurance: Life, Health & Variable Annuity Insurance

Business Background

06/2004 - PresentLincoln Financial Securities Corporation
Position: Registered Representative

06/2004 - PresentGriffith & Werner, Inc.
Position: President & Chief Compliance Officer

08/2003 - 05/2004Highlands Christian School
Position: Educator

DISCIPLINARY INFORMATION

There are no legal or disciplinary events to report at this time.

OTHER BUSINESS ACTIVITIES

Registered Representative & Licensed Insurance Agent

Mr. Phelps is a registered representative of Lincoln Financial Securities Corporation and licensed independent insurance agent. He will receive the normal commissions associated with securities transactions and insurance sales. This can create a situation of divided loyalty when preparing a financial plan for a fee and, through that plan, recommend purchase of securities or insurance products.

Mr. Phelps, in addition to earning a financial planning fee, would also earn a commission. Consequently, the objectivity of the advice rendered could be subjective and create a disadvantage. You are under no obligation to accept Mr. Phelps' recommendation to purchase any securities or insurance products. You are free to choose your own broker and/or insurance agent. Regardless of the broker or insurance agent from whom you select to purchase securities and insurance, he/she will earn the normal commission from the sale.

For more information about the potential conflicts of interest, see our Disclosure Brochure, Item 14, "Client Referrals & Other Compensation" under "Securities Transactions for Compensation" and "Financial Planning Compensation". Notwithstanding such potential conflicts of interest, we strive to act in your best interest and ensure disclosure is properly made to you in compliance with the Investment Advisers Act of 1940, Rule 275.206.

ADDITIONAL COMPENSATION

Mr. Phelps does not receive any economic benefit, sales awards, prizes or bonuses that are based on the number or amount of sales, client referrals, or from opening new accounts.

REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Mr. Phelps has not been the subject of any arbitration claim, civil litigation, self-regulatory organization/administrative proceeding, or bankruptcy petition at any time during the past ten years.

FORM ADV: PART 2B

BROCHURE SUPPLEMENT



Investing In You.

Griffith & Werner, Inc.

107 Mountain Brook Drive
Suite 108
Canton, Georgia 30115

Tel: 678.901.4167
Fax: 678.493.7854

SUPERVISION

Gregory S. Phelps
Chief Compliance Officer

Phone: 678.901.4167
e-mail: greg@griffith-werner.com

Mr. Phelps oversees the supervision of all our supervised persons and manages our compliance related issues.

Duties include reviewing investment activities to ensure all supervised persons are acting in our clients best interests in discharging their duties. Any activities that appear to be out of the ordinary are checked.

BROCHURE SUPPLEMENT
DATED

1

MAY
2012

This Brochure Supplement provides information about Darryl C. Werner that is an accompaniment to the Disclosure Brochure for our firm, Griffith & Werner, Inc. You should have received both of these together as a complete disclosure packet. If you did not receive our Disclosure Brochure or if you should have questions about this Brochure Supplement for Mr. Werner, you are welcome to contact us - our contact information is listed to the left.

Additional information about Griffith & Werner, Inc. and Darryl C. Werner are also available on the SEC's website at www.adviserinfo.sec.gov.

Darryl C. Werner

CRD#: 2124183

Year of Birth: 1947

EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Education

1969 - Pennsylvania State University: Bachelor of Arts in Psychology

Licenses

FINRA Exams: Series 6 - Investment Company and Variable Contracts Products Representative
Series 26 - Investment Company and Variable Contracts Products Principal
Series 63 - Uniform Securities Agent State Law Examination

Insurance: Life, Health & Variable Annuity Insurance

Business Background

01/1991 - PresentLincoln Financial Securities Corporation
Position: Principal/Registered Representative
03/1983 - PresentGriffith & Werner, Inc.
Position: Investment Advisor Representative

DISCIPLINARY INFORMATION

There are no legal or disciplinary events to report at this time.

OTHER BUSINESS ACTIVITIES

Registered Representative & Licensed Insurance Agent

Mr. Werner is a registered representative of Lincoln Financial Securities Corporation and licensed independent insurance agent. He will receive the normal commissions associated with securities transactions and insurance sales. This can create a situation of divided loyalty when preparing a financial plan for a fee and, through that plan, recommend purchase of securities or insurance products.

Mr. Werner, in addition to earning a financial planning fee, would also earn a commission. Consequently, the objectivity of the advice rendered could be subjective and create a disadvantage. You are under no obligation to accept Mr. Werner's recommendation to purchase any securities or insurance products. You are free to choose your own broker and/or insurance agent. Regardless of the broker or insurance agent from whom you select to purchase securities and insurance, he/she will earn the normal commission from the sale.

For more information about the potential conflicts of interest, see our Disclosure Brochure, Item 14, "Client Referrals & Other Compensation" under "Securities Transactions for Compensation" and "Financial Planning Compensation". Notwithstanding such potential conflicts of interest, we strive to act in your best interest and ensure disclosure is properly made to you in compliance with the Investment Advisers Act of 1940, Rule 275.206.

ADDITIONAL COMPENSATION

Mr. Werner does not receive any economic benefit, sales awards, prizes or bonuses that are based on the number or amount of sales, client referrals, or from opening new accounts.

REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Mr. Werner has not been the subject of any arbitration claim, civil litigation, self-regulatory organization/administrative proceeding, or bankruptcy petition at any time during the past ten years.