

**Part 2A of Form ADV: *Firm Brochure***

**Anderson Griggs & Company, Inc.  
Doing Business As: Anderson Griggs Investments**

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12/16/2011

This brochure provides information about the qualifications and business practices of Anderson Griggs Investments. If you have any questions about the contents of this brochure, please contact us at 803-324-5044 or [kendall@andersongriggs.com](mailto:kendall@andersongriggs.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Anderson Griggs Investments also is available on the SEC's website at [www.adviserinfo.sec.gov](http://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 110313.

## **Item 2    Material Changes**

The SEC adopted "Amendments to Form ADV" in July, 2010. This Firm Brochure, dated 03/16/2011, is our new disclosure document prepared according to the SEC's new requirements and rules. As you will see, this document is a narrative that is substantially different in form and content, and includes some new information that we were not previously required to disclose.

After our initial filing of this Brochure, this Item will be used to provide our clients with a summary of new and/or updated information. We will inform you of the revision(s) based on the nature of the updated information.

Consistent with the new rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

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## **Item 4    Advisory Business**

Anderson Griggs & Company, Inc. is a SEC-registered investment adviser with its principal place of business located in South Carolina. Anderson Griggs & Company, Inc. began conducting business in 1995.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- Kendall James Anderson

Anderson Griggs Investments offers the following advisory services to you:

### **INVESTMENT SUPERVISORY SERVICES ("ISS")**

#### **INDIVIDUAL PORTFOLIO MANAGEMENT**

Our firm provides continuous advice to you regarding the investment of your funds based on your individual needs. Through personal discussions in which goals and objectives based on your particular circumstances are established, we develop a personal investment policy with you and create and manage your portfolio based on that policy. During our data-gathering process, we determine your individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss your prior investment history, as well as family composition and background.

We manage these advisory accounts on a discretionary basis. Account supervision is guided by your chosen objectives (current income, growth and income, capital appreciation), as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our investment recommendations generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Certificates of deposit
- United States Government Securities

We also include advice on the following securities when requested by our clients:

- Warrants
- Corporate debt securities (other than commercial paper)
- Municipal securities
- Mutual fund shares
- Options contracts on securities

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

### **AMOUNT OF MANAGED ASSETS**

As of 12/31/2010, we were actively managing \$33069829.05 of clients' assets on a discretionary basis plus \$0.00 of clients' assets on a non-discretionary basis.

## **Item 5 Fees and Compensation**

### **INVESTMENT SUPERVISORY SERVICES ("ISS")**

#### **INDIVIDUAL PORTFOLIO MANAGEMENT FEES**

The annualized fee for Investment Supervisory Services are charged as a percentage of assets under management, according to the following objective schedules:

#### **Focused Growth & Focused Balanced**

##### Account Asset Value Total Annual Fee

1.3125% on the first \$100,000 of assets

1.1250% on the next \$100,000 of assets

0.9375% on the next \$300,000 of assets

0.7500% on the next \$500,000 of assets

\$1,000,001 - \$5,000,000 0.7500% on the next \$4,000,000

Account Greater than \$5,000,000 Management Fees are Negotiated

## **Capital Markets Balanced & Capital Markets Growth**

### **Account Asset Value Total Annual Fee**

Less than \$1,000,000 1.7500% on the first \$100,000 of assets

1.5000% on the next \$100,000 of assets

1.2500% on the next \$300,000 of assets

0.7500% on the next \$500,000 of assets

Greater than \$1,000,000

And less than \$5,000,000 0.7500% on the next \$4,000,000 of assets

Greater than \$5,000,000 Management Fees are Negotiated

## **Capital Markets Income & Focused Income**

### **Account Asset Value Total Annual Fee**

All .30% on All Assets

## **Billing**

The above annual fee is billed quarterly at  $\frac{1}{4}$  of the annual rate, in arrears, based on the market value of assets in your account as of the last day of each quarterly billing cycle.

Traditionally, this quarterly cycle is the last business day of March, June, September, and December.

When the account is opened, the management fee is billed at the end of the first quarterly billing cycle and is prorated as to the effective date of the relationship and or receipt of funds and securities. Cash flows throughout the term of the agreement are pro-rated as to the date of receipt and or disbursement from the account. You can withdraw from the advisory relationship at any time. You have the right to a full refund of fees charged for the initial (5) days following the date of receipt of funds and/or securities.

## **Related Accounts**

In certain circumstances, client financial goals or legal restrictions may require the use of multiple accounts. Multiple accounts that are individually owned are considered related for billing purposes. The term individually owned accounts include accounts that are registered in the name of the individual owner, registered jointly with a spouse, individual retirement accounts \*(IRA's) of the owner/spouse, self-directed accounts (i.e., directed by individual participants) under an employee benefit plan ("ERISA plan"), ERISA plan accounts in which the individual is the sole participant, personal trusts and accounts of the immediate family's minor children. For purposes of calculating the management fee, accounts meeting the criteria of related accounts will be grouped to determine if a lower fee applies. Account objectives eligible for grouping include Focused Growth, Focused Balanced, Capital Markets Growth and Capital Markets Balanced only.

## Fair Market Value

Since you are in the best position to ascertain whether the advisory fee has been calculated correctly, you should take primary responsibility to verify the accuracy of any invoice. To help in the verification process, all invoices for advisory fees will include the market value of the account and the calculations used to determine the fee.

Fair market value for the purposes of computing the fee shall be determined by valuing the assets as follows:

1. Cash shall be valued at face amount.
2. Notes, bonds and other debt instruments current market value shall be determined on the basis of market quotations, or, if such quotations are not readily available, market value shall be determined based on coupon, maturity, rating, liquidity, industry factors and company factors.
3. Common stock and other equity securities including ETF's and closed end mutual funds shall have a value equal to their respective closing prices as quoted by the NYSE Euronext or the NASDAQ system on the last business day on which fair market value is being determined.
4. Open ended mutual funds values are calculated at Net Asset Value (NAV).
5. Interest and dividends shall be accrued to the last day on which fair market value is being determined.

**Limited Negotiability of Advisory Fees:** Although Anderson Griggs Investments has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client.

Employees of Anderson Griggs Investments, or its affiliates, are entitled to a lower management fee arrangement for their personal and related accounts. Discounts, not generally available to our advisory clients, may be offered to family members of our firm.

Special situations may occur making it necessary to designate a separate fee schedule for a specific individual or group of accounts. The separate fee schedule if used will be included as part of the management agreement.

## GENERAL INFORMATION

**Termination of the Advisory Relationship:** Your agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice. You can withdraw from the advisory relationship at any time. There is no penalty for terminating an account. Upon termination, you will pay the amount of fees owed to Anderson Griggs from the end of the last quarterly billing cycle through the date of termination.

**ETF Fees:** All fees paid to Anderson Griggs Investments for investment advisory services are separate and distinct from the fees and expenses charged by ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. ETF fees will generally include a management fee and other fund expenses. You could invest in ETFs directly, without our services. Because of that you should take the time to review the fees charged by the ETF to fully understand the total amount of fees you pay. It is one of the best ways to determine the value of our services.

**Mutual Fund Fees:** We generally do not invest in mutual funds other than ETFs. You may direct us to hold or buy a mutual fund of your choice other than an ETF. If you direct us to hold or buy a mutual fund other than an ETF then you should remember that the fees paid to Anderson Griggs Investments for investment advisory services are distinct from the fees and expenses charged by the mutual fund to their shareholders. These fees and expenses are described in each fund's prospectus. As with ETFs you can invest in mutual funds directly, without our services. In addition to the management fees, service fees, sales charges, both initial and or deferred, and the possibility of a distribution fee charged by the average actively managed mutual fund, the addition of our fee could be prohibitive to your investment results. We would encourage you to invest directly with the fund company.

**Additional Fees and Expenses:** In addition to our advisory fees, you are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for your account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

**Grandfathering of Minimum Account Requirements:** Pre-existing advisory clients are subject to Anderson Griggs Investments's advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's fees will differ among clients.

**ERISA Accounts:** Anderson Griggs Investments is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. . As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, Anderson Griggs Investments may only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees.

**Advisory Fees in General:** You should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

**Limited Prepayment of Fees:** Our fees are not charged in advance and under no



circumstances do we require or solicit payment of fees in advance of services provided.

## **Item 6 Performance-Based Fees and Side-By-Side Management**

Anderson Griggs Investments does not charge performance-based fees.

## **Item 7 Types of Clients**

Anderson Griggs Investments provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Charitable organizations
- Corporations or other businesses not listed above

At present, Anderson Griggs Investments targets accounts of at least \$100,000, but may accept accounts of lesser amounts at its discretion.

## **Item 8 Methods of Analysis, Investment Strategies and Risk of Loss**

### **METHODS OF ANALYSIS**

We use the following methods of analysis in formulating our investment advice and/or managing your assets:

**Fundamental Analysis.** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

**Cyclical Analysis.** In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

**Quantitative Analysis.** We use mathematical models in an attempt to obtain more accurate measurements of a company's quantifiable data, such as the value of a share price or

earnings per share, and predict changes to that data.

A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect.

**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 predict changes to share price based on that data.

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

**Asset Allocation.** Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to your investment goals and risk tolerance.

A risk of asset allocation is that you may not participate in sharp increases of a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for your goals.

**ETF Analysis:** Our primary analysis of ETFs is quantitative in nature. We only invest in Index ETF's. Our research is to verify quantitatively if the ETF sponsor is maintaining the portfolio relative to its stated index and that the ETF's volatility and return are similar to the index itself. We also review the cost and the ability to buy and or sell individual ETFs easily. Index tracking ETFs should have a very low overall cost structure as there is no active management premium.

**Mutual Fund Analysis:** As a firm we do not recommend or utilize mutual funds other than ETFs. Because of that we do not analyze mutual funds. You can direct us to hold or buy a traditional actively managed mutual fund. In such a case we will provide you with third party research from an independent research company specializing in mutual funds.

**Risks for all forms of analysis.** Our securities analysis methods rely on the assumption that the companies whose securities we purchase 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***

Most of you will have a different ability to handle the risk of investing. Each of you may have a different amount of time you can allow your investments to work for you and each of you will have unique circumstances that need to be addressed in the management of your portfolio. Our first goal for you is to decide on an overall allocation between stocks, bonds and/or cash that will drive your overall investment plan. Once this is determined, we will generally manage your portfolio under one or more of these objectives:

### **CAPITAL MARKETS SERIES:**

The Capital Markets Series uses Exchange Traded Funds (ETFs) and cash to manage your portfolio under three primary objectives. The **Capital Markets Income** objective is to produce income and preserve principal. Your portfolio would generally invest in a number of ETFs whose investments are limited to government or corporate bonds. Each individual ETF attempts to mimic the income and volatility of an index of bonds with a set range of maturities. The **Capital Markets Growth** objective is to grow your capital while income and preservation take a back seat. Your portfolio would generally invest in a number of ETFs whose investments are aimed at mimicking the S&P 500, S&P 400 and S&P 600 indices or a subset of those indices that mimic economic sectors of the economy. Because your portfolio would hold various index ETFs the greatest element of risk control is broad diversification. The **Capital Markets Balanced** objective combines the benefits and objectives of Capital Markets Income and Capital Markets Growth to provide for both growth and income.

### **FOCUSED SERIES:**

The Focused Series of investment objectives is very similar to the Capital Markets Series; however, instead of using Exchange Traded Funds to produce returns, the focused series invests directly into the capital markets by owning individual stocks and bonds with some cash reserves. The **Focused Income** objective will generally invest in FDIC Insured certificates of deposits, U.S. Treasury obligations and at times high-quality corporate bonds and municipal bonds. As with the **Capital Markets Income** objective, the goal is to produce income and preserve principal. The **Focused Growth** objective is similar to the Capital Markets Growth objective with a goal of increasing capital, while income and preservation take the back seat. The portfolio will generally invest in very large and high quality global corporations. Risk is controlled by individual company research with less emphasis placed on diversification. The **Focused Balanced** objective combines the benefits and objectives of **Focused Income** and **Focused Growth** to provide both growth and income.

**Long-term purchases.** We purchase securities with the idea of holding them in your account for a year or longer. Typically we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to you. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

**Short-term purchases.** When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

**Risk of Loss.** Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

## **Item 9    Disciplinary Information**

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

Our firm and our management personnel have no reportable disciplinary events to disclose.

## **Item 10    Other Financial Industry Activities and Affiliations**

Our firm and our related persons are not engaged in other financial industry activities and have no other industry affiliations.

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Anderson Griggs Investments and its personnel owe a duty of loyalty, fairness and good faith towards you, and have an obligation to adhere not only to the specific provisions of the Code

of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

Anderson Griggs Investments's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to you and our prospective clients. You may request a copy by email sent to [kendall@andersongriggs.com](mailto:kendall@andersongriggs.com), or by calling us at 803-324-5044.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to you. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to you.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

We may aggregate our employee trades with client transactions where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price on a pro-rata basis. In the instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our employee accounts will be included in the pro-rata allocation.

As these situations represent actual or potential conflicts of interest to you, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides you and our potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of our firm may put his or her own interest above the interest of you or any other advisory client.
2. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her

employment unless the information is also available to the investing public.

3. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
4. Our firm requires prior approval for any IPO or private placement investments by related persons of the firm.
5. We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee.
6. We have established procedures for the maintenance of all required books and records.
7. Clients can decline to implement any advice rendered, except in situations where our firm is granted discretionary authority.
8. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
9. We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.
10. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
11. Any individual who violates any of the above restrictions may be subject to termination.

## **Item 12 Brokerage Practices**

Brokers that we select to execute transactions may from time to time refer clients to our firm. Anderson Griggs Investments will not make commitments to any broker or dealer to compensate that broker or dealer through brokerage or dealer transactions for client referrals; however, a potential conflict of interest may arise between the client's interest in obtaining best price and execution and Anderson Griggs Investments's interest in receiving future referrals.

Anderson Griggs Investments does not enter into any soft dollar arrangements with any broker dealer.

As our firm does not have the discretionary authority to determine the broker-dealer to be used or the commission rates to be paid, you must direct Anderson Griggs Investments as to the broker-dealer to be used.

Anderson Griggs Investments requests that you direct us to place trades through TD Ameritrade Institutional. Anderson Griggs Investments has evaluated TD Ameritrade Institutional and believes that it will provide you with a blend of execution services, commission costs and professionalism that will assist our firm to meet our fiduciary obligations to you.

We reserve the right to decline acceptance of any client account for which the client directs the use of a broker other than TD Ameritrade Institutional if we believe that this choice would hinder our fiduciary duty to the client and/or our ability to service the account. In directing the use of TD Ameritrade Institutional, it should be understood that Anderson Griggs Investments will not have authority to negotiate commissions or to necessarily obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to you and those charged to other clients.

You should note, while Anderson Griggs Investments has a reasonable belief that TD Ameritrade Institutional is able to obtain best execution and competitive prices, our firm will not be independently seeking best execution price capability through other brokers. Not all advisers require clients to direct it to use a particular broker-dealer.

For clients in need of brokerage or custodial services, and depending on client circumstances and needs, we may recommend the use of one of several brokers (including, but not limited to TD Ameritrade Institutional), provided that such recommendation is consistent with our firm's fiduciary duty to the client. Our clients must evaluate these brokers before opening an account. The factors considered by Anderson Griggs Investments when making these recommendations are the broker's ability to provide professional services, our experience with the broker, the broker's reputation, the broker's quality of execution services and costs of such services, among other factors. You are not under any obligation to effect trades through any recommended broker.

Anderson Griggs Investments will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts.

Block trading may allow us to execute equity trades in a timelier, more equitable manner, at an average share price. Anderson Griggs Investments will typically aggregate trades among clients whose accounts can be traded at a given broker. Anderson Griggs Investments's block trading policy and procedures are as follows:

- 1) 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 Anderson Griggs Investments, or our firm's order allocation policy.
- 2) The trading desk in concert with the portfolio manager must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment objectives and with any investment guidelines or restrictions applicable to the client's account.

- 3) The portfolio manager must reasonably believe that the order aggregation will benefit, and will enable Anderson Griggs Investments 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. Best execution includes the duty to seek the best quality of execution, as well as the best net price.
- 4) Prior to entry of an aggregated order, a written order ticket must be completed which identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients.
- 5) If the 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 participating client accounts in accordance with the initial order ticket or other written statement of allocation.
- 6) Generally, each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order. Under the client's agreement with the custodian/broker, transaction costs may be based on the number of shares traded for each client.
- 7) 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 to and approved by the Chief Compliance Officer no later than the morning following the execution of the aggregate trade.
- 8) Anderson Griggs Investments's client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.
- 9) Funds and securities for aggregated orders are clearly identified on Anderson Griggs Investments's records and to the broker-dealers or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.
- 10) No client or account will be favored over another.

Anderson Griggs Investments participates in the institutional customer program offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member SIPC ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers services to independent investment advisers which include custody of securities, trade execution, clearance and settlement of transactions. Anderson Griggs Investments receives some benefits from TD Ameritrade through our participation in



the program.

Anderson Griggs Investments participates in TD Ameritrade's Institutional customer program and we may recommend TD Ameritrade Institutional to our clients for custody and brokerage services. There is no direct link between our firm's participation in the program and the investment advice we give to you, although we receive economic benefits through our participation in the program that are typically not available to TD Ameritrade retail investors.

These benefits include the following products and services (provided without cost or at a discount): duplicate client statements and confirmations; research related products and tools; consulting services ; access to a trading desk serving adviser participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Anderson Griggs Investments by third party vendors. TD Ameritrade may also pay for business consulting and professional services received by Anderson Griggs Investments related persons.

Some of the products and services made available by TD Ameritrade through the program may benefit Anderson Griggs Investments but may not benefit our client accounts. These products or services may assist us in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by Anderson Griggs Investments through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. You should be aware, however, that the receipt of economic benefits by Anderson Griggs Investments or our related persons in and of itself creates a potential conflict of interest and may indirectly influence our recommendation of TD Ameritrade for custody and brokerage services.

Anderson Griggs Investments also receives from TD Ameritrade certain additional economic benefits ("Additional Services") that may or may not be offered to any other independent investment advisers participating in the program. Specifically, the Additional Services include independent third party equity and fixed income analysis provided by Thomson Reuters StockReports, Standard & Poor's Stock Report, Vickers Insider Trading Chronologies, Argus Company Report, TheStreet Ratings Report, Jaywalk Consensus Report. Although we value these services, the loss of any would not impact the research capabilities of Anderson Griggs Investments. TD Ameritrade provides the Additional Services to our firm in its sole discretion and at its own expense, and Anderson Griggs Investments does not pay any fees to TD Ameritrade for the Additional Services. Anderson Griggs Investments and TD Ameritrade have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of the Additional Services.

Anderson Griggs Investments's receipt of Additional Services raises potential conflicts of interest. In providing Additional Services to our firm, TD Ameritrade most likely considers the amount and profitability to TD Ameritrade of the assets in, and trades placed for, our client

accounts maintained with TD Ameritrade. TD Ameritrade has the right to terminate the Additional Services Addendum with Anderson Griggs Investments, in its sole discretion, provided certain conditions are met. Consequently, in order to continue to obtain the Additional Services from TD Ameritrade, we may have an incentive to recommend to our clients that the assets under management by us be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade.

Anderson Griggs Investments's receipt of Additional Services does not diminish our duty to act in your best interests, including seeking best execution of trades for your accounts.

## **Item 13    Review of Accounts**

### **INVESTMENT SUPERVISORY SERVICES ("ISS")**

#### **INDIVIDUAL PORTFOLIO MANAGEMENT**

**REVIEWS:** While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of your stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as your individual circumstances, or the market, political or economic environment.

These accounts are reviewed by: Kendall J. Anderson, President and/or Justin T. Anderson, Vice President.

**REPORTS:** In addition to the monthly statements and confirmations of transactions that you receive from their broker-dealer, Anderson Griggs provides you with numerous reports throughout the year. These reports are designed to allow you to review the activity within your account and a method to review the progress made towards reaching your individual goals. Shortly after the end of each calendar quarter, numerous reports are prepared and delivered to you. These reports include a statement showing your cash balance, type, name and amount of each security as a percentage of the total market value of your investments. Additionally, a schedule of new purchases made, a realized gain and loss report, an income report and an expense report is provided on a calendar year-to-date basis, to facilitate tax planning. At least annually, a portfolio performance report will be provided for each account.

## **Item 14 Client Referrals and Other Compensation**

### **CLIENT REFERRALS**

Anderson Griggs Investments does not currently pay for referrals. However, in the future our firm may pay referral fees to independent persons or firms ("Solicitors") for introducing clients to us. Whenever we pay a referral fee, we require the Solicitor to provide the prospective client with a copy of this document (our *Firm Brochure*) and a separate disclosure statement that includes the following information:

- the Solicitor's name and relationship with our firm;
- the fact that the Solicitor is being paid a referral fee;
- the amount of the fee; and
- whether the fee paid to us by the client will be increased above our normal fees in order to compensate the Solicitor.

As a matter of firm practice, the advisory fees paid to us by clients referred by solicitors are not increased as a result of any referral.

### **OTHER COMPENSATION**

We endeavor at all times to put your interests first as part of our fiduciary duty. The possibility of receiving incentive awards creates a conflict of interest, and may affect the judgment of individuals when making recommendations. Therefore, Anderson Griggs Investments does not allow our firm, and/or our officers and representatives to receive incentive awards, including prizes such as trips or bonuses, for recommending any investment products.

## **Item 15 Custody**

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from your accounts.

As part of this billing process, your custodian is advised of the amount of the fee to be deducted from your account. On at least a quarterly basis, the custodian is required to send to you a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for you to carefully review your custodial statements to verify the accuracy of the calculation, among other things. You should contact us directly if you believe that there may be an error in your statement.

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

Our firm does not have actual or constructive custody of client accounts.

## **Item 16 Investment Discretion**

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting you:

- determine the security to buy or sell; and/or
- determine the amount of the security to buy or sell

You give us discretionary authority when you sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. You may also change/amend such limitations by once again providing us with written instructions.

## **Item 17 Voting Client Securities**

As a matter of firm policy, we do not vote proxies on your behalf. Therefore, although our firm may provide investment advisory services relative to client investment assets, you maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by you shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to your investment assets. You are responsible for instructing each custodian of your assets, to forward you copies of all proxies and shareholder communications relating to your investment assets.

We may provide clients with consulting assistance regarding proxy issues if they contact us with questions at our principal place of business.

## **Item 18 Financial Information**

Our fees are not charged in advance and under no circumstances do we require or solicit payment of fees in advance of services rendered. Therefore, we are not required to include a financial statement.

As an advisory firm that maintains discretionary authority for client accounts, we are also required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. Anderson Griggs Investments has no additional financial circumstances to report.

Anderson Griggs Investments has not been the subject of a bankruptcy petition at any time during the past ten years.

**Part 2B of Form ADV: *Brochure Supplement***

Justin Thomas Anderson  
1162 Hermitage Road  
Rock Hill, SC 29732  
803-324-5044

Anderson Griggs Investments

Rock Hill, SC 29730-4539

12/16/2011

This brochure supplement provides information about Justin Thomas Anderson that supplements the Anderson Griggs Investments brochure. You should have received a copy of that brochure. Please contact Kendall J. Anderson if you did not receive Anderson Griggs Investments's brochure or if you have any questions about the contents of this supplement.

Additional information about Justin Thomas Anderson is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

## **Item 2 Educational, Background and Business Experience**

**Full Legal Name:** Justin Thomas Anderson

**Born:** 1978

### **Education:**

Justin has completed courses at College of Charleston, York Technical College and is pursuing his BA degree in Psychology from Winthrop University. In January 2006 Justin qualified by examination; FINRA Series 65 Uniform Investment Adviser Law Examination to practice as a Registered Investment Advisor Representative.

### **Business Experience**

- Anderson Griggs Investments; Research Associate; from October 2005 to January 2006
- Anderson Griggs Investments; Registered Investment Advisor Representative; from January 2006 to Present
- Anderson Griggs Investments; Vice President; from January 2008 to Present
- Various ;Various duties including supervision and management; from January 1999 to October 2005

## **Item 3 Disciplinary Information**

Justin Thomas Anderson has no reportable disciplinary history.

## **Item 4 Other Business Activities**

### **A. Investment-Related Activities**

1. Justin Thomas Anderson is not engaged in any other investment-related activities.
2. Justin Thomas Anderson does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

### **B. Non Investment-Related Activities**

Justin Thomas Anderson is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his or her time.

## **Item 5 Additional Compensation**

Justin Thomas Anderson does not receive any economic benefit from a non-advisory client for the provision of advisory services.

## **Item 6 Supervision**

**Supervisor:** Kendall J. Anderson

**Title:** President

**Phone Number:** 803-324-5044

Justin T. Anderson's compliance-related activities are supervised by Kendall J. Anderson, CFA and Chief Compliance Officer of Anderson Griggs Investments. Kendall reviews Justin's investment advisory work through frequent office interactions and personal interactions with individual clients. He also reviews activities through the firm's portfolio management system. In addition, he reviews written documents authored by Justin T. Anderson for accuracy and clarity.



**Part 2B of Form ADV: *Brochure Supplement***

Kendall James Anderson  
123 Larne Port Drive  
Rock Hill, SC 29732  
803-328-0041

Anderson Griggs Investments

Rock Hill, SC 29730-4539

12/16/2011

This brochure supplement provides information about Kendall James Anderson that supplements the Anderson Griggs Investments brochure. You should have received a copy of that brochure. Please contact Kendall J. Anderson if you did not receive Anderson Griggs Investments's brochure or if you have any questions about the contents of this supplement.

Additional information about Kendall James Anderson is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

## **Item 2 Educational, Background and Business Experience**

**Full Legal Name:** Kendall James Anderson

**Born:** 1953

### **Education**

- Arkansas Tech University; BS , Business Administration; 1979

### **Business Experience**

- Anderson Griggs Investments; Founder & President; from September 1995 to Present
- K.J. Anderson & Company; Founder & President; from September 1988 to September 1995
- Birchtree Financial Services, Inc.; General Securities Principal; from October 1999 to December 2000
- Raymond James Financial Services, Inc.; General Securities Principal; from August 1987 to October 1999
- Edward Jones; Registered Representative; from August 1980 to August 1987

### **Designations**

#### **Chartered Financial Analyst; CFA institute; 1993**

The CFA Charter is a globally recognized, graduate-level investment credential. Earning it demonstrates a commitment to professional ethics and expertise with the broad range of skills needed for competitive careers in the investment profession.

To earn the CFA Charter an individual must have four years of qualified investment work experience; they must become a member of the CFA Institute (the global association of investment professionals that administers the CFA charter), pledging to adhere to the CFA Institute Code of Ethics and Standards of Professional Conduct on an annual basis; apply for membership in a local CFA member society; and complete the CFA Program.

Kendall currently serves as Vice-President of the South Carolina CFA Society and is a member in good standing with the CFA Institute.

The CFA Program is a globally recognized, graduate-level curriculum that provides a strong foundation of the real-world investment analysis and portfolio management skills and practical knowledge of today's investment industry. It also emphasizes the highest ethical and professional standards.

The Program is organized into three levels, each culminating in a six-hour exam. CFA Program candidates report dedicating in excess of 300 hours of study per level. Completing the entire Program is a significant challenge that takes most candidates between two and five years. Mr. Anderson completed the program in 2 years, passing the Level 1 exam in June of 1991, the Level II exam in June of 1992 and the Level 3 exam in June of 1993.

There are currently CFA charterholders working in over 135 countries around the world. Regulatory bodies in 19 countries recognize the CFA designation as a proxy for meeting certain licensing requirements.

The CFA Program has been benchmarked as comparable to a master's degree in finance by the United Kingdom National Academic Recognition Information Centre.

More than 125 distinguished colleges and universities around the world have incorporated a majority of the CFA Program curriculum into their own courses, including the University of Oxford's Said Business School; New York University; INSEAD; Peking University; and Nanyang Technological University.

Among the many specialties in the investment profession, CFA charterholders hold the following types of positions around the world representing 81% of members:

Portfolio Managers	26%
Research Analysts	17%
Chief Executives	8%
Consultants	6%
Relationship Managers	5%
Corporate Financial Analysts	5%
Risk Managers	5%
Financial Advisers	5%
Investment Banking Analysts/Bankers	4%

The Body of Knowledge required to pass each level of the CFA Program is:

### **Level I - Tools**

Tools and concepts that apply to investment valuation and portfolio management

Basic concepts regarding asset classes, securities, and markets

CFA Institute Code of Ethics and Standards of Professional Conduct

### **Level II - Asset Valuation**

Application of tools and concepts of investment valuation

Industry and company analysis

Analysis of investment vehicles and instruments

CFA Institute Code of Ethics and Standards of Professional Conduct

### **Level III - Portfolio Management**

Management of institutional and individual portfolios

Management of specific asset class portfolios

CFA Institute Code of Ethics and Standards of Professional Conduct

### **High Ethical Standards**

The CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charterholders to:

Place their clients' interests ahead of their own

Maintain independence and objectivity

Act with integrity

Maintain and improve their professional competence

Disclose conflicts of interest and legal matters

To learn more about the CFA Charter, visit [www.cfainstitute.org](http://www.cfainstitute.org).

### **Item 3 Disciplinary Information**

Kendall James Anderson has no reportable disciplinary history.

## **Item 4 Other Business Activities**

### **A. Investment-Related Activities**

1. Kendall James Anderson is not engaged in any other investment-related activities.
2. Kendall James Anderson does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

### **B. Non Investment-Related Activities**

Kendall James Anderson is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

## **Item 5 Additional Compensation**

Kendall James Anderson does not receive any economic benefit from a non-advisory client for the provision of advisory services.

## **Item 6 Supervision**

**Supervisor:** Justin T. Anderson

**Title:** Vice President

**Phone Number:** 803-324-5044

Supervision: The compliance-related activities of Kendall J. Anderson, CFA are supervised by Justin T. Anderson, Vice-President of Investments. He reviews Kendall's investment advisory work through frequent office interaction, and personal interaction with individual clients. He also reviews activities through the firms portfolio management system. In addition he reviews written documents authored by Kendall J. Anderson, CFA for accuracy and clarity.