

AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON  
FEBRUARY 10, 1997  
Registration No. 333-\_\_\_\_\_  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM S-3

REGISTRATION STATEMENT

under

THE SECURITIES ACT OF 1933

GRIFFON CORPORATION

(Exact name of registrant as specified in its charter)

DELAWARE  
(State or other jurisdiction of  
incorporation or organization)  
100 JERICHO QUADRANGLE  
JERICHO, NEW YORK 11753  
(516) 938-5544  
(Address, including zip code and  
telephone number, including area  
code, of registrant's principal  
executive offices)

11-1893410  
(I.R.S. Employer Identification No.)

ROBERT BALEMIAN, PRESIDENT  
GRIFFON CORPORATION  
100 JERICHO QUADRANGLE  
JERICHO, NEW YORK 11753  
(516) 938-5544  
(Name address and telephone number,  
including area code, of agent  
for service)

Copy to:  
Elliott V. Stein  
Wachtell, Lipton, Rosen & Katz  
51 West 52nd Street  
New York, New York 10019  
(212) 403-1000

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO  
PUBLIC: From time to time after the effective date of this  
Registration Statement.

If the only securities being registered on this Form are  
being offered pursuant to dividend or interest reinvestment  
plans, please check the following box [ ]

If any of the securities being registered on this Form are  
to be offered on a delayed or continuous basis pursuant to Rule  
415 under the Securities Act of 1933, other than securities  
offered only in connection with dividend or interest  
reinvestment plans, check the following box [X].

If this Form is filed to register additional securities  
for an offering pursuant to Rule 462(b) under the Securities  
Act, please check the following box and list the Securities Act  
registration statement number of the earlier effective  
registration statement for the same offering. [ ]

If this Form is a post-effective amendment filed pursuant  
to Rule 462(c) under the Securities Act, check the following  
box and list the Securities Act registration number of the

earlier effective registration statement for the same offering.  
[ ]

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box [ ]

Title of Each Class of Securities to be Registered	CALCULATION OF REGISTRATION FEE			
	Amount to be Registered	Proposed Maximum Offering Price Per Share (1)	Proposed Maximum Aggregate Offering Price (1)	Amount of Registration Fee
Common Stock, par value \$.25 per share, together with the associated Preferred Share Purchase Rights, reserved for issuance upon the exercise of Common Stock Purchase Warrants (2)	226,413 shares	\$13.5625	\$3,070,726	\$931

- (1) Estimated solely for the purpose of calculating the registration fee, based on the average of the high and low prices of the Common Stock reported in the consolidated reporting system on February 4, 1997, pursuant to Rule 457.
- (2) Pursuant to Rule 416, this Registration Statement also covers any additional shares of Common Stock which may become issuable by virtue of the anti-dilution provisions of such Warrants.

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(A) OF THE SECURITIES ACT OF 1933 OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(A), MAY DETERMINE.

GRIFFON CORPORATION

Cross Reference Sheet

Showing location in Prospectus of Information Required by Items on Form S-3

Item No. Prospectus Caption

1. Forepart of the Registration Statement and Outside Front Cover Page of Prospectus

2.	Inside Front and Outside Back Cover Pages of Prospectus	Inside Front and Outside Back Cover Page of Prospectus
3.	Summary Information, Risk Factors and Ratio of Earnings to Fixed Charges	*
4.	Use of Proceeds	Use of Proceeds
5.	Determination of Offering Price	Outside Front Cover Page; Plan of Distribution
6.	Dilution	*
7.	Selling Security Holders	Selling Securityholders
8.	Plan of Distribution	Outside Front Cover Page; Plan of Distribution
9.	Description of Securities to be Registered	*
10.	Interests of Named Experts and Counsel	Legal Matters; Experts
11.	Material Changes	*
12.	Incorporation of Certain Information by Reference	Incorporation of Certain Documents By Reference
13.	Disclosure of Commission Position on Indemnification for Securities Act Liabilities	*

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\* Omitted since answer to item is negative or inapplicable

Information contained herein is subject to completion or amendment. A Registration Statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the Registration Statement becomes effective. This Prospectus shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any State in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such State.

SUBJECT TO COMPLETION

Dated February 10, 1997

GRIFFON CORPORATION

226,413 Shares of Common Stock  
\$.25 par value

(including the associated Preferred Share Purchase Rights)

-----  
The 226,413 shares of Common Stock, par value \$.25 per share

(including the associated Preferred Share Purchase Rights, the "Shares"), underlying a Common Stock Purchase Warrant of Griffon Corporation (the "Company") covered by this Prospectus are being offered for sale from time to time by or for the account of Harvey R. Blau, the Chairman of the Board and Chief Executive Officer of the Company, certain transferees thereof, and any pledgees, transferees, donees or other successors in interest thereof (the "Selling Securityholders"). The Shares may be offered by the Selling Securityholders from time to time in transactions on the New York Stock Exchange, in privately negotiated transactions, or by a combination of such methods of sale, at fixed prices that may be changed, at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at negotiated prices. The Selling Securityholders may effect such transactions by selling the Shares to or through broker-dealers and such broker-dealers may receive compensation in the form of discounts, concessions or commissions from the Selling Securityholders or the purchaser of the Shares for whom such broker-dealers may act as agent or to whom they sell as principal or both (which compensation to a particular broker-dealer might be in excess of customary commissions). See "Selling Securityholders" and "Plan of Distribution."

None of the proceeds from the sale of the Shares by the Selling Securityholders will be received by the Company. The Company will bear the expenses in connection with the offering, including filing fees and the Company's legal fees, estimated at \$10,000.

The Company's Common Stock, \$.25 par value (the "Common Stock"), is traded on the New York Stock Exchange (NYSE Symbol: GFF). On February 7, 1997, the last reported sale price of the Common Stock as reported by the New York Stock Exchange was \$13.75 per share.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR HAS THE COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this Prospectus is \_\_\_\_\_, 1997

#### AVAILABLE INFORMATION

The Company has filed with the Securities and Exchange Commission (the "Commission"), Washington, D.C., a Registration Statement under the Securities Act of 1933, as amended (the "Act"), with respect to the Common Stock offered hereby. This Prospectus does not contain all the information set forth in the Registration Statement and the exhibits relating thereto. For further information with respect to the Company and the shares of Common Stock offered by this Prospectus, reference is made to such Registration Statement and the exhibits thereto. Statements contained in this Prospectus as to the contents of any contract or other document are not necessarily complete and in each instance reference is made to the copy of such contract or other document filed as an exhibit to the Registration Statement for a full statement of the provisions thereof; each such statement contained herein is qualified in its entirety by such reference.

The Company is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and, in accordance therewith, files reports, proxy statements and other information with the Commission. Such reports, proxy statements and other information can be inspected and copied at the public reference facilities maintained at the office of the Commission at Room 1024, 450 Fifth Street, N.W., Washington, D.C. 20549 and at the Commission's Regional Offices at Northwestern Atrium Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661-2511 and 7 World Trade Center, New York, New York 10048. Copies of such material can be obtained from the Public Reference Section of the Commission, Washington, D.C. 20549, at prescribed rates, and from the Securities and Exchange Commission's Web site at the address <http://www.sec.gov>. In addition, the Company's Common Stock is listed on the New York Stock Exchange, and copies of the foregoing materials and other information concerning the Company can be inspected at the offices of the New York Stock Exchange at 20 Broad Street, New York, New York 10005.

#### INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The following documents have been filed by the Company with the Commission (File No. 1-6620) pursuant to the Exchange Act, are incorporated by reference in this Prospectus and shall be deemed to be a part hereof:

- (1) The Company's Annual Report on Form 10-K for the fiscal year ended September 30, 1996.
- (2) The Company's Quarterly Report on Form 10-Q for the fiscal quarter ended December 31, 1996.
- (3) The Company's Proxy Statement dated December 20, 1996 for its 1997 annual meeting of stockholders.
- (4) The Registration Statement on Form 8-A dated January 19, 1993 with respect to the Company's Common Stock (File No. 1-6620), including any amendment or report filed for the purpose of updating the description of the Common Stock contained therein.
- (5) The Registration Statement on Form 8-A dated May 16, 1996 with respect to the Company's Preferred Share Purchase Rights.

All documents filed pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this Prospectus and prior to the termination of this offering of Common Stock shall be deemed to be incorporated by reference in this Prospectus and to be part hereof from the date of filing of such documents. Any statement contained in a document incorporated or deemed to be incorporated by reference in this Prospectus shall be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained herein or in any subsequently filed document that also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

The Company will provide without charge to each person to whom a copy of this Prospectus is delivered, upon the written or oral request of such person, a copy of any or all of the documents incorporated by reference

(except for exhibits thereto unless specifically incorporated by reference therein). Requests for such copies should be directed to the Secretary, Griffon Corporation, 100 Jericho Quadrangle, Suite 224, Jericho, New York 11753, (516) 938-5544.

#### THE COMPANY

Griffon Corporation (the "Company") is a diversified manufacturer with operations in three business segments: Building Products, Specialty Plastic Films and Electronic Information and Communication Systems.

In November 1996, the Company announced the sale of its synthetic batting business and the decision to sell its specialty hardware business. Accordingly, the operating results of these businesses have been reclassified as discontinued operations.

The principal executive offices of the Company are located at 100 Jericho Quadrangle, Jericho, New York 11753 and its telephone number is (516) 938-5544.

#### BUILDING PRODUCTS

Management believes that its wholly-owned subsidiary, Clopay, is among the largest manufacturers of residential garage doors in the United States. Clopay sells a broad line of steel and wood garage doors for residential and commercial use which are manufactured in stock sizes and styles as well as special order to customer specifications.

Clopay's strategy is to produce a broad line of high quality garage doors for distribution throughout North America to professional installer, retail and wholesale channels. Clopay has focused on increasing its market share by introducing new products, expanding its distribution, sales and marketing programs and through strategic acquisitions. In October 1995 Clopay acquired the Atlas Roll-Lite Door Corporation, a manufacturer of heavy duty rolling steel doors, grilles and counter shutters for industrial and commercial markets; sectional garage doors for residential applications; and doors and components for the self-storage market. A company involved in the installation of building products was also acquired. These businesses have annual sales of approximately \$80,000,000.

Clopay sells residential garage doors to a large number of retailers throughout North America, including home centers and building material cooperative buying groups. Significant customers include The Home Depot Inc., Menards, Inc., Lowe's Companies, Inc., Builders Square, Inc. and 84 Lumber. Residential and commercial garage doors and related products for professional installation are sold directly to a national network of installation specialists.

Clopay distributes garage doors directly from its manufacturing facilities and through its network of 37 company-owned distribution centers throughout the United States and Canada. Under Clopay's "installed sales" program, consumers purchase garage doors through local retailers and Clopay manages the installation through authorized installing dealers.

Clopay continues to make substantial capital investments in its manufacturing facilities and believes that its automated continuous production plants enable it to produce garage doors cost effectively. Steel garage doors, including insulated doors, are fabricated from pre-painted, galvanized steel, specially selected for rust resistance and low maintenance. Wood garage doors are produced from kiln dried lumber and are constructed for ease of operation and durability. The lumber and steel used in the manufacturing operations are generally available from a variety of sources. All products are designed for safe operation and easy specification by architects and contractors.

The garage door market is characterized by several large national manufacturers, including Clopay, and many smaller regional and local manufacturers. In addition to price, Clopay believes that it competes favorably on the basis of diversity of product line, quality, service and merchandising capability.

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Clopay also operates a service company that installs and services manufactured fireplaces, garage doors and openers and a range of related products. This part of Clopay's business grew substantially in 1996 through internal growth and acquisitions, while expanding into new markets. Management believes that the service business is one of the country's leading fireplace dealers.

#### SPECIALTY PLASTIC FILMS

Clopay is a leading manufacturer of customized plastic film and laminates made from plastic resin and non-woven fabrics for use in consumer and health-care products. Clopay's strategy is to offer technologically advanced products for use in niche markets to major consumer and health-care product companies. Clopay believes that its research and development activities and capital investment in related equipment enable it to efficiently manufacture products in large volume and meet changing consumer needs. These factors, together with its technical expertise, allow Clopay to compete favorably in its markets. Clopay sells its products primarily throughout the United States with sales also in Canada, Latin America and the Pacific Rim. Clopay has formed a 60%-owned joint venture, headquartered in Germany, to develop and market laminates and films for use in the infant diaper, health-care and other markets in Europe, South Africa and the Middle East. The joint venture is constructing and will operate a manufacturing facility in Germany, the cost of which is expected to be approximately \$12,000,000, of which \$3,400,000 has been incurred as of December 31, 1996. The investment in the joint venture to fund Clopay's share of the initial construction and equipment costs will be made during the first half of 1997.

Clopay manufactures thin gauge embossed barrier and breathable films and coated laminates of plastic film and non-woven fabric to customer specifications for sale to consumer product and other companies. These products are used primarily as the backsheet in disposable diapers as well as the moisture barrier in adult incontinent products and sanitary napkins. These products are differentiated by strength, barrier and other properties. A substantial portion of the

specialty plastic film sales over the last five years have been to The Procter & Gamble Company. The loss of this customer would have a material adverse effect on the Company's business.

Clopay also manufactures plastic films and laminates for a wide variety of disposable health-care products including surgical drapes, patient care underpads and medical garments. These plastic products are also sold for use in garments worn by workers in hazardous industrial environments.

Clopay manufactures these products on high speed equipment to meet stringent tolerances. The manufacturing process consists of melting a mixture of plastic resins (primarily polyolefins) and additives, and forcing this mixture through a computer controlled die and rollers to produce embossed films. In addition, the process can involve extruding the melted plastic film directly onto a non-woven fabric to form a laminate. Certain products involve further processes such as a secondary lamination of the film to a non-woven material. Through statistical process control methods, Clopay personnel monitor and control the entire production process. The plastic resins used in Clopay's products are commodities generally available from several sources.

Clopay is engaged in several joint efforts with the research and development departments of its major specialty plastic film customers. Clopay employs chemists, scientists and engineers at a technical center to study polymers and manufacturing processes that will assist in the development of its specialty plastic film products. Clopay's research and development efforts have resulted in inventions covering embossing patterns, improved processing methods, product applications and other proprietary technology. Clopay's research and development costs for this business amounted to approximately \$1,700,000, \$1,800,000 and \$1,800,000 in 1994, 1995 and 1996, respectively.

#### ELECTRONIC INFORMATION AND COMMUNICATION SYSTEMS

The Company's wholly-owned subsidiary, Telephonics, is an electronics systems company specializing in advanced information and communications systems for government, aerospace, civil, industrial and commercial markets. In recent years, Telephonics has expanded its customer base with increasing emphasis in non-military markets. These efforts have resulted in a series of new contract awards in the transit industry as well as international air traffic control projects.

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Telephonics designs, manufactures and logistically supports maritime surveillance radars, air traffic control systems, advanced military communication systems, IFF equipment, transit communication systems, command and control systems, VLSI/LSI circuits, microwave landing systems and avionics for commercial airlines. A substantial portion of Telephonics' sales (approximately 56% for 1996) were to agencies of the U.S. Government or to prime contractors or subcontractors on government, military or aerospace programs.

Telephonics participates in approximately 40 government, aerospace and commercial programs. Approximately 65% of

Telephonics' sales for 1996 were attributable to upgrades, enhancements and follow-on options to existing long-term products and programs.

Telephonics also designs and produces custom large-scale integrated circuits, which replace conventional circuits and components with a single microchip. Telephonics provides microchips to manufacturers of complex control circuitry for telecommunications signal processing equipment, security systems, home appliances, automated hand tools, military airborne interior communication systems, and fast down windows, fuel monitoring and air bag sensors for automobiles. Telephonics also provides specialized design services which supplement customers' in-house capabilities. Telephonics also produces a wide variety of microwave components and test instruments.

Headsets, microphones, earphones and cables manufactured by Telephonics are used in military and commercial aircraft and ground vehicles, especially in high noise environments.

Telephonics' other commercial projects include contracts with Kawasaki, ABB Traction, Long Island Rail Road and other rail suppliers under which Telephonics produces communication equipment which provides passenger and crew interior communications among train cars, radio communications between the train and the central control facility, automated voice announcement, passenger information signage and vehicle performance monitoring systems. Telephonics is under contract with McDonnell Douglas to produce passenger and cabin address intercom systems for the MD-80 and MD-95 aircraft.

Government programs in which Telephonics is involved frequently provide for purchases under a series of independently priced contracts, each calling for delivery of a lot, consisting of a portion of the units in the overall program. Each contract is treated separately and there is no requirement that upon delivery of the lot which is the subject of one contract, the government must contract to purchase, or the supplier must contract to sell, additional lots.

In accordance with Department of Defense and NASA procedures, all contracts involving government programs permit the government to terminate the contract at any time, at its convenience, without cause. In the event of such termination, Telephonics is entitled to reimbursement for its costs and to receive a proportionate share of its profits, if any, on the work performed prior to termination.

Telephonics' staff of approximately 250 engineers and marketing personnel, many of whom have technical backgrounds, advise government and commercial planning and design personnel in an attempt to include Telephonics' products in their programs.

Telephonics competes on the basis of technology, design, price and performance. The products sold by Telephonics utilize technologies which are constantly changing. Telephonics' expertise in these technologies enables it to compete with several major manufacturers of electronic information and communications systems which have greater financial resources than Telephonics. Telephonics also competes with several smaller manufacturers of similar products.

A major part of Telephonics' product development is performed under government contracts under which such costs are generally recoverable. Research and development costs not

recoverable under contractual arrangements are charged to expense as incurred. These costs were approximately \$1,400,000, \$1,600,000 and \$2,200,000 for 1994, 1995 and 1996, respectively.

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#### EMPLOYEES

The Company has approximately 3,600 employees located throughout the United States and in Canada at its various plants, warehouses and offices. Approximately 100 of its employees are covered by collective bargaining agreements, primarily with affiliates of the AFL-CIO. The Company believes its relationships with employees are satisfactory.

#### SELECTED FINANCIAL DATA (in thousands, except per share data)

	Three Months Ended		Years Ended September 30,			1993	1992
	December 31, 1996	December 31, 1995	1996	1995	1994		
	----	----	----	----	----	----	----
Net sales	\$181,744	\$153,363	\$655,063	\$506,116	\$451,166	\$401,757	\$361,931
	=====	=====	=====	=====	=====	=====	=====
Income from continuing operations	\$7,520	\$5,832	\$28,067	\$23,245	\$29,394	\$26,340	\$21,189
	=====	=====	=====	=====	=====	=====	=====
Per share	\$.24	\$.18	\$.88	\$.69	\$.79	\$.69	\$.58
	=====	=====	=====	=====	=====	=====	=====
Total assets	\$313,878	\$318,725	\$311,169	\$285,616	\$293,215	\$270,270	\$246,750
	=====	=====	=====	=====	=====	=====	=====
Long-term obligations	\$37,419	\$33,225	\$32,458	\$16,074	\$15,538	\$26,147	\$28,406
	=====	=====	=====	=====	=====	=====	=====

No dividends on Common Stock were declared or paid during the five years ended September 30, 1996 or the three months ended December 31, 1996.

#### RECENT DEVELOPMENTS

On February 6, 1997, the Company announced that it called for redemption all outstanding shares of its Second Preferred Stock, Series I (the "Second Preferred Stock"). Each share of Second Preferred Stock is redeemable at \$10.17, which includes accrued and unpaid dividends to March 10, 1997, the date of redemption, and is convertible at the option of the holder into one share of Common Stock. There were 1,569,594 shares of Second Preferred Stock outstanding as of January 31, 1997.

#### USE OF PROCEEDS

The Company will not receive any proceeds from this offering.

#### SELLING SECURITYHOLDERS

The Shares being offered by this Prospectus are for the account of Mr. Harvey R. Blau and any pledgees, transferees, donees or other successors in interest thereto. Prior to the sale of the Shares covered by this Prospectus, Mr. Blau beneficially owned 1,695,568 shares of the Common Stock, including 226,413 Shares covered hereby and options exercisable within 60 days for 1,090,000 shares of Common Stock under the Company's stock option plans, or 5.6% of the outstanding shares of Common Stock. After giving effect to the sale of the Shares covered by this Prospectus, Mr. Blau would beneficially own 1,469,155 shares of the Common Stock or 4.8% of the outstanding shares of the Common Stock.

Mr. Blau is the Chairman of the Board and Chief Executive Officer of the Company. All expenses in connection with the registration of the Shares being offered by the Selling Securityholders will be borne by the Company, other than brokerage fees or commissions, which shall be borne by the Selling Securityholders.

#### PLAN OF DISTRIBUTION

The Common Stock is traded on the New York Stock Exchange under the symbol GFF. The Shares may be sold from time to time directly by the Selling Securityholders. Alternatively, the Selling Securityholders may

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from time to time offer such securities through underwriters, dealers or agents. The distribution of securities by the Selling Securityholders may be effected in one or more transactions that may take place on the New York Stock Exchange, including ordinary broker's transactions, privately-negotiated transactions or through sales to one or more broker-dealers for resale of such Shares as principals, at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at negotiated prices. Usual and customary or specifically negotiated brokerage fees or commissions may be paid by the Selling Securityholders in connection with such sales of securities.

The 226,413 Shares covered by this prospectus are currently reserved for issuance by the Company upon the exercise of a warrant (the "Warrant") held by Mr. Blau. If Mr. Blau exercises the Warrant in whole or in part, the Shares so purchased may be sold by Mr. Blau pursuant to this prospectus. In addition, Mr. Blau may sell or otherwise dispose of the Warrant in one or more transactions exempt from the registration requirements of the Act, in which case the transferee of the Warrant will be entitled to make sales pursuant to this prospectus of any Shares obtained upon exercise of the Warrant. The Company will use its best efforts to maintain the effectiveness of the registration statement of which this prospectus is a part for a period of 180 days following the sale by Mr. Blau of all or any portion of the Warrant, or, if a shorter period, until all Shares that may be sold hereunder have been sold.

At the time a particular offer of securities is made by or on behalf of the Selling Securityholders, to the extent required, a prospectus will be distributed which will set forth

the number of Shares being offered and the terms of the offering, including the name or names of any underwriters, dealers or agents, if any, the purchase price paid by any underwriter for shares purchased from the Selling Securityholders and any discounts, commissions or concessions allowed or reallocated or paid to dealers, and the proposed selling price to the public. The Company will indemnify the Selling Securityholders and certain persons who may be deemed to be underwriters in connection with the sale of Shares pursuant to this prospectus against certain liabilities, including liabilities under the Act.

#### LEGAL MATTERS

Certain legal matters in connection with this offering will be passed upon for the Company by Wachtell, Lipton, Rosen & Katz, New York, New York.

#### EXPERTS

The financial statements and schedules incorporated by reference in this Registration Statement have been audited by Arthur Andersen LLP, independent public accountants, as indicated in their reports with respect thereto, and are included herein in reliance upon the authority of said firm as experts in giving said reports.

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NO DEALER, SALESPERSON, OR OTHER PERSON HAS BEEN AUTHORIZED BY THE COMPANY TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS AND, IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN SO AUTHORIZED BY THE COMPANY. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY, ANY SECURITIES OTHER THAN THE SECURITIES TO WHICH IT RELATES, OR AN OFFER TO OR SOLICITATION OF ANY PERSON IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION WOULD BE UNLAWFUL. NEITHER DELIVERY OF THIS PROSPECTUS NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THE INFORMATION HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE HEREOF.

GRIFFON CORPORATION

226,413 Shares of  
Common Stock

PROSPECTUS

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PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. Other Expenses of Issuance and Distribution

Securities and Exchange Commission	
Filing Fee.....	\$ 931
Legal Fees.....	9,000
	-----
Total.....	\$9,931
	=====

The Company will pay all of these expenses.

Item 15. Indemnification of Directors and Officers

Under provisions of the Certificate of Incorporation and By-Laws of the Company, each person who is or was a director or officer of the Company may be indemnified by the Company to the full extent permitted or authorized by the General Corporation Law of Delaware.

Under such law, to the extent that such person is successful on the merits of defense of a suit or proceeding brought against him by reason of the fact that he is a director or officer of the Company, he shall be indemnified against expenses (including attorneys' fees) reasonably incurred in connection with such action.

If unsuccessful in defense of a third-party civil suit or if a criminal suit is settled, such a person may be indemnified under such law against both (1) expenses (including attorneys' fees) and (2) judgements, fines and amounts paid in settlement if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Company, and with respect to any criminal action, had no reasonable cause to believe his conduct was unlawful.

If unsuccessful in defense of a suit brought by or in the

right of the Company, or if such suit is settled, such a person may be indemnified under such law only against expenses (including attorneys' fees) incurred in the defense or settlement of such suit if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Company except that if such a person is adjudged to be liable in such suit for negligence or misconduct in the performance of his duty to the Company, he cannot be made whole even for expenses unless the court determines that he is fairly and reasonably entitled to indemnity for such expenses.

The Company and its officers and directors are covered by officers and directors liability insurance. The policy coverage is \$30,000,000, which includes reimbursement for costs and fees. There is a maximum deductible under the policy of \$100,000 for each claim. The Company has entered into Indemnification Agreements with certain of its officers and directors. The Agreements provide for reimbursement for all direct and indirect costs of any type or nature whatsoever (including attorneys' fees and related disbursements) actually and reasonably incurred in connection with either the investigation, defense or appeal of a Proceeding, as defined, including amounts paid in settlement by or on behalf of an Indemnatee.

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Item 16. Exhibits

- 4 Form of Warrant Certificate dated May 8, 1991 between the Company and Mr. Harvey R. Blau
- 5 Opinion of Wachtell, Lipton, Rosen & Katz
- 23.1 Consent of Arthur Andersen LLP
- 23.2 Consent of Wachtell, Lipton, Rosen & Katz (included in Exhibit 5 hereof)
- 24 Powers of Attorney (included in the signature pages hereof)

Item 17. Undertakings

(a) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, as amended (the "Act"), each filing of the registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(b) Insofar as indemnification for liabilities arising under the Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a

claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(c) The undersigned registrant hereby undertakes:

- (1) to file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement to include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;
- (2) that, for the purpose of determining any liability under the Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof; and
- (3) to remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

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#### SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Jericho, New York on the 10th day of February, 1997.

GRIFFON CORPORATION

By: /s/ Robert Balemian  
Robert Balemian  
President and Director

#### POWER OF ATTORNEY

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed on February 10, 1997 by the following persons in the capacities indicated. Each person whose signature appears below constitutes and appoints Harvey R. Blau and Robert Balemian, and each of them acting individually, with full power of substitution, our true and lawful attorneys-in-fact and agents

to do any and all acts and things in our name and on our behalf in our capacities indicated below which they or either of them may deem necessary or advisable to enable Griffon Corporation to comply with the Securities Act of 1933, as amended, and any rules, regulations and requirements of the Securities and Exchange Commission, in connection with this Registration Statement including specifically, but not limited to, power and authority to sign for us or any of us in our names in the capacities stated below, any and all amendments (including post-effective amendments) thereto, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in such connection, as fully to all intents and purposes as we might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or his substitute or substitutes, may lawfully do or cause to be done by virtue thereof.

Signature	Title
/s/ Harvey R. Blau Harvey R. Blau	Chairman of the Board (Principal Executive Officer)
/s/ Robert Balemian Robert Balemian	President and Director (Principal Financial Officer)
/s/ Patrick Alesia Patrick Alesia	Vice President and Treasurer (Principal Accounting Officer)
/s/ Henry A. Alpert Henry A. Alpert	Director
/s/ Bertrand M. Bell Bertrand M. Bell	Director
/s/ Robert Bradley Robert Bradley	Director
/s/ Abraham M. Buchman Abraham M. Buchman	Director

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/s/ Clarence A. Hill, Jr. Clarence A. Hill, Jr.	Director
/s/ Ronald J. Kramer Ronald J. Kramer	Director
/s/ James W. Stansberry	Director

James W. Stansberry

/s/ Martin S. Sussman            Director  
    Martin S. Sussman

/s/ William H. Waldorf         Director  
    William H. Waldorf

/s/ Lester L. Wolff            Director  
    Lester L. Wolff

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SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D. C. 20549

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EXHIBITS

TO

FORM S-3  
REGISTRATION STATEMENT

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    GRIFFON CORPORATION  
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

EXHIBIT 4

THESE SECURITIES MAY NOT BE PUBLICLY OFFERED OR SOLD UNLESS AT THE TIME OF SUCH OFFER OR SALE, THE PERSON MAKING SUCH OFFER OF SALE DELIVERS A PROSPECTUS MEETING THE REQUIREMENTS OF THE SECURITIES ACT OF 1933 FORMING A PART OF A REGISTRATION STATEMENT, OR POST-EFFECTIVE AMENDMENT THERETO, WHICH IS EFFECTIVE UNDER SAID ACT, OR UNLESS IN THE OPINION OF COUNSEL TO THE CORPORATION, SUCH OFFER AND SALE IS EXEMPT FROM THE PROVISIONS OF SECTION 5 OF SAID ACT.

W A R R A N T

- - - - -

FOR THE PURCHASE OF COMMON STOCK, PAR VALUE \$.25 PER SHARE OF

INSTRUMENT SYSTEMS CORPORATION

(INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE)

VOID AFTER 5 P.M. MARCH 1, 1998

NO. 06

WARRANT TO PURCHASE  
226,413 SHARES

THIS IS TO CERTIFY that, for value received, HARVEY R. BLAU is entitled, subject to the terms and conditions set forth, at or before 5 P.M., New York City Time, on March 1, 1998, but not thereafter, to purchase the number of shares set forth above of Common Stock, par value \$.25 per share (the "Common Stock"), of INSTRUMENT SYSTEMS CORPORATION, a Delaware corporation (the "Corporation"), from the Corporation at a purchase price per share of \$2.65 per share if and to the extent this Warrant is exercised, in whole or in part, during the period this Warrant remains in force, subject in all cases to adjustment as provided in Section 3 hereof, and to receive a certificate or certificates representing the shares of Common Stock so purchased, upon presentation and surrender to the Corporation of this Warrant, with the form of subscription attached hereto duly executed, and accompanied by payment of the purchase price of each share purchased either in cash or by certified or bank cashier's check payable to the order of the Corporation. This Warrant is one of a class of warrants initially exercisable for the purchase of 283,018 shares of Common Stock.

1. The Corporation covenants and agrees that all shares may be delivered upon the exercise of this Warrant and will, upon delivery, be fully paid and non-assessable, and, without limiting the generality of the foregoing, the Corporation covenants and agrees that it will from time to time take all such

action as may be requisite to assure that the par value per share of the Common Stock is at all times equal to or less than the then current Warrant purchase price per share of the Common Stock issuable upon exercise of this Warrant.

2. The rights represented by this Warrant are exercisable at the option of the holder hereof in whole at any time, or in part from time to time, within the period above specified at the prices specified in Section 1 hereof. In case of the purchase of less than all the shares as to which this Warrant is exercisable, the Corporation shall cancel this Warrant upon the surrender hereof and shall execute and deliver a new Warrant of like tenor for the balance of the shares purchasable hereunder.

3. The price per share at which shares of Common Stock may be purchased hereunder, and the number of such shares to be purchased upon exercise hereof, are subject to change or adjustment as follows:

(A) In case the Corporation shall, while this Warrant remains unexercised, in whole or in part, and in force, effect a recapitalization of such character that the shares of Common Stock purchasable hereunder shall be changed into or become exchangeable for a larger or smaller number of shares, then, after the date of record for effecting such recapitalization, the number of shares of Common Stock which the holder hereof shall be entitled to purchase hereunder shall be increased or decreased, as the case may be, in direct proportion to the increase or decrease in the number of shares of Common Stock by reason of such recapitalization, and the purchase price hereunder per share of such recapitalized Common Stock shall, in the case of an increase in the number of such shares, be proportionately reduced, and in the case of a decrease in the number of such shares, shall be proportionately increased. For the purpose of this subsection (A), a stock dividend, stock split-up or reverse stock split shall be considered as a recapitalization and as an exchange for a larger or smaller number of shares, as the case may be.

(B) In the case of any consolidation of the Corporation with, or merger of the Corporation into, any other corporation, or in case of any sale or conveyance of all or substantially all of the assets of the Corporation in connection with a plan of complete liquidation of the Corporation, then, as a condition of such consolidation, merger or sale or conveyance, adequate provision shall be made whereby the holder hereof shall thereafter have the right to purchase and receive, upon the basis and upon the terms and conditions specified in this Warrant and in lieu of

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shares of Common Stock immediately theretofore purchasable and receivable upon the exercise of the rights represented hereby, such shares of stock or securities as may be issued in connection with such consolidation, merger or sale or conveyance with respect to or in exchange for the number of outstanding shares of Common Stock immediately therefore purchasable and receivable upon the exercise of the rights represented hereby had such consolidation, merger or sale or conveyance not taken place, and in any such case appropriate provision shall be made with respect to the rights and interests of the holder of

this Warrant to the end that the provisions hereof shall be applicable as nearly as may be in relation to any shares of stock or securities thereafter deliverable upon the exercise hereof.

(C) In case the Corporation shall, while this Warrant remains unexercised, in whole or in part, and in force, issue (otherwise than by stock dividend or stock split-up or reverse split) or sell shares of its Common Stock (hereinafter referred to as "Additional Shares") for a consideration per share (before deduction of expenses or commissions or underwriting discounts or allowances in connection therewith) less than the purchase price hereunder per share, then, after the date of such issuance or sale, the purchase price hereunder per share shall be reduced to a price determined by dividing (1) an amount equal to (a) the total number of shares of Common Stock outstanding immediately prior to the time of such issuance or sale multiplied by such purchase price hereunder per share, plus (b) the consideration (before deduction of expenses or commissions or underwriting discounts or allowances in connection therewith), if any, received by the Corporation upon such issuance or sale, by (2) the total number of shares of Common Stock outstanding after the date of the issuance or sale of such Additional Shares, and the number of shares of Common Stock which the holder hereof shall be entitled to purchase hereunder at each such adjusted purchase price per share, at the time such adjusted purchase price per share shall be in effect, shall be the number of whole shares of Common Stock obtained by multiplying such purchase price hereunder per share before such adjustment, by the number of shares of Common Stock purchasable upon the exercise of this Warrant immediately before such adjustment, and dividing the product so obtained by such adjusted purchase price per share; provided, however, that no such adjustment of the purchase price hereunder per share or the number of shares for which this Warrant may be exercised shall be made upon the issuance or sale by the Corporation of Additional Shares reserved for issuance upon exercise

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of outstanding Stock Options, and of Additional Shares reserved for issuance upon exercise of outstanding stock under the Corporation's Restricted Management Stock Bonus Plan.

(D) In case the Corporation shall, while this Warrant remains unexercised in whole or in part, and in force, issue or grant any rights to subscribe for or to purchase, or any option (other than the employee stock options referred to in subsection (C) above) for the purchase of (i) Common Stock or (ii) any indebtedness or shares of stock convertible into or exchangeable for Common Stock (indebtedness or shares of stock convertible into or exchangeable for Common Stock being hereinafter referred to as "Convertible Securities"), or issue or sell Convertible Securities and the price per share for which Common Stock is issuable upon the exercise of such rights or options or upon conversion or exchange of such Convertible

Securities at the time such Convertible Securities first become convertible or exchangeable (determined by dividing (1) in the case of an issuance or grant of any such rights or options, the total amount, if any, received or receivable by the Corporation as consideration for the issuance or grant of such rights or options, plus the minimum aggregate amount of additional consideration payable to the Corporation upon exercise of such rights or options, plus, in the case of such Convertible Securities, in the minimum aggregate amount of additional consideration, if any, payable to the Corporation upon the conversion or exchange of such Convertible Securities at the time such Convertible Securities first become convertible or exchangeable, or (2) in the case of an issuance or sale of Convertible Securities other than where the same or issuable upon the exercise of any such rights or options, the total amount, if any, received or receivable by the Corporation as consideration for the issuance or sale of such Convertible Securities, plus the minimum aggregate amount of additional consideration, if any, payable to the Corporation upon the conversion or exchange of such Convertible Securities at the time such Convertible Securities first become convertible or exchangeable, by, in either such case, (3) the total maximum number of shares of Common Stock issuable upon the exercise of such rights or options or upon the conversion or exchange of such Convertible Securities at the time such Convertible Securities first become convertible or exchangeable) shall be less than the two purchase prices hereunder per share, then the total maximum number of shares of Common Stock issuable upon the exercise of such rights or options or upon conversion or exchange of the total maximum amount of such Convertible Securities at the

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time such Convertible Securities first become convertible or exchangeable, shall (as of the date of the issuance or grant of such rights or options or, in the case of the issuance or sale of Convertible Securities other than where the same are issuable upon the exercise of rights or options, as of the date of such issuance or sale) be deemed to be outstanding and to have been issued for said price per share; provided that (i) no further adjustment of the purchase price shall be made upon the actual issuance of such Common Stock upon the exercise of such rights or options or upon the conversion or exchange of such Convertible Securities or upon the actual issuance of Convertible Securities where the same are issuable upon the exercise of such rights or options, and (ii) rights or options issued or granted pro rata to shareholders without consideration and Convertible Securities issuable by way of dividend or other distribution to shareholders shall be deemed to have been issued or granted at the close of business on the date fixed for the determination of shareholders entitled to such rights, options or Convertible Securities and shall be deemed to have been issued without consideration; and (iii) if, in any case, the total maximum number of shares of Common Stock issued upon exercise of such rights or options or upon conversion or exchange of

such Convertible Securities is not, in fact, issued and the right to exercise such right or option or to convert or exchange such Convertible Securities shall have expired or terminated, then, and in any such event, the purchase price, as adjusted, shall be appropriately readjusted at the time of such expiration or termination. In such case, each purchase price hereunder per share which is greater than the price per share for which Common Stock is issuable upon conversion or exchange of such rights or options or upon conversion or exchange of such Convertible Securities at the time such Convertible Securities first become convertible or exchangeable, as determined above in this subsection (D), shall thereupon be reduced to a price determined by dividing (1) an amount equal to (a) the total number of shares of Common Stock outstanding immediately prior to the time of the issuance or grant of such rights or options or the issuance or sale of such Convertible Securities multiplied by such purchase price hereunder per share, plus (b) the total amount, if any, received or receivable by the Corporation as consideration for such issuance or grant or such issuance or sale, plus the additional amounts referred to and more fully set forth in clauses (1) and (2) of the parenthetical material above in this subsection (D), whichever clause and whichever additional amounts may be applicable, by (2) the total number of shares of Common Stock outstanding

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after the date of such issuance or grant or such issuance or sale, and the number of shares of Common Stock which the holder hereof shall be entitled to purchase hereunder at such adjusted purchase price per share, at the time such adjusted purchase price per share shall be in effect, shall be the number of whole shares of Common Stock obtained by multiplying such purchase price hereunder, per share, before such adjustment, by the number of shares of Common Stock purchasable upon the exercise of this Warrant immediately before such adjustment and dividing the product so obtained by such adjusted purchase price per share.

(E) For the purpose of subsections (C) and (D) above, in case the Corporation shall issue or sell Additional Shares, issue or grant any rights to subscribe for or to purchase, or any options for the purchase of (i) Common Stock or (ii) Convertible Securities, or issue or sell Convertible Securities for a consideration part of which shall be other than cash, the amount of the consideration received by the Corporation therefor shall be deemed to be the cash proceeds, if any, received by the Corporation plus the fair value of the consideration other than cash as determined by the Board of Directors of the Corporation in good faith, before deduction of commissions, underwriting discounts or allowances or other expenses paid or incurred by the Corporation for any underwriting of, or otherwise in connection with, such issuance, grant or sale.

(F) Subject to the provisions of subsection (G) below, in case the Corporation shall, while this

Warrant remains unexercised, in whole or in part, and in force, make any distribution of its assets to holders of Common Stock as a partial liquidating dividend, by way of return of capital or otherwise, then, after the date of record for determining shareholders entitled to such distribution, the holder hereof shall be entitled, upon exercise of this Warrant and purchase of any or all of the shares of Common Stock subject hereto, to receive the amount of such assets (or at the option of the Corporation, a sum equal to the value thereof at the time of such distribution to holders of Common Stock as such value is determined by the Board of Directors of the Corporation in good faith) which would have been payable to such holder had he been the holder of record of such shares of Common Stock on the record date for the determination of shareholders entitled to such distribution.

(G) Except as otherwise provided in subsection (B) above, in the case of any sales or

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conveyance of all or substantially all of the assets of the Corporation in connection with a plan of complete liquidation of the Corporation, in the case of the dissolution, liquidation or winding up of the Corporation, all rights under this Warrant shall terminate on a date fixed by the Corporation, such date so fixed to be not earlier than the date of the commencement of the proceedings for such dissolution, liquidation or winding-up and not later than thirty (30) days after such commencement date. Notice of such termination of purchase rights shall be given to the registered holder hereof, as the same shall appear on the books of the Corporation, at least thirty (30) days prior to such termination date.

(H) In case the Corporation shall, while this Warrant remains unexercised in whole or in part, and in force, offer to the holders of Common Stock any rights to subscribe for additional shares of stock of the Corporation, then the Corporation shall give written notice thereof to the registered holder hereof not less than thirty (30) days prior to the date on which the books of the Corporation are closed or a record date fixed for the determination of shareholders entitled to such subscription rights. Such notice shall specify the date as to which the books shall be closed or the record date fixed with respect to such offer or subscription, and the right of the holder hereof to participate in such offer or subscription shall terminate if this Warrant shall not be exercised on or before the date of such closing of the books or such record date.

(I) Any adjustment pursuant to the foregoing provisions shall be made on the basis of the number of shares of Common Stock which the holder hereof would have been entitled to acquire by exercise of this Warrant immediately prior to the event giving rise to such adjustment and, as to the purchase price hereunder per share, whether or not in effect immediately prior

to the time of such adjustment, on the basis of such purchase price immediately prior to the event giving rise to such adjustment. Whenever any such adjustment is required to be made, the Corporation shall forthwith determine the new number of shares of Common Stock which the holder shall be entitled to purchase hereunder and/or such new purchase price per share, and shall prepare, retain on file and transmit to the holder hereof within ten (10) days after such preparation a statement describing in reasonable detail the method used in calculating such adjustment(s).

(J) For the purposes of this Section 3, the term "Common Stock" shall include all shares of

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capital stock authorized by the Corporation's Certificate of Incorporation, as from time to time amended, which are not limited to a fixed sum or percentage of par value in respect of the right of the holders thereof to participate in dividends or in the distribution of assets upon the voluntary or involuntary liquidation, dissolution or winding-up of the Corporation.

(K) Whenever the price per share hereunder, initial or adjusted, and the number of shares of Common Stock to be purchased upon exercise hereof, initial or adjusted, shall be changed or adjusted pursuant to the provisions of this Section 3, the Corporation shall forthwith cause written notice setting forth the changed or adjusted price per share hereunder and number of shares to be purchased upon exercise hereof to be given to the holder of this Warrant.

4. (A) The Corporation agrees prior to December 31, 1995 to file a Registration Statement on the appropriate form (the "Registration Statement") with the Securities and Exchange Commission in accordance with the Securities Act of 1933, as amended (the "Act"), and hereby agrees to include in the Registration Statement among the securities to be registered the Warrants, and the shares of Common Stock into which the Warrants are exercisable, at the Corporation's sole cost and expense.

(B) The Corporation agrees that so long as the holder hereof owns any of the Warrants or any shares of Common Stock issued upon the exercise thereof, at the written request of the holder hereof made at any time, it will prepare and file with the Securities and Exchange Commission a post-effective amendment to the Registration Statement or a new registration statement with respect to a then proposed public offering by the holder hereof of the Warrants or shares of Common Stock issued or issuable upon exercise thereof, all of the expenses of preparation and filing of such post-effective amendment or new registration statement, including legal, accounting, printing, blue sky and other fees and expenses, to be borne by the Corporation.

(C) The Corporation agrees that at any time the Corporation contemplates filing under the Act an amendment to the Registration Statement or a new registration statement, it shall notify the holder hereof in writing at least thirty (30) days prior to the filing of such amended or new

registration statement of its intention to do so, and in such case the holder hereof shall have the right, upon written notice delivered to the Corporation within twenty (20) days after receipt of notice from the Corporation, to require that such Warrants and such shares of Common Stock be included in such amended or new registration statement. In the event that the

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holder hereof elects to so include such Warrants or such shares of Common Stock, the Corporation shall pay all of the expenses of preparation and filing of such new registration statement, including legal, accounting, printing, blue sky and other fees and expenses.

(D) The Corporation agrees to use its best efforts to cause any such post-effective amendment to the Registration Statement or such new registration statement to become effective as promptly as possible. The Corporation agrees to file such post-effective amendment or amendments to any post-effective amendment or new registration statement or supplements to any prospectus contained therein as may be required so that there will continuously be available (for so long a period of time as such prospectus may be used under the Act or otherwise as may be determined by the Securities and Exchange Commission) a prospectus meeting the requirements of the Act. The Corporation agrees to provide a reasonable number of copies of any preliminary or final prospectus forming a part of such post-effective amendment or new registration statement, and the Corporation shall comply with the blue sky laws of such states as may be requested by the holder of the Warrants or shares of Common Stock issued upon exercise hereof; provided, however, that the Corporation shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation under the laws of any such state. Such provision and such compliance shall be at the expense of the Corporation. The Corporation agrees to indemnify the holder of the Warrants and shares of Common Stock issued upon exercise hereof to the usual extent in connection with liabilities and expenses arising out of material misrepresentations or omissions in such post-effective amendment or new registration statement against the indemnification of the Corporation by the holder of the Warrants and shares of Common Stock issued upon exercise hereof to the usual extent.

(E) The holder hereof agrees that the Warrants and shares of Common Stock will not be offered or sold (1) unless at the time of such offer or sale, there is delivered a prospectus meeting the requirements of the Securities Act of 1933, as amended, forming a part of an applicable post-effective amendment to the Registration Statement, or forming a part of a new registration statement with respect to such offer and sale, or (2) unless in the opinion of counsel to the Corporation satisfactory to the holder hereof, such offer and sale is exempt from the provisions of Section 5 of the Act. In connection with the preparation of any post-effective amendment to the Registration Statement or any new registration statement, the holder hereof agrees to furnish the Corporation with information, in writing, concerning the terms of the proposed offer.

5. The Corporation agrees at all times to reserve or hold available a sufficient number of shares of Common Stock

to cover the number of shares issuable upon the exercise of this and all other Warrants of the same class.

6. This Warrant shall not entitle the holder hereof to any voting rights or other rights as a shareholder of the Corporation, or to any other rights whatsoever except the rights herein expressed, and no dividends shall be payable or accrue in respect of this Warrant or the interest represented hereby or the shares purchasable hereunder until or unless, and except to the extent that, this Warrant shall be exercised.

7. This Warrant is exchangeable upon the surrender hereof by the holder hereof to the Corporation for new Warrants of like tenor representing in the aggregate the right to purchase the number of shares purchasable hereunder, each of such new Warrants to represent the right to purchase such number of shares as shall be designated by the holder hereof at the time of such surrender.

8. The Corporation will transmit to the holder of this Warrant such information, documents and reports as are generally distributed to shareholders of the Corporation concurrently with the distribution thereof to such shareholders.

9. Notices to be given to the holder of this Warrant shall be deemed to have been sufficiently given if delivered or mailed, addressed in the name and at the address of such holder appearing in the records of the Corporation, and if mailed, sent first class registered or certified mail, postage prepaid. The address of the Corporation is 100 Jericho Quadrangle, Jericho, New York 11753, and the Corporation shall give written notice of any change of address to the holder hereof.

IN WITNESS WHEREOF, the Corporation has caused this Warrant to be executed by the signature of its President and its seal affixed and attested by its Secretary.

Dated: May 8, 1991

INSTRUMENT SYSTEMS CORPORATION

By: /s/ Robert Balemian  
Robert Balemian, President

[Corporate Seal]

ATTEST:

/s/ Susan Reilly  
Susan Reilly, Secretary

SUBSCRIPTION FORM

To Be Executed By the Holder  
If He Desires to Exercise The  
Warrant in Whole Or In Part

TO: INSTRUMENT SYSTEMS CORPORATION

The undersigned hereby irrevocably elects to exercise the right of purchase represented by the within Warrant for, and to purchase thereunder, \_\_\_\_\_ shares of the stock provided for therein and tenders payment herewith to the order of INSTRUMENT SYSTEMS CORPORATION in the amount of \$ (such payment being in cash or by certified or official bank or bank cashier's check) in accordance with the terms of the within Warrant. The undersigned requests that certificates for such shares be issued in the name of

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Social Security or  
other identifying number  
of Subscriber)

\_\_\_\_\_  
(Address)

and to be delivered to \_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Address)

and, if said number of shares shall not be all the shares purchasable hereunder, that a new Warrant for the balance remaining of the shares purchasable under the within Warrant be registered in the name of, and delivered to, the undersigned at the address stated below.

\_\_\_\_\_  
(Address)

Dated: \_\_\_\_\_, 19

\_\_\_\_\_  
(Signature)  
NOTE: The signature to this  
Subscription must correspond  
with the name as written  
upon the face of this  
Warrant in every particular,  
without alteration or  
enlargement or any change  
whatever.

ASSIGNMENT

To Be Executed By The Holder  
If He Desires To Assign The  
Warrant In Its Entirety

FOR VALUE RECEIVED, \_\_\_\_\_

hereby sells, assigns and transfers unto \_\_\_\_\_

-----  
(Please insert Social Security  
or other identifying number of  
Assignee)

the right to purchase \_\_\_\_\_ shares of Common  
Stock of the within named Company evidenced by the within  
Warrant, together with all right, title and interest therein,  
and does hereby irrevocably constitute and appoint

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attorney to transfer the said Warrant on the books of said  
Company, with full power of substitution in the premises.

Dated: \_\_\_\_\_, 19

-----  
(Signature)

NOTE: The signature to this  
Assignment must correspond  
with the name as written  
upon the face of this  
Warrant in every particular,  
without alteration or  
enlargement or any change  
what-ever.

SIGNATURE GUARANTEED:

[Letterhead of Wachtell, Lipton, Rosen & Katz]

February 10, 1997

Griffon Corporation  
100 Jericho Quadrangle  
Jericho, New York 11753

Gentlemen:

We have acted as special counsel to Griffon Corporation, a Delaware corporation (the "Company"), in connection with the Registration Statement on Form S-3 of the Company, to be filed with the Securities and Exchange Commission on February 10, 1997 (the "Registration Statement"), relating to the registration under the Securities Act of 1933, as amended, of 226,413 shares of the Company's Common Stock, par value \$.25 per share (the "Shares"), and the associated Preferred Share Purchase Rights (the "Rights") to be sold pursuant to such Registration Statement by certain securityholders described in the Registration Statement.

In this connection, we have reviewed: (i) the Restated Certificate of Incorporation and By-Laws of the Company as currently in effect; (ii) the Registration Statement; (iii) the Rights Agreement dated as of May 9, 1996 (the "Rights Agreement"), between the Company and American Stock Transfer & Trust Company as Rights Agent; (iv) certain resolutions adopted by the Board of Directors of the Company; and (v) such other documents, records and other matters as we have deemed necessary or appropriate in order to give the opinions set forth herein. We are familiar with the proceedings heretofore taken by the Company in connection with the authorization, registration, issuance and sale of the Shares and associated Rights. We have, with your consent, relied as to factual matters on certificates or other documents furnished by the Company or its officers and by governmental authorities and upon such other documents and data that we have deemed appropriate. We have assumed the authenticity of all documents submitted to us as originals and the conformity to original documents of all documents submitted to us as copies.

We are members of the Bar of the State of New York and express no opinion as to the laws of any jurisdiction other than the laws of the State of New York and the General Corporation Law of the State of Delaware.

Based on such examination and review and subject to the foregoing, we are of the opinion that: (i) the Shares, when sold in the manner set forth in the Registration Statement, will be legally issued, fully paid and nonassessable; and (ii) the Rights issued together with the Shares, assuming issuance of the Rights in accordance with the terms of the Rights Agreement, will be validly issued and

binding obligations of the Company and entitled to the benefits of the Rights Agreement.

We consent to the use of this opinion as an Exhibit to the Registration Statement and to

the reference to us under the caption "Legal Matters" in the Prospectus that is a part of the Registration Statement. In giving such consent, we do not hereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act of 1933, as amended.

Very truly yours,

WACHTELL, LIPTON, ROSEN & KATZ

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in this registration statement of our report dated November 6, 1996 included in Griffon Corporation's Form 10-K for the year ended September 30, 1996 and to all references to our Firm included in this registration statement.

ARTHUR ANDERSEN LLP

February 7, 1997  
Roseland, New Jersey