

Investment Adviser Brochure

Form ADV Part 2A Disclosure Statement

LiftForward

LiftForward, Inc.

July 3, 2014

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This brochure provides information about the qualifications and business practices of LiftForward, Inc. The term “registered” refers to our legal status and does not imply a particular level of training or expertise. If you have any questions about the contents of this brochure, please contact us at 646.396.3704 or chris@liftforward.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 is available on the SEC’s website at www.adviserinfo.sec.gov.

July 2014

Dear Client,

We are pleased to provide you with our Investment Adviser Brochure (“Brochure”), which is also known as Part 2A of our firm’s SEC Form ADV. It contains important information about our business practices as well as a description of potential conflicts of interest relating to our advisory business which could affect your relationship with us. This Brochure applies to the investment activities of LiftForward, Inc. (“LiftForward”).

We are providing you with this material in accordance with Rule 204-3 of the Investment Advisers Act of 1940, which requires a registered investment adviser to provide a written disclosure statement upon entering into an advisory relationship. Future updates to this Brochure may be obtained by written request to LiftForward, Inc., Attn: Chief Compliance Officer, 261 Madison Avenue, New York, New York, 10016.

This Brochure is intended for clients whose accounts are serviced (directly or indirectly) by LiftForward. Thank you for choosing LiftForward. If you have any questions about the information in this statement, please contact your LiftForward client service representative.

Respectfully yours,

Chris Reilly
Chief Compliance Officer
Chief Risk Officer
LiftForward

A. LiftForward's Investment Advisory Business (ADV Item 4)

INTRODUCTION

LiftForward, Inc. ("LiftForward") is Software as a Service ("SaaS") company with investment adviser capabilities.

Our mission is to strengthen communities and affinity groups by promoting the flow of capital within them.

How do we do it?

- Manage an online funding platform that enables borrowers and investors to connect in real-time.
- Ensure amazing customer service for both the borrowers and investors.
- Provide data products that benefit the community.

HISTORY OF LIFTFORWARD

LiftForward is an online funding platform for communities and affinity groups which enable them to connect their small business members with various forms of capital. LiftForward also provides the platform, underwriting and servicing. Communities bring both small businesses looking for capital and capital seeking investment -- LiftForward provides the SaaS platform facilitating the transactions.

LiftForward empowers communities by providing them the means to recycle their capital within the community. Most communities have investors that invest outside of the community. Now the investor has a choice to support the causes and community members they care about while potentially participating in any upside. Community members who need capital will now have a stronger connection to the lender, which will lead to benefits beyond capital, and better the community.

LiftForward was founded in 2013 by Jeffrey Rogers. The technology platform is fully operational and companies are benefitting from the platform. LiftForward is currently being funded by its founder and funds from operations.

OWNERSHIP OF LIFTFORWARD

LiftForward is wholly owned by its founder, Jeffrey Rogers.

ASSETS UNDER MANAGEMENT

Currently, LiftForward does not have any assets under management. Notwithstanding, accredited investors have provided funds to companies on the LiftForward platform. LiftForward may manage capital in the future.

OUR APPROACH TO INVESTING

The foundation of LiftForward's approach to choosing potential investments is research and intense due diligence. Our research disciplines include fundamental analysis, quantitative analysis, and economic analysis. Clients may terminate the relationship with LiftForward at any time.

CLIENT INVESTMENT GUIDELINES

Each investment option offered by LiftForward is defined by its own investment parameters and investment guidelines developed by the firm. These guidelines are described in various marketing and other materials provided to clients, as well as in direct discussions with clients.

B. Fees and Compensation (ADV Item 5)

LiftForward may be generally compensated on the basis of fees calculated as a percentage of a client's assets under management. In certain instances, however, LiftForward may be compensated under performance-based fee arrangements in compliance with Rule 205-3 promulgated by the US Securities and Exchange Commission ("SEC") under the Investment Advisers Act of 1940, as amended (the "Advisers Act"). Compensation for employee benefit plans is subject to applicable regulations and opinions of the Department of Labor under ERISA. LiftForward may also, on occasion, be compensated through fixed-fee arrangements.

INSTITUTIONAL FEE ARRANGEMENTS

Fees that are calculated as a percentage of assets under management are generally charged quarterly based upon the amount of assets under management at the beginning or the end of the quarter, or the average over the quarter or preceding quarter, as agreed with the client. In the event a client terminates its advisory contract with LiftForward during a quarterly period, the fee for that period will be prorated based on the number of days or months during the period in which LiftForward performed services. The client is also entitled to a pro rata refund of the portion of the quarterly fee, when paid in advance, for the remaining balance of the quarter.

Institutional fees may be modified in certain circumstances including where an account exceeds a certain market value or is expected to grow rapidly; where a relationship already exists with a client; or where the client retains LiftForward to provide services with respect to several investment mandates.

In a number of institutional strategies, clients have the option of having their management fees billed to them on a quarterly basis, or having such fees deducted quarterly from their account.

LiftForward is open to various performance-based fee arrangements available for interested clients, including, a reduced asset-based fee, which is billed quarterly, and an annual performance-based fee, which is calculated as a percentage of the account's outperformance relative to an agreed upon performance benchmark over a specified period of time. Performance-based fees are negotiated in advance with the client.

C. Performance Fees and Side-by-Side Management (ADV Item 6)

POTENTIAL CONFLICTS FROM ADVISING DIFFERENT CLIENTS

LiftForward does not offer a comprehensive set of investment options. LiftForward only presents investment opportunities which are listed on its platform. Although not common, LiftForward may have an interest in some of the investment options listed on its platform. It will be fully disclosed to all clients if any such interests exist.

STEPS TO TREAT CLIENTS FAIRLY

We will be conscious of any potential conflicts. Overall, where we are providing fiduciary services, the goal of our policies and procedures is to act in good faith and to treat all client accounts in a fair and equitable manner over time, regardless of their strategy, fee arrangements or the influence of their owners or beneficiaries. These

policies include those addressing the fair allocation of investment opportunities across client accounts and the best execution of all client transactions.

LiftForward has adopted the following approach related to the fair allocation of investment opportunities. Implementation of this approach is designed to help ensure that each client receives fair and equitable treatment in the investment process:

Employee and Firm Interests. Accounts or investment opportunities in which our employees or affiliates have a beneficial interest, or in which LiftForward has a conflict of interest, do not receive preferential treatment.

Identifying Accounts for Participation. The decision on which accounts should participate in an investment opportunity, and in what amount, is based on the type of opportunity, security or other asset, the present or desired structure of the various portfolios and the nature of the account's goals. Other factors include risk tolerance, tax status, permitted investment techniques and, for fixed-income accounts, the size of the account and other practical considerations.

Priority of Orders. When the liquidity on the LiftForward platform is not sufficient to fill all client orders, we may give priority to certain orders over others. This prioritization is based solely on objective factors driving the order.

D. Types of LiftForward Clients (ADV Item 7)

LiftForward offers investment services to clients for a fee through operations in the United States. We provide or will provide investment advice to banks and thrift institutions, trusts, estates, government agencies, charitable organizations, individuals, corporations and other business entities.

Our investment advisory products and services are offered to clients through two relationship channels—Institutional Services and Retail Services.

INSTITUTIONAL CLIENTS

Our institutional client base includes or will include unaffiliated corporate and public employee pension funds, endowment funds, domestic institutions and governments.

RETAIL INVESTORS

Although it is a small part of our business, we will provide very limited investment management and related services to a wide variety of individual accredited investors, both in the US and internationally, through retail investment opportunities sponsored by LiftForward on its platform.

E. Methods of Analysis, Strategies and Risk of Loss (ADV Item 8)

OUR INVESTMENT STRATEGIES

Our professionals will employ a range of due diligence to select appropriate investment opportunities on the LiftForward platform. The investment opportunities will include long-term purchases and short-term purchases. Opportunities are allocated equitably among different client accounts over time. Trades in the same securities for all relevant clients are aggregated whenever appropriate and executed as a “block” by the brokers or counterparties we select. Our policies and procedures also set trade allocation standards appropriate to each investment discipline.

As part of our Alternative Investment Strategies hedge fund of funds platform, and in certain other services, LiftForward invests client assets in services managed by other investment advisers. LiftForward evaluates these third-party advisers prior to investing, to the best of our ability. However, those advisers are not subject to our trade allocation policies or our other compliance policies and procedures. Whenever a third-party investment adviser is responsible for managing assets in a product sponsored by LiftForward, we will make such disclosure to the investors in that product.

THE RISKS OF INVESTING

As with any investment, there is no guarantee that your investments on the LiftForward platform will achieve its investment objective. You could lose money by investing in our services or on our platform, and you alone will bear such losses.

The value of your investment in a LiftForward service or on the LiftForward platform may be affected by one or more of the following risks, any of which could cause the investment’s return, the principal of the investment’s or the investment’s yield to fluctuate:

Market Risk. The value of your portfolio’s assets will fluctuate as the stock or bond market fluctuates. The value of your investments may decline, sometimes rapidly and unpredictably, simply because of economic changes or other events that affect large portions of the market.

Management Risk. Your portfolio is subject to management risk because it is actively managed by our investment professionals. We will apply our investment techniques and risk analyses in making investment decisions for your portfolio, but there is no guarantee that these techniques and our judgments will produce the intended results.

Interest Rate Risk. Changes in interest rates will affect the value of your portfolio’s investments in fixed-income investments or securities. When interest rates rise, the value of investments in fixed-income securities tend to fall and this decrease in value may not be offset by higher income from new investments. Interest rate risk is generally greater for fixed-income securities with longer maturities or durations.

Credit Risk. An issuer or guarantor of a fixed-income security, or the counterparty to a derivatives or other contract, may be unable or unwilling to make timely payments of interest or principal, or to otherwise honor its obligations. The issuer or guarantor may default causing a loss of the full principal amount of a security. The degree of risk for a particular security may be reflected in its credit rating. There is the possibility that the credit rating of a fixed-income security may be downgraded after purchase, which may adversely affect the value of the security. Investments in fixed-income securities with lower ratings tend to have a higher probability that an issuer will default or fail to meet its payment obligations. **Allocation Risk.** The allocation of investments among different global asset classes may have a significant effect on your portfolio’s value, when one of these asset classes is performing more poorly than others. As both the direct investments and derivative positions will be periodically adjusted to reflect our view of market and economic conditions, there will be transaction costs which may be, over time, significant. In addition, there is a risk that certain asset allocation decisions may not achieve the desired results and, as a result, your portfolio may incur significant losses.

Liquidity Risk. Liquidity risk exists when particular investments are difficult to purchase or sell, possibly preventing us from selling out of such illiquid securities at an advantageous price. Derivatives and securities involving substantial market and credit risk also tend to involve greater liquidity risk.

Capitalization Risk. Investments in small- and mid-capitalization companies may be more volatile than investments in large-cap companies. Investments in small-cap companies may have additional risks because these companies have limited product lines, markets or financial resources.

Real Estate Related Securities Risk. Investing in real estate related securities includes, among others, the following risks: possible declines in the value of real estate; risks related to general and local economic conditions, including increases in the rate of inflation; possible lack of availability of mortgage funds; overbuilding; extending vacancies of properties; increases in competition, property taxes and operating expenses; changes in zoning laws; costs resulting from clean-up of, and liability to third parties for damages resulting from, environmental problems; casualty or condemnation losses; uninsured damages from floods, earth quakes or other natural disasters; limitations on and variations in rents; and changes in interest rates. Investing in Real Estate Investment Trusts (“REITs”) involves certain unique risks in addition to those risks associated with investing in the real estate industry in general. REITs are dependent upon management skills, are not diversified, and are subject to heavy cash flow dependency, default by borrowers and self-liquidation.

Business Continuity Risk. We have adopted a business continuation strategy to maintain critical functions in the event of a partial or total building outage affecting our offices or a technical problem affecting applications, data centers or networks. The recovery strategies are designed to limit the impact on clients from any business interruption or disaster. Nevertheless, our ability to conduct business may be curtailed by a disruption in the infrastructure that supports our operations and the regions in which our offices are located.

Please note that there are many other circumstances not described here that could adversely affect your investment and prevent your portfolio from reaching its objective.

F. Disciplinary Information (ADV Item 9)

All aspects of LiftForward’s business are subject to various federal and state laws and regulations. Currently, there are no material regulatory enforcement proceedings pending against LiftForward.

G. Other Financial Industry Affiliations (ADV Item 10)

Neither LiftForward nor its executive officers are actively engaged in any business other than providing a platform for investment options.

OUR AFFILIATED BROKERS

At this time, LiftForward does not have any affiliated brokers. Notwithstanding, LiftForward may from time to time work with independent broker-dealers.

OTHER RELATED ENTITIES

At this time, LiftForward does not have any related entities. Notwithstanding, LiftForward may from time to time establish partnership with various entities.

H. Code of Ethics, Personal Trading, and Client Transactions (ADV Item 11)

OUR CODE OF ETHICS

All LiftForward employees are required to follow our Code of Business Conduct and Ethics (the “Code” and “Code of Ethics”).

The Code summarizes the firm’s values, ethical standards, and commitment to address potential conflicts of interest that arise from its activities. Policies and procedures have been designed to implement the principles in the Code, some of which are described in this section.

A copy of The Code may be obtained from LiftForward by writing to the Chief Compliance Officer, 265 Madison Avenue, 10th Floor, New York, NY 10016.

EMPLOYEE PERSONAL TRADING

Personal securities transactions by an employee of an investment adviser may raise a potential conflict of interest when that employee owns or trades in a security that is owned or considered for purchase or sale by a client, or recommended for purchase or sale by an employee to a client. LiftForward’s Code of Ethics includes rules that are designed to detect and prevent conflicts of interest when investment professionals and other employees own, buy or sell securities which may be owned by, or bought or sold for clients.

The Code’s rules generally discourage employees from engaging in personal securities trading. Before an employee can engage in a personal securities trade, the Code requires that he or she obtain preclearance from our compliance personnel. (Investments in open-ended mutual funds and certain ETFs are exempt from preclearance.) Securities purchased by employees must be held for at least 90 days. An employee is allowed to conduct up to five securities trades each month. The Code requires US employees to maintain accounts at certain designated brokerage firms, and requires that all employee personal accounts be disclosed to the firm.

Subject to certain controls, we allow our employees to hire discretionary investment advisers to manage their personal accounts.

The Code’s personal trading procedures are administered by the firm’s Legal & Compliance Department. The firm has established a Code of Ethics Oversight Committee, which is responsible for reviewing exceptions to and violations of the Code, as well as establishing new or amending rules as necessary. The members of that Committee are some of LiftForward’s most senior personnel.

OUTSIDE BUSINESS AFFILIATIONS

Under our Code of Ethics, employees of LiftForward are permitted to serve on the boards of directors of not-for-profit organizations such as educational institutions, charitable foundations or other civic organizations. These organizations may issue publicly traded debt obligations to fund projects such as the construction of buildings, dormitories, etc. LiftForward may purchase such securities on behalf of its client accounts.

Employees of LiftForward are also permitted to serve on the boards of directors of unaffiliated publicly traded companies. However, LiftForward may NOT purchase such securities for any reason, including purchasing such securities on behalf of its client accounts.