

Item 1 – Cover Page

WaterFront Wealth, Inc.

6711 W 121st St, Suite 200
Overland Park, KS 66209

913-951-5800 (phone)

913-951-5809 (fax)

www.waterfrontwealth.com

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This Brochure provides information about the qualifications and business practices of WaterFront Wealth, Inc. If you have any questions about the contents of this Brochure, please contact us at 913-951-580 and/or 855-875-0100, or by fax at 913-951-5809. 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.

WaterFront Wealth, Inc. is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information about which you determine to hire or retain an adviser.

Additional information about WaterFront Wealth, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov.

Date Updated: September 2015

Item 2 – Material Changes

1. This is our initial filing of the ADV Part 2, also known as our Brochure. There have been no previous versions.
2. In future filings, this section of the Brochure will address only those “material changes” that have been incorporated since our last delivery or posting of this document on the SEC’s public disclosure website (IAPD) www.adviserinfo.sec.gov.
3. We may, at any time, update this Brochure and either send you a copy or offer to send you a copy either by electronic means (email) or in hard copy form.

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Item 4 – Advisory Business

WaterFront Wealth, Inc. (“WaterFront,” “We,” or “the Firm”) is a corporation organized in the state of Kansas. WaterFront was founded in 2012 by Roger C. Ratzlaff Jr., the principal owner and managing director. Mr. Ratzlaff began his career in investment planning began in 1988, with A.G. Edwards, a predecessor firm of Wells Fargo Advisors. In May of 2012, Roger and a small group of financial advisors set out to start WaterFront Wealth. Mr. Ratzlaff remains registered with Wells Fargo Financial Advisers Network, LLC and WaterFront Wealth is a registered branch office of that broker-dealer. He and his team at WaterFront work together to provide customized strategies for a wide range of clients.

WaterFront specializes in managing financial assets for individuals, families, estates, trusts, and group retirement plans. WaterFront is primarily focused on the selection and monitoring of specific non-proprietary investments, then using these investments inside actively managed accounts. Advisory services are typically performed in exchange for a fee which is calculated as a fractional percentage of assets managed (see item 5 for details on our fees). As this is the initial filing, WaterFront has no assets under management.

At WaterFront we recognize that each client has individual objectives and goals, which are determined during the initial consultation, and reaffirmed periodically. Clients determine the level of risk they are willing to take with their assets and their estimated time horizon. The term “time horizon” refers to the amount of time clients feel they have before they think they will start spending the assets in their account, whether it be for their own retirement or some other financial objective. Our advice requires an understanding of your financial condition, goals, and tolerance for risk.

Investment Advisory/Portfolio Management Services

WaterFront provides discretionary portfolio management, financial planning, and retirement plan consulting services. WaterFront offers active money management services for individuals, high net worth individuals, families, employer-sponsored qualified plans, small businesses, trusts, and foundations.

Investment Philosophy

We believe that the investment mix should match the individual needs, risk tolerance, goals, and time horizon of each client.

Investment Strategy

WaterFront remains affiliated with Wells Fargo Advisors Financial Network, LLC, the independent brokerage arm of Wells Fargo & Co., commonly known as FiNet. WaterFront works within FiNet's Private Investment Management ("PIM") program. The PIM program is a discretionary program in which the Financial Advisor is the portfolio manager. The PIM program allows the Financial Advisor to manage portfolios based on his own personal investment styles. Asset allocation and securities selection are determined by the Financial Advisor in conjunction with client objectives.

WaterFront employs a flexible investment strategy with the freedom to invest in a wide variety of asset classes. WaterFront generally limits its investment advice and/or money management to Stocks, Bonds, Cash, Mutual Funds, Closed End Funds, Exchange Traded Funds, Wrap Unit Investment Trusts, CDs, and Covered Options. WaterFront combines fundamental and technical analysis in seeking to profit from market trends and the future expectations of companies, industries, regions, and countries. The Firm's driving objectives in investment strategies are diversification, discipline, and consistent favorable and competitive returns.

Item 8 further describes our Methods of Analysis, Investment Strategies and Risks of Loss.

401(k) and 403(b) Account Management

WaterFront can also provide investment advisory services to 401(k) and 403(b) participants who want additional assistance in selecting investments in their plan. On most of our plans we offer actively managed model portfolios similar to those offered for our individual clients. WaterFront representatives do not solicit participants to make in-service distributions of their retirement plan accounts.

Employer-Sponsored Retirement Plan Consulting

Under ERISA, plan fiduciaries are required to act with the skill, knowledge, and expertise of a prudent expert with respect to plan-related decisions regarding investments, service providers, plan administration, and general ERISA compliance issues. If they do not have this expertise they are required to obtain it, or risk personal liability. WaterFront offers fiduciary level advisory services, as well as assisting plan sponsors with all aspects of ERISA plan management, including plan design, investment due diligence, vendor searches, fee analysis, employee education and other fiduciary guidance for plan sponsor retirement plan committees.

Plan Design

Through our relationships with several nationally recognized plan recordkeeping, benefits consulting and "third party administration" (TPA) firms, WaterFront is positioned to help clients design, implement and maintain the right plan for their business and employees.

Investment Due Diligence

Choosing and monitoring investments to be offered in the plan has an impact to a participant's retirement experience. ERISA §404(a) charges investment fiduciaries of a qualified plan, such as a 401(k) plan, with the duty to provide a prudent variety of diversified investment options. It also offers fiduciaries a so-called "safe harbor" in the form of ERISA §404(c). It states that, by prudently selecting and monitoring the investment options in the plan and complying with the §404(c) requirements, the fiduciary will not be liable for the investment decisions made by the participants. These requirements include the duty to provide plan participants with a broad (well-diversified) investment selection.

Independent advisors do not have the authority to certify that employers are complying with ERISA requirements; however WaterFront offers independent, objective and ongoing investment analysis to assist clients in this important responsibility.

WaterFront does not provide financial planning, legal or tax advice to plan sponsors or participants. However, company executives and individual participants may contact us directly to provide financial planning services for them on an individual basis, separate from the services being provided on their plan.

Wrap Fee Program(s)

WaterFront is not a portfolio manager to any wrap fee program (a type of investment program that provides clients with access to several money managers or mutual fund asset allocation models for a single fee that includes administrative fees, management fees, and commissions) nor does WaterFront refer its clients to any wrap fee program.

Item 5 – Fees & Compensation

Portfolio Management Service Fees

For individual Portfolio Management services WaterFront charges an aggregated fee, based on a percentage of total household assets under management. Fees are negotiable. The maximum WaterFront fee schedule based on account value is:

Account Size	Annual Fee
Up to \$249,999	1.50% to 3.00%
\$250,000 to \$749,999	1.25% to 2.25%
\$750,000 to \$4,999,999	1.00% to 2.00%
Over \$5,000,000	Negotiable

The minimum amount for investment management is \$25,000.

Our annual portfolio management fee is billed and payable quarterly in advance based on the value of your account on the last trading day of the previous quarter. If the portfolio management agreement is executed at any time other than the first day of a calendar quarter, our fees will apply on a pro rata basis, which means that the advisory fee is payable in proportion to the number of days in the quarter for which you are a client.

At our discretion, we may combine the account values of family members living in the same household to determine the applicable advisory fee. For example, we may combine account values for you, your spouse, joint accounts with your spouse, your minor children, and other types of related accounts. Combining account values may increase the asset total, which may result in your paying a reduced advisory fee based on the available breakpoints in our fee schedule stated above. WaterFront may in its sole discretion change the actual fee charged upon thirty days written notice to the client. Clients may accept the change or close the account.

WaterFront will not require that more than 50% of the fee be paid in advance. Under no circumstances will WaterFront require prepayment of a fee more than six months in advance and/or in excess of \$500.

The client may terminate the consulting agreement within five days of the date of executing the agreement for services without penalty. After the five-day period, either party may terminate the agreement by providing written notice to the other party. In the event there are any prepaid unearned fees, WaterFront will promptly refund a pro-rata share of the unearned fees to the client.

Advisory services for Employer Sponsored Retirement Plans

WaterFront provides both advisory and consulting services on employer sponsored retirement plans. Depending on the size of the plan and the scope of services desired, WaterFront's annual advisory fees can range from .50% to 2.00% of the total plan assets under management. The actual aggregated fee percentage charged depends on the size of the account and the level of services requested. WaterFront may also elect to charge a flat fee depending on the scope of work performed. WaterFront may also offer a separate, managed portfolio service for the plan participants. This service is typically charged to the participants who elect this optional service, however the plan sponsor may choose to have this cost added to the base advisory fees at a discounted rate. Similarly to the base advisory fees, the managed portfolio fees adjust automatically with the level of plan assets.

Publications of Periodicals/Newsletters

Investment advisor representatives at WaterFront will from time to time publish newsletters and/or market commentary to help share with clients their individual perspective on how current events may affect market activity.

Educational Seminars/Workshops

WaterFront will hold free educational seminars for our clients. There is no additional fee for any seminar or workshop.

Investment Advisory Agreement

Both the description of services offered and the specific manner in which fees are charged by WaterFront are established in the client's written "investment advisory agreement" with WaterFront. Depending on the type of account, WaterFront bills its fees either on a monthly or quarterly basis. Individual clients are billed in advance, while billing is in arrears for Employer Sponsored group retirement plan accounts. WaterFront's fee is based on the total value of the account on the last day of the previous management period. Fees are typically deducted from the client's account. In rare circumstances and under a written agreement the client can elect to pay us directly. Employer Sponsored Retirement Plan clients can elect to pay WaterFront directly for fees or they can authorize WaterFront and the record-keeper to directly debit fees from the plan account. Either WaterFront or their clients may terminate advisory agreements for any reason with written notice. Upon receipt of written notice of termination (or communication by the Brokerage firm or custodian), WaterFront will cease all advisory work on the client's account as of that date.

In addition to advisory and underlying investment fees, client accounts are also subject to various custodial or account administration fees. These fees vary with each custodian but are always fully disclosed to the client in advance. WaterFront's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees, and commissions are exclusive of and in addition to WaterFront's fee; however WaterFront shall not receive any portion of these charges, fees or commissions.

Timing for Fee Billing

Client will pay Adviser a fee for its investment management services. The actual fee will be a fractional percentage of the market value of all assets in the Account on the last trading day of the previous management period. For individual client accounts, the management fee is payable quarterly in advance. For employer sponsored retirement plans, fees may be billed quarterly and in arrears. Account assets invested in shares of mutual funds or other investment companies will be included in calculating the value of the Account for purposes of computing Adviser's fees. These same assets will also be subject to any management fees and expenses as set forth in the

prospectuses of those funds. Such fees and expenses are paid by the funds but ultimately borne by the investor.

Billing Process

For advisory fees the account billing process is automated. Clients who wish to terminate their advisory arrangement with WaterFront will be refunded any portion of prepaid advisory or administration fees on a pro-rata basis. WaterFront does not have the ability to control the underlying management or administration fees charged by the custodians or by the investments offered or those held by the client.

Other Fees and Compensation

WaterFront typically charges a fee for services based on assets under management. However there may be specific investments desired by the client which require the representative to be paid solely on a commission basis from the investment company offering the product. If and when this situation arises, the client will be informed of the situation, and any fees or commissions associated with such an investment purchase, as well as any potential conflict of interest, will be fully disclosed.

Not all investment products are available through all brokers or agents; however WaterFront does not offer its own proprietary products. Therefore, depending on the investment product in question, Clients may have the option to purchase the same investment products we offer through other brokers or agents that are not affiliated with us.

WaterFront's investment adviser representatives (IAR) are also registered with Wells Fargo Advisors Financial Network, LLC (WFAFN), a registered broker dealer. That broker-dealer or its affiliates provide execution, clearing, and custody services for WaterFront. Investment products and services are offered through WFAFN. Wells Fargo Advisors is the trade name used by two separate registered broker-dealers: Wells Fargo Advisors, LLC and Wells Fargo Advisors Financial Network, LLC.

To protect our clients from the inherent conflicts of interest involved in commission-based investment products, WaterFront makes every effort to select investments which can be managed under a fee arrangement. Approximately 20% of our firm's revenue is derived from non-advisory fees.

For clients with smaller account levels it is sometimes difficult to diversify fully assets into low cost investments. There are also situations in which clients want specific products which only pay commission compensation and charging a management fee on top of the commission would create a conflict of interest for WaterFront. However, investment product commission structures vary, and therefore we cannot adequately address every conceivable situation and remedy in this

paragraph. Therefore, in those rare cases when we offer commission based products, WaterFront will exclude those assets from the advisory fee calculation and subsequent billing.

Item 12 further describes the factors WaterFront considers in selecting broker-dealers for *client* transactions.

Item 6 – Performance-Based Fees & Side by Side Management

WaterFront does not currently accept performance-based fees – that is, fees based on a share of capital gains on or capital appreciation of the assets of a client. Our advisory fee compensation is charged only as disclosed above in Item 5. Additionally, WaterFront does not manage both accounts that are charged a performance-based fee and accounts that are charged another type of fee, such as an hourly, flat or an asset-based fee, also known as side-by-side management.

Item 7 – Types of Clients

As described in Item 4, WaterFront offers advisory and planning services for individuals, families, trusts, foundations and pension plans. Our typical clients are those who are experienced and comfortable with saving and investing for their retirement and their family's future, board members and/or trustees acting on behalf of the trust for an organization they represent, and employers/business owners looking for an advisory group to assist them in making prudent decisions for their employees' retirement assets. In order to be able to offer our clients our most effective work, WaterFront Financial recommends (but does not require) that clients have at least \$25,000 in total manageable assets. This allows us to prudently diversify client accounts into lower cost investment vehicles and avoid conflicts caused by certain investment minimums.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis & Investment Strategies

WaterFront employs a flexible investment strategy in the management of client assets. As noted previously, WaterFront uses the Wells Fargo Advisor's PIM program. The PIM program is a discretionary program in which the Financial Advisor is the portfolio manager. The PIM program is offered to Financial Advisors with prior portfolio management experience and allows them to manage portfolios based on their own personal investment styles. Asset allocation and securities selection are determined by the Financial Advisor in conjunction with client objectives.

WaterFront and its representatives may use open-ended, no-load, load-waived and/or non-transaction fee mutual funds, as well as domestic and foreign equity securities (common stock), exchange traded funds ("ETFs"), and fixed income securities. WaterFront does not use Wells Fargo equity structured products, uncovered options, inverse or leveraged ETFs, short selling or margin, principal or agency cross trades, annuities, managed futures, or unsolicited trades.

The first step in developing portfolios involves determining a suitable investment mix for each client. Investment experience, time horizon, financial goals, and investor psychology are all factors when creating each asset allocation.

In making investment decisions, we use a range of fundamental and technical factors provided to us by various sources. Fundamental factors may include, but are not limited to, measures such as earnings growth rates, return on capital and dividend yield. Technical factors include measures such as price performance, volatility and trading volume.

WaterFront and/or its representatives may invest all or a significant portion of a client's assets in mutual funds in order to employ the investment strategies described. As a part of our investment strategy and during periods in which we want to have limited market exposure, we may invest in money market/stable value funds or other short-term interest bearing instruments.

All investment strategies inherently expose our clients to various types and varying degrees of risk. Below we discuss those risks in greater detail.

Investment Risk

Investing in securities involves exposing financial assets to various risks that clients should be prepared to bear. The first step is taking time to understand what those risks might be.

Mutual Fund & Exchange Traded Fund Risk

There are specific risks involved in the management of mutual funds and Exchange Traded Funds which are described in detail in their prospectus. In general, ETFs and Mutual funds expose the investor to the strategy specific risk of the fund.

ETFs are subject to substantially the same risks as those associated with the direct ownership of the securities comprising the index on which the ETF is based. Additionally, the value of the investment will fluctuate in response to the performance of the underlying index, and may trade at a premium or discount to the index.

Market Risk

Stock markets can be volatile. The prices of stocks can rise and fall rapidly in response to developments affecting a specific company or industry, or to changing economic, political or

market conditions. Investments may decline in value if the stock markets perform poorly. There is also a risk that the investments will underperform the securities markets or particular segments of the securities markets.

Portfolio Turnover Risk

Portfolio turnover refers to the rate at which the selected investments are replaced. This type of turnover also occurs in mutual funds where the individual securities are traded by the fund management teams. Turnover costs (transactional and brokerage costs) may be directly affected by the rate that underlying securities are bought and sold, which may reduce the return. This cost can be mitigated if the underlying securities can be bought and sold without corresponding commission costs. Active trading of securities may also increase your realized capital gains or losses, which may affect the taxes you pay.

Foreign Risk

Foreign markets can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, market, or economic developments and can perform differently from the U.S. market. Special risks associated with investments in foreign companies include exposure to currency fluctuations, less liquidity, less developed or less efficient trading markets, lack of comprehensive company information, political instability and differing auditing and legal standards.

Small and Medium-Size Company Risk

Small and medium size companies may have narrower markets and more limited managerial and financial resources than do larger, more established companies. As a result, their performances can be more volatile and they may face a greater risk of business failure.

Issuer-Specific Risk

The value of a specific security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole. The value of securities of smaller issuers can be more volatile than that of larger issuers. The value of certain types of securities can be more volatile due to increased sensitivity to adverse issuer, political, regulatory, market, or economic developments. With Bonds there is also the risk of default by the issuer.

Derivatives Risk

Investments in futures and options are considered "derivative" investments. A small investment in derivatives could have a potentially large impact on performance. The use of derivatives involves risks different from or possibly greater than the risks associated with investing directly in the underlying assets. Derivatives can be highly volatile, illiquid and difficult to value, and there is the risk that the hedging technique will fail if changes in the value of a derivative held do not correlate with the portfolio securities being hedged.

Put and Call Options Risk

There are risks associated with the sale and purchase of call and put options. A seller (writer) of a covered call option assumes the risk of a decline in the market price of the underlying security below the purchase price of the underlying security less the premium received, and gives up the opportunity for gain on the underlying security above the exercise price of the option.

Inflation Risk

For some investors, the fear of loss of their account value may drive them to opt for lower returns with less market risk. However, even when an investment promises to provide steady respectable returns, there is still a risk that inflation will chip away at the client's purchasing power, possibly nullifying some of the gains.

Risk of Loss

All investments in securities include a risk of loss of your principal (invested amount) and any profits that have not been realized (the securities were not sold to "lock in" the profit). Stock markets, bond markets fluctuate substantially over time. In addition, as recent global and domestic economic events have indicated, performance of any investment is not guaranteed. As a result, there is a risk of loss of the assets we manage that may be out of our control. We will do our very best in the management of your assets; however, we cannot guarantee any level of performance or that you will not experience a loss of your account assets.

WaterFront does not represent, warrant or imply that the services or methods of analysis used by WaterFront can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to major market corrections or crashes. No guarantees can be offered that clients' goals or objectives will be achieved. Further, no promises or assumptions can be made that the advisory services offered by WaterFront will provide a better return than other investment strategies.

Item 9 – Disciplinary Information

We do not have any legal, financial or other "disciplinary" item to report to you. We are obligated to disclose any disciplinary event that would be material to you when evaluating us to initiate a Client / Adviser relationship, or to continue a Client /Adviser relationship with us. This statement applies to our Firm, and every employee.

Item 10 – Other Financial Industry Activities and Affiliates

WaterFront does not have any undisclosed relationship or arrangement that is material to our advisory business or to our clients.

Broker Dealer Affiliation

You should be aware that persons providing investment advice on behalf of WaterFront are registered representatives with Wells Fargo Advisors Financial Network, LLC , a securities broker-dealer, and a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC). Compensation earned by these persons in their capacities as registered representatives are separate and in addition to our advisory fees. This practice presents the potential for a conflict of interest because persons providing investment advice on behalf of our firm who are registered representatives have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on your needs. You are under no obligation, contractually or otherwise, to purchase securities products through any person affiliated with our firm.

Professional Business Relationships

WaterFront also maintains professional business relationships with various legal, accounting, recordkeeping, third-party administrators (TPAs) and other investment advisory and consulting firms, both locally and around the country. These informal relationships are created to share industry information and insight. WaterFront does not receive any compensation or shared revenue with any of these entities; therefore these relationships hold no conflict of interest for our clients.

Separate Accounts Relationships

WaterFront receives no direct or indirect compensation from any third party managers or sub-advisor.

Solicitation Arrangements

WaterFront does not participate in any solicitation arrangements.

Item 11 – Code of Ethics

In accordance with the Advisers Act, Rule 204A-1, WaterFront has adopted a Code of Ethics. This Code of Ethics outlines all who are deemed to be access persons and mandates their compliance with applicable regulations and federal laws. Additionally, these employees must engage in high ethical standards at all times and place the client's interest above their own. The Code of Ethics includes, but is not limited to, provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures. All

supervised persons at WaterFront must acknowledge the terms of the Code of Ethics annually, or as amended.

At the heart of this code is a requirement to act always in the best interest of our client and to disclose fully all fees, expenses and any conflicts or potential conflicts in interest. A copy of this Code of Ethics will be provided to any client or prospective client upon request. WaterFront's Code of Ethics mandates that our advisors act in the best interest of our clients. As such, if WaterFront or its representatives offer any investment with which we have a conflict of interest, it must be disclosed in advance.

The WaterFront Wealth, Inc. Code of Ethics will be provided to any client or prospective client upon request.

Qualified Plan Managed Portfolio Fee Disclosure

In the course of its duties with our employer-sponsored retirement plan clients, WaterFront does its best to keep base advisory fees low for all participants. In addition WaterFront offers an optional managed portfolio service to all participants for an additional fee. This fee is fully disclosed in advance and participants are not encouraged in any way to select this optional service. However, since we are acting as a fiduciary on the plan and are also conducting the education/enrollment meetings while also offering participants an additional service for an additional fee, there exists a potential conflict of interest. To ensure objectivity, WaterFront's representatives are instructed not to encourage participants to select model portfolios over managing their own accounts. Additionally, educational and enrollment material provided to plan participants fully discloses such fees and encourages participants to make their own decisions when determining whether or not to manage their own retirement account.

No Proprietary Investments

At present, WaterFront does not offer any investments in which our members, our representatives or any person related to us, have a partnership or act as a general partner. Furthermore, WaterFront does not offer any investments in which our members, our representatives or any person related to us act as an investment advisor for the investment company.

Oversight of Trading Processes

WaterFront's employees and persons associated with WaterFront are required to follow WaterFront's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of WaterFront may trade for their own accounts in securities which are recommended to, and/or purchased for, WaterFront's clients. In addition, a related person may have an interest or position in a certain security or securities which may also be recommended to the clients. All access persons are required to report all personal securities transactions at the

onset of being classified an access person and for all subsequent personal transactions in order to prevent “Front-Running.”

Records will be maintained for all securities or insurance products bought or sold by the firm, associated persons of the firm and related entities. A principal of WaterFront, or qualified representative of the firm, reviews these records on a quarterly basis.

In certain instances, IAR’s trading in their own accounts or for related persons may create either actual or perceived conflicts of interest. As such, WaterFront has established the following restrictions:

- A director, officer or IAR shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her affiliation with WaterFront or the broker dealer, unless the information is also available to the investing public on reasonable inquiry. No person shall prefer his or her own interest to that of the advisory clients.
- All clients are fully informed that certain individuals may receive separate compensation when effecting transactions during the implementation process.
- WaterFront and its employees generally may not participate in private placements without pre-clearance from the Firm's Chief Compliance Officer.
- WaterFront respects the right of clients to specify investment objectives, guidelines, and conditions or restrictions on the overall management of their accounts.
- Any individual not in observance of the above may be subject to termination.

Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored to reasonably prevent conflicts of interest between WaterFront and its clients. As an adviser to our clients, our clients’ interests must always be placed first and foremost, and our trading practices and procedures prohibit unfair trading practices and seek to disclose and avoid any actual or potential conflicts of interests or resolve such conflicts in the client’s favor.

Item 12 – Brokerage Practices

We recommend the brokerage and custodial services of Wells Fargo Advisors Financial Network LLC, the independent brokerage arm of Wells Fargo & Co., commonly known as FiNet. As noted elsewhere in this document, persons providing investment advice on behalf of WaterFront are registered representatives with Wells Fargo Advisors Financial Network, LLC .

We believe that FiNet provides quality execution services for you at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by FiNet, including the value of the firm's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm. In recognition of the value of the services FiNet provides, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

Client Directed Brokerage

If the client directs that trades be executed through another Broker-Dealer, the client is responsible for negotiating the terms and conditions (including, but not limited to, commission rates) relating to all services to be provided by that Broker-Dealer. WaterFront will assume no responsibility for obtaining the “best execution” of your trade.

Trade Aggregation

Transactions for each client account generally will be executed independently unless the Firm decides to purchase or sell the same securities for several clients at approximately the same time. WaterFront may (but is not obligated to) combine or “batch” such orders in an effort to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among its clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and transaction costs and will be allocated among WaterFront' clients in proportion to the purchase and sale orders placed for each client account on any given day. If WaterFront cannot obtain execution of all the combined orders at prices or for transactions costs that it believes are desirable, the Firm will allocate the securities that it does buy or sell as part of the combined orders by following WaterFront' order allocation procedures.

Research and Other Benefits

FiNet provides WaterFront with certain research and technology. FiNet may provide such services without cost or at a discount. WaterFront receives the software and support because it renders investment services to clients that maintain assets at FiNet. FiNet provides certain research services to the Advisor without monetary cost. This practice known as “soft dollars” creates an economic benefit that creates a conflict of interest since these benefits can influence WaterFront' choice of FiNet's broker-dealer over another broker-dealer that does not furnish similar software, systems support, or services. These benefits may or may not benefit our advisory clients.

Additionally, WaterFront receives the following benefits from FiNet: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its RIA participants; access to block trading which provides the ability to aggregate securities

transactions and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information.

Item 13 – Review of Accounts

Accounts will be reviewed internally on a regular basis. The client will be provided with written reports containing relevant information at least annually, and client accounts will be rebalanced as required. Reviews are conducted by Investment Advisor Representatives (IARs) of the firm. WaterFront may also provide clients with quarterly performance reports of their managed accounts.

Changes in a client's situation, such as investment goals, financial position, unusual economic, industry or individual investment developments may trigger a review. Marriage, divorce, death, change in employment, birth of a child, retirement, etc. may also trigger the need for additional reviews. Additionally, more active accounts and/or larger accounts may be reviewed more often as situations dictate.

Accounts will be reviewed by the Firm's Principal, Roger C. Ratzlaff Jr., and/or an Investment Advisor Representative designated for suitability. At a minimum, the client's risk tolerance and investment objectives must conform to the portfolio's investment allocation. Review of the accounts on a quarterly basis will be evidenced in writing and will be maintained by the principal.

Clients will receive monthly statements from the custodian detailing all transactions made on their behalf. If the client's account has no activity, the custodian will provide a quarterly statement. This statement will include all deposits, withdrawals, as well as entries showing the associated management fees and expenses charged/debited from the client's accounts. These reports will show the current market values and transactions during the past month or quarter as well as interest, dividends and capital gains for the reporting period.

Item 14 – Client Referrals and Other Compensation

Referral Arrangements

At any time in the future WaterFront may enter into a referral arrangement and elect to compensate certain third parties for such referrals. Clients whose accounts are the subject of such referral fees will receive full disclosure of the terms of the referral arrangement. In no case will any referral payment reduce the value of the investment or reduce the assets in the client account, or violate the terms of WaterFront's Code of Ethics.

Occasionally, WaterFront will send a "thank you" gift, such as a gift basket or similar item, to an individual or company for an advisory client referral. The value of this gift will not exceed \$100.

Item 15 - Custody

Accounts are held at First Clearing, LLC a registered broker-dealer and non-bank affiliate of Wells Fargo & Company which maintains custody client accounts. WaterFront will not maintain custody of clients' funds or securities, with the exception of deduction of WaterFront's fees from clients' accounts that are authorized in the advisory agreement between clients and WaterFront.

You will receive account statements directly from your custodian at least quarterly. The statement will be sent to the email or postal mailing address you provided to the custodian. You should carefully review these statements promptly when you receive them. WaterFront urges you to carefully review such statements and compare such official custodial records to the account statements you will receive from us. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 – Investment Discretion

WaterFront manages money on a discretionary and non-discretionary basis. In most circumstances, clients grant WaterFront complete discretion. Clients who open discretionary accounts are required to execute an Investment Advisory Agreement which, among other things, grants WaterFront advisor representatives authority to manage their assets on a discretionary basis, meaning we have the authority to select the identity and amount of securities to be bought or sold in the clients' account without obtaining specific client consent. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objective for the particular client account. For non-discretionary accounts, WaterFront will contact the client prior to executing any transaction.

As mentioned above, clients may generally not impose restrictions on investing in certain securities or types of securities. When selecting securities and determining amounts, WaterFront

observes the investment policies, limitations and restrictions of the clients for which it advises, if any. For registered investment companies, WaterFront's authority to trade securities may also be limited by certain federal securities and tax laws.

Item 17 – Voting Securities

WaterFront does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Proxies are mailed to each client directly by the respective custodian.

From time to time, securities held in the accounts of clients may be the subject of class action lawsuits. WaterFront offers no legal services, and therefore has no ability or obligation to determine if securities held by the client are subject to a pending or resolved class action lawsuit. WaterFront also has no duty to evaluate a client's eligibility or any duty to submit a claim to participate in the proceeds of a securities class action settlement or verdict. Furthermore, WaterFront has no obligation or responsibility to initiate litigation to recover damages on behalf of clients who may have been injured as a result of actions, misconduct or negligence by corporate management of issuers whose securities are held by clients. WaterFront will not be obligated to provide advice or take any action on behalf of Client with respect to securities formerly held in the account(s), or the issuers thereof, which become the subject of any legal proceedings, including but not limited to bankruptcies.

Where WaterFront receives written or electronic notice of a class action lawsuit, settlement or verdict affecting securities owned by a client, it will forward all notices, proof of claim forms and other materials to the client. Electronic mail is acceptable where appropriate when the client has authorized contact in this manner.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide clients and prospective clients with certain financial information or disclosures about their firm's financial condition. WaterFront has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

Item 19 – Principal/Executive Officer

WaterFront was founded in 2012 by Roger C. Ratzlaff Jr., the Firm's principal owner and managing director. Mr. Ratzlaff began his career in investment planning in 1988, with A.G.

Edwards, a predecessor firm of Wells Fargo Advisors. In May of 2012, Roger and a small group of financial advisors set out to start WaterFront Wealth. Mr. Ratzlaff remains registered with Wells Fargo Financial Advisers Network, LLC and WaterFront Wealth is a registered branch office of that broker-dealer. He and his team at WaterFront work together to provide customized strategies for a wide range of clients.

Mr. Ratzlaff focuses on consulting high-net-worth clients, their families and their businesses. Other areas of distinction include charitable foundations, advisement on trust planning strategies and professional money management.

Mr. Ratzlaff, like the other WaterFront investment adviser representatives, is a registered representative with FiNet Financial, a registered broker/dealer and member of FINRA. In such capacity he may offer fixed and variable life insurance products and/or brokerage products and receive normal and customary commissions as a results of any purchases made by clients. In addition, he may receive other compensation such as mutual fund, fixed or variable life trails. The potential for receipt of commissions and other compensation gives an incentive to recommend insurance and brokerage products based on the compensation received, rather than on the client's needs. To address this, disclosure is made to the client at the time purchase is made, identifying the nature of the transaction or relationship, the role to be played by your financial advisor, and any compensation (e.g., commissions, trails) to be paid by the client and/or received by anyone at WaterFront.

Mr. Ratzlaff is also engaged in real estate development and management. This activity is conducted outside of his association with WaterFront. To the extent that he is involved in these businesses, Mr. Ratzlaff will receive compensation for these services and will have financial incentive for this business to be successful.

Kansas registered firms are required to disclose whether the firm carries professional liability insurance coverage for its investment advisory services. The firm is not required to carry professional liability coverage, and does not carry such coverage.

WaterFront Wealth, Inc.

www.WaterFrontWealth.com

Privacy Policy

At WaterFront Wealth, Inc. ("WaterFront"), our relationship with you is our most important asset. We are privileged that you have entrusted us with your financial affairs and are committed to safeguarding the privacy of the information we collect. As an SEC-regulated financial institution, WaterFront is required to obtain certain personal, nonpublic information about you. The following Privacy Policy demonstrates our commitment to the confidentiality of your personal information.

HOW AND WHY WE OBTAIN PERSONAL INFORMATION

WaterFront may collect this nonpublic personal information about you in any of the following ways:

- New Account Application (i.e. Social Security number, date of birth, income and assets)
- Transaction activity (types of transactions, balances)
- Information about your transactions and account experience with WaterFront Wealth, Inc.
- Information from consumer reporting agencies (for example, to verify your identity, to assess your creditworthiness)
- Information from other outside sources regarding your employment, credit, or other relationships relevant to the services provided by us
- Demographic and other general information we obtain that allows us to develop new services that we can offer you; WaterFront limits the collection, use, and retention of your personal information to the extent of assisting us to properly administer our business, service your account and to continue to improve our services to you.

HOW WATERFRONT PROTECTS THE COLLECTION OF YOUR INFORMATION

WaterFront recognizes the importance of protecting your personal information and therefore we take the responsibility of handling both your trust and personal information extremely seriously. WaterFront does not sell client information to anyone. WaterFront does not disclose any nonpublic personal information about you, whether you are a current client or a former client, to anyone, except as permitted by law or as authorized by you. We may share your personal information that we collect *“on a strictly limited, confidential basis”* with the following entities:

- Affiliates such as service providers;
- Unaffiliated third parties such as the custodian;
- Regulatory agencies such as the SEC along with federal and state law enforcement agencies;
- Governmental agencies such as the IRS;
- Credit reporting and verification resources;
- In connection with a subpoena or similar legal process, a fraud investigation, or an audit.

WaterFront restricts access to your personal and account information to those associates who need to know that information to provide products or services to you or to assist you with the ongoing maintenance of your account. We maintain physical, electronic, contractual and procedural safeguards to guard your nonpublic personal information. WaterFront will provide you with a copy of our privacy policy annually, as long as you maintain an account with us. WaterFront reserves the right to make changes to this policy and in so doing, we will notify you in writing before we make changes that affect the way we collect or share your information.

If you are a former client of WaterFront, your information will be treated in the same manner as that of our current clients.

You can obtain a written copy of our Privacy Policy by emailing us at operations@wfwealth.com or by calling us at (855) 875-0100.

Appendix 1: Wrap Fee Programs

Item 1. Cover Page

Wrap Fee Brochure for WaterFront Investment Strategy Platform

Investment Advisory Services of WaterFront Wealth

September 2015

6711 W 121st Street, Suite 200
Overland Park KS 66209

Phone (913) 951-5800
www.waterfrontwealth.com

This wrap fee brochure provides information about the qualifications and business practice of WaterFront Wealth Inc. and our WaterFront Investment Strategy Platform (the "Program"). This information should be considered before becoming a Client of this Program. If you have any questions about the Program or the contents of this brochure, please contact us at the telephone number above.

This information has not been approved or verified by United States Securities and Exchange Commission or by any state securities authority. The advisory services described in this brochure are not insured or otherwise protected by the U.S. Government, the Federal Deposit Insurance Corporation, the Federal Reserve Board, or any other government agency and involve risk, including the possible loss of principal.

Item 2. Material Changes

This is the first Wrap Fee Brochure for the WaterFront Investment Strategy Platform Program.

Item 3. Table of Contents

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Item 4. Service, Fees, and Compensation

WaterFront Wealth, Inc. ("WaterFront" or "we") is a limited liability company organized in the state of Kansas. WaterFront was founded in 2012 by Roger C. Ratzlaff Jr., the principal owner and managing director. Mr. Ratzlaff began his career in investment planning in 1988, with A.G. Edwards, a predecessor firm of Wells Fargo Advisors. In May of 2012, Roger and a small group of financial advisors set out to start WaterFront Wealth. Mr. Ratzlaff remains a registered representative with Wells Fargo Financial Advisors Network, LLC. He and his team work together to provide customized strategies for a wide range of clients. Separate and apart from the advisory services offered through WaterFront Wealth, Roger offers brokerage services and investment recommendations as a Registered Representative of Wells Fargo Advisors Financial Network, LLC. WaterFront Wealth is independent of Wells Fargo Advisors Financial Network, LLC.

WaterFront offers its core strategies through the WaterFront Investment Strategy Platform Wrap Fee Advisory Program ("The Program") where it serves as the Program's sponsor and investment adviser. The Program is fee based (see schedule below). Wrap Fee Program fees are negotiable.

Types of Advisory Services

We sponsor the WaterFront Investment Strategy Platform Wrap Fee Advisory Program ("The Program"). This disclosure document is being provided pursuant to Section 204 of the Investment Advisers Act of 1940 and deals solely with the WaterFront Investment Strategy Platform.

You will retain the right to: (1) withdraw securities or cash; (2) vote on shareholder proposals of beneficially owned security issues, or delegate the authority to vote on such proposals to another person; (3) be provided, in a timely manner, with a written confirmation or other notification of each securities transaction, and all other documents required by law to be provided to security holders; and (4) proceed directly as a security holder against the issuer of any security in your Account. We will provide you with periodic monitoring and reporting of your portfolio's performance.

We may also give advice and take action in the performance of our duties to other Clients that differ from the advice we give you, or the timing and nature of actions we may take for any of these Program. Additionally, we may be limited in our ability to divulge or act upon certain information we possess as a result of securities related associations or other confidential sources.

The WaterFront Investment Strategy Platform is based on both fundamental and quantitative research and other independent research. Individual WaterFront IARs may choose from eight core strategies or model portfolios and may develop, within those models, specific investment strategies using a mix of these analytic methods. They also establish quality and concentration requirements to provide overall discipline. Such strategies ordinarily include long and short-term securities purchases.

We may use third-party research to assist in developing security selection strategies for the Program. When seeking to anticipate trends and identify undervalued securities with sound

fundamentals, our advisers may also use a security selection and portfolio modeling process that incorporates fundamental, technical and statistical analyses of historical data. Due to any number of factors, including timing of Client asset deposits, investment selection process or Client investment needs, certain Clients may receive different execution prices and investment results.

Below is a brief description of the core strategies available within the Program:

Ultra Bond Strategy

Investor Profile

Investors should view this portfolio as a base Fixed Income strategy. Investor could have a short to intermediate time horizon.

Portfolio Objective

The Ultra Bond Strategy is considered to income and asset stability objective with broad exposure of global as well as domestic fixed income positions. The primary objective is to a relatively stable valuation with value increase resulting from interest yield and manager generated alpha

Given stability objective, particular attention is paid to consistency of account valuations with bias toward those managers that have consistently outperformed their peer group in both up and down markets.

Portfolio Characteristics

- Portfolio will primarily include fixed income managers with well-defined objectives.
- Duration with typically be less than three years and from time to time be much shorter depending on the environmental risk factors.
- Portfolio will typically include some managers that have broad tactical latitude designed to mitigate interest rate risk, duration risk and currency risk.
- The portfolio may contain substantial under-/over-weighting to sectors and geographic regions due to manager's investment selections. Moderate/tactical under/over-weighting may occur as a result of manager selection.

Equity Strategy

Investor Profile

Investors should view this portfolio as a full-growth portion of their overall portfolio. Investor should have a long time horizon and the financial acumen to withstand value changes if investing in this Equity Model.

Portfolio Objective

The Equity Model is considered to have a full-growth objective with broad exposure of global as well as domestic equity positions. The primary objective is to provide outperformance in both up and down markets as measured vs. the S&P 500.

Given the full-growth objective, there is inherent risk in this model. To mitigate this risk, manager selection is paramount. Particular attention is paid to consistency of market performance through a full market cycle with a bias toward managers that have consistently outperformed their peer group in both up and down markets. Several fund categories contain a number of desirable managers. Because of this, the team is able to closely monitor comparative performance and recommend changes when warranted.

Portfolio Characteristics

- Portfolio will primarily include equity managers. They may also include other disciplines that provide the opportunity for strong upside performance. Up to 40 percent of the portfolio may include managers the team has determined to be highly tactical (substantial latitude in investment selections and allocation by prospectus).
- Portfolio will typically include some managers that have highly concentrated portfolios which has the potential of higher volatility.
- Beta vs. the S&P will range from .90 to 1.10.
- Standard Deviation will typically be the approximate of the S&P 500.
- The portfolio may contain substantial overweighting to sectors and geographic regions due to the manager's investment selections. Moderate or tactical overweighting may occur as a result of manager

selection.

Balanced Strategy

Investor Profile

Investors should view this portfolio as a core, long-term allocation. Typically an investor with this strategy would desire steady performance while acknowledging the inherent, volatility in a market based portfolio.

Portfolio Objective

The Balanced Strategy is considered to have a moderate growth objective with broad exposure to global as well as domestic equity positions; approximately 40 percent in a diversified selection of bond managers.

The primary objective is to capture a significant portion of up market return while avoiding substantial falls during down market cycles. The Balanced Strategy is measured against a custom institutional benchmark consisting of approximately 55-65 percent equity and 30-45 percent bonds and other strategies.

As with all investment strategies there is inherent risk in this model. To mitigate this risk the portfolio is diversified and includes a number of managers that employ a tactical approach to asset management.

Particular attention is paid to consistency of market performance through a full market cycle with a bias toward those managers that have consistently outperformed their peer group in both up and down markets.

Several fund categories contain a number of desirable managers. Because of this, the team is able to closely monitor comparative performance and recommend changes when warranted.

Portfolio Characteristics

- The portfolio will consist of approximately 40-70 percent equity-focused managers and 20-45 percent bond managers. The portfolio may include other disciplines that provide the opportunity for strong upside performance. Up to 40 percent of the portfolio may include managers the team has determined to be highly tactical (substantial latitude in investment selections and allocation by prospectus).
- The portfolio will typically include some managers that have highly concentrated portfolios which has the potential of higher volatility.
- Beta vs. the S&P will range from .60 to .75.
- Standard Deviation will typically be about two-thirds of the S&P 500.
- The portfolio may contain substantial overweighting to sectors and geographic regions due to manager's investment selections. Moderate/tactical overweighting may occur as a result of manager selection.

Absolute Strategy

Investor Profile

Typically, an investor in this portfolio would desire steady, overall portfolio performance. An investor in this portfolio would also desire to be in a position to take advantage of or to protect against trends in intermediate market outlook. The investor would also understand market volatility on both a short and long-term basis.

Portfolio Objective

The Absolute Strategy is considered to have a conservative growth objective with broad exposure to global and domestic equity positions. The portfolio managers may also utilize a variety of advanced strategies to enhance returns or mitigate risk.

The primary objective is to capture a reasonable portion of positive returns in upwardly moving equity markets while avoiding substantial falls during down market cycles. The portfolio consists of a blend of managers that have a core conviction that investors should not have to experience severe downdrafts in portfolio value to achieve long term outperformance

The Absolute Strategies Portfolio consists of a number of managers that, by prospectus, have a broad range of investments options. Each manager will have shown a long history of utilizing tactical responses to changing financial market trends to avoid full downside risk and have a strong bias to provide their investors with positive returns in all conditions.

Particular attention is paid to consistency of market performance through a full market cycle with a bias toward those managers that have historically outperformed their peer group in both up and down markets.

Several fund categories contain a number of desirable managers. Because of this, the team is able to closely monitor comparative performance and recommend changes when warranted.

Portfolio Characteristics

- Portfolio will consist of tactical/world allocation managers. The portfolio may include other disciplines that provide the opportunity for strong upside performance and/or provide downside protection.
- Portfolio may include managers that have highly concentrated portfolios which have the potential of higher volatility.
- Beta vs. the S&P will range from .35 to .90.
- Standard Deviation will typically be about half of that of the S&P 500.
- The portfolio may contain substantial overweighting to sectors and geographic regions due to manager's investment selections. Moderate/tactical overweighting may occur as a result of manager selection.

Legacy Strategy

Investor Profile

Investors should view this portfolio as a full-growth portion of their overall portfolio. The investor should have a long-time horizon and the financial acumen to withstand value changes if investing in the Legacy Strategy.

Portfolio Objective

The Legacy Strategy is considered to have a full-growth objective. It is invested in a basket of managers that have limited constraints on implementing their investment strategies. The primary objective is to provide superior market performance over a market cycle.

The strategy has inherent risk in seeking maximum return. This risk is mitigated to some degree by utilizing managers with a 15-year or greater track record managing this portfolio, or like portfolios prior to instituting selected portfolio. Because of this wide open approach, manager selection is paramount. Particular attention is paid to consistency of market performance through a full market cycle with a bias toward those managers that have consistently outperformed their peer group in up markets.

Several fund categories contain a number of desirable managers. Because of this, the team is able to closely monitor comparative performance and recommend changes when warranted.

Portfolio Characteristics

- Portfolio will primarily include equity managers and may include individual securities that operate as holding companies with substantial influence over operations of multiple companies.
- While the managers have few restrictions, the portfolio includes managers with a variety of historical styles and disciplines. Each is individually chosen for their unique characteristics. Given each manager's long track record within their personal style/discipline we expect them to be true to their historical strategies.
- Portfolio will typically include managers that have highly concentrated portfolios. Most managers typically hold less than 50 positions which may lead to higher volatility.
- The portfolio may contain substantial overweighting to sectors and geographic regions.
- Beta and Standard Deviation vs. index are not considered applicable to this model.

Dividend and Income

Investor Profile

This portfolio is unique in that it is driven by a combination of a need for income and a desire to increase the inflation-adjusted portfolio valuation in excess of interest and dividend yield.

Portfolio Objective

Managers in this model will have an objective of providing income to investors. A variety of disciplines will be utilized to provide diversification with the intent of reducing overall portfolio value fluctuation. By the nature of the investment criteria the portfolio will have a heavier weighting in large-cap value stock and higher yielding/lower quality bonds.

Portfolio Characteristics

- Portfolio will consist of 10-15 percent tranche of short-term, low-risk investment designed to buffer the investor from sell of volatile holding during negative markets.

- A second tranche of approximately 20-40 percent will include a bond exposure that will provide a relatively high level of income and lower quality, while striving to maintain diversity.
- The third portion will consist of Global, (U.S. and international) holdings selected for their focus on generating higher than average dividends. This will typically include U.S. and international equity, preferred stock, REITS, convertible bonds and other strategies designed to produce a high level of income.
- The portfolio may contain substantial overweighting to sectors and geographic regions due to manager's investment selections. Moderate/tactical overweighting may occur as a result of manager selection.

International Strategy

Investor Profile

Investors should view this portfolio as the full-growth* international portion of their portfolio. Investors should have a long time horizon and the financial acumen to withstand value changes if investing in this model.

*Growth defines the objective not the investment style.

Portfolio Objective

The International Strategy is considered to have a growth objective with broad exposure to all world markets, including emerging markets and international small/mid-capitalization companies. The primary objective is to provide outperformance in both up and down markets as measured vs. MSCI AC World Ex USA index.

Given the growth objective, there is inherent risk in this model. To mitigate this risk, manager selection is paramount. Particular attention is paid to consistency of market performance through a full market cycle with a bias toward those managers that have consistently outperformed their peer group in both up and down markets.

Several fund categories contain a number of desirable managers, because of this the team is able to closely monitor comparative performance and recommend changes when warranted.

Portfolio Characteristics

- Portfolio will consist of managers focused on non-USA companies, although, due to global economics, some USA companies may be included in manager selections. The portfolio may include other disciplines such as currency strategies that provide the opportunity to enhance portfolio performance. Up to 40 percent of the portfolio may include managers the team has determined to be highly tactical (substantial latitude in investment selections and allocation by prospectus).
- Portfolio will typically include some managers that have highly concentrated portfolios which has the potential of higher volatility.
- Beta vs. defined index will range from .75 to 1.00, standard deviation typically lower than the defined index.
- The portfolio may contain substantial overweighting to sectors and geographic regions due to manager's investment selections. Moderate/tactical overweighting may occur as a result of manager selection.

Equity ETF

Investor Profile

Investors should view this portfolio as a full-growth portion of their overall portfolio. Investor should have a long time horizon and the financial acumen to withstand value changes if investing in this ETF Equity Model.

Portfolio Objective

The ETF Equity Model is considered to have a full growth objective with broad exposure to domestic and global indices. The primary objective is to provide index type returns in both up and down markets. Given the full growth objective, there is inherent risk in this model. This portfolio is designed primarily for tax efficiency and as a low cost alternative to mutual fund portfolios. Our goal is to use low cost ETF's for each asset class.

Portfolio Characteristics

- Portfolio will primarily include equity indices.
- Beta vs. the S&P 500 will typically be a little lower due to the diversification into global indices as well

as small cap, mid cap, and real estate asset classes.

Balanced ETF

Investor Profile

Investors should view this portfolio as a core, long-term allocation. Typically an investor with this strategy would desire steady performance while acknowledging the inherent, volatility in a market based portfolio.

Portfolio Objective

The ETF Balanced Model is considered to have a moderate growth objective with broad exposure to domestic and global indices; approximately 40 percent in different bond indices. The primary objective is to capture a larger portion of the up markets return while avoiding substantial falls during down market cycles. The normal allocations in this portfolio range from 50-65% equity indices and 35-50% fixed income indices. This portfolio is designed primarily for tax efficiency and as a low cost alternative to mutual fund portfolios. Our goal is to use low cost ETF's for each asset class.

Portfolio Characteristics

- Portfolio will include 50-65% equity indices and 35-50% fixed income indices.
- Beta vs. the SP 500 will range from 0.60 to 0.75.
- Standard Deviation will typically be about two-thirds of the S&P 500

Market Timing in Mutual Funds

Market timing is defined as excessive short-term purchase and sale transactions or exchanges with the intention of capturing short-term profits in violation of the terms of the fund's prospectus.

WaterFront and its agents will not support market timing strategies or activities for mutual funds or any extreme trading activity that we deem, in our sole discretion or by direction of the fund company, detrimental to the interest of average mutual fund shareholders, or contrary to the policies or interest of mutual fund companies with whom we maintain relationships.

Fees and Compensation

Clients in the Program strategies described in this brochure are charged a "Wrap Fee" on Eligible Assets that covers advisory, execution, custodial, and reporting services. The Standard Fee Schedules for each Program are set forth below. The standard fees may be negotiable. For transactions in Excluded Assets, you will pay all of our usual and customary commissions, transaction fees and other charges. Excluded Assets are not included in the calculation of the Wrap-Fee. Commissions and fees on Excluded Assets and other charges will be assessed against your Account on or about the transaction date or another date when assessed by us. See below for details on fee exclusions, calculations, refunds and other information.

The standard Fee Schedule is as follows:

Account Size	Annual Fee
Up to \$249,999	1.25% to 2.50%
\$250,000 to \$749,999	1.25% to 2.25%
\$750,000 to \$4,999,999	.75% to 2.00%
Over \$5,000,000	Negotiable

There is a minimum fee of \$250 per quarter for Accounts in the Program. You should be aware that the imposition of the minimum fee for any of the above Program may cause the Program fee rate (expressed as a percentage) to be greater than the fee stated in the Fee Schedule tables above. Under certain circumstances, the minimum fee may be waived.

You should be aware that Program fees charged may be higher or lower than those otherwise available if you were to select a separate brokerage service and negotiate commissions in the absence of the extra advisory service provided. Our fee schedules may be subject to negotiation depending upon a range of factors including, but not limited to, account sizes and overall range of services provided.

You should consider the value of these advisory services when making such comparisons. The combination of custodial, advisory and brokerage services may not be available separately or may require multiple Accounts, documentation and fees. You should also consider the amount of anticipated trading activity when selecting among the Programs and assessing the overall cost. Advisory Programs typically assume a normal amount of trading activity and, therefore, under particular circumstances, prolonged periods of inactivity or asset allocations with significant fixed income or cash weightings may result in higher fees than if commissions were paid separately for each transaction.

If you liquidate securities prior to initiating or after terminating Program services, you will be subject to customary brokerage charges with respect to that transaction, in addition to any Program fees that are applicable during the period. For securities purchased previously in a brokerage account and subsequently moved into an advisory account, these securities may be included in the calculation of the Program fee, in addition to any previous brokerage charges paid.

A portion of the fees or commissions charged for the Programs described here will be paid to a WaterFront Advisor ("Advisor") in connection with the introduction of Accounts as well as for providing client-related services within the Program. This compensation may be more or less than an Advisor would receive if you paid separately for investment advice, brokerage, and other services, and may vary, depending on the program or services offered. If an Advisor wishes to discount the Program Fee below certain levels, he may have the ability to do so, but may earn reduced compensation associated with the discount. This creates an incentive for Advisors to price accounts at or above those levels. We may also advance to our Advisors a portion of the future estimated fees for Clients who invest in a Program. Therefore, your Advisor may have an Incentive to recommend these Programs over other Programs or services.

WaterFront also offers non-wrap fee, separately managed advisory services. We may have an incentive to recommend the use of one advisory Program over another based upon the fees of each Program, the Adviser payout specific to each Program, embedded costs of each Program (such as manager fees, and expense ratios for mutual funds or ETFs) or other compensation considerations. We intend, however, to make all recommendations independent of such considerations and based solely on our obligations to consider your objectives and needs.

Unless agreed to otherwise, you authorize us to deduct fees at the rate indicated in the Fee Schedule for your Program quarterly, in advance, from your Account(s). For the purposes of calculating the Program fees, "account Value" means the sum of the absolute market value of all eligible long and short security positions, including accrued income, cash and cash alternatives held in your account. If your account has short positions, the account Value reflects the short position's absolute value. A short position does not offset the value of long positions in the account. In valuing your account, we will use the closing prices or, if not available, bid prices of the last recorded transactions for listed

securities, options and over-the-counter NASDAQ securities. For mutual funds, we will use the fund's most current net asset value, as computed by the fund company. In doing so, we will use the information provided by quotation services believed to be reliable. If any such prices are unavailable or believed to be unreliable, we will determine prices in good faith so as to reflect our understanding of fair market value. Due to trade date or settlement date accounting, the treatment of accrued income and other factors, the Account Value used in the calculation of fees may differ from that shown on your monthly account statement and/or performance report.

The initial fee is calculated as of the date that the Account is accepted into the Program and covers the remainder of the calendar quarter. Subsequent fees will be calculated in advance and will be determined for calendar quarter periods and shall be calculated on the value of the Account on the last business day of the prior calendar quarter. Under no circumstances, will WaterFront receive more than \$500 in fees per client six months or more in advance.

No fee adjustment will be made during any fee period for appreciation or depreciation in the value of the assets in your Account during that period. Your account will be charged or refunded a prorated quarterly fee on any net additions or net withdrawals in the account during a month. Fees will be charged or refunded if the net addition or net withdrawal would generate a fee or refund of at least \$40 for that quarter. Fees will be assessed in the month following the net addition or net withdrawal. Fees are based on the value of the assets in your Account, and we shall not be compensated on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of your funds.

Whenever there are changes to the fee schedule, the schedule charges previously in effect shall continue until the next billing cycle. We may modify or change any provisions of the Client Agreement after 15 days written notice to you.

Risk in the Use of Margin

Generally, the Program strategies do not employ margin. To the extent margin is used in your Account, you should be aware that the margin debit balance does not reduce the market value of eligible program assets. If you use margin to purchase additional securities, your total value of eligible program assets increases and therefore your asset-based fee will increase. In addition, you will be charged margin interest on the debit balance in your account.

The increased asset-based fee that you pay may provide an incentive for your Financial Advisor to recommend the use of margin. However, we intend to make all recommendations independent of such considerations and based solely on our obligations to consider your objectives and needs. Please note that using margin is not suitable for all investors; the use of margin increases leverage in your account and therefore increases its risk.

Costs of Investing in Mutual Funds

In addition to Program fees, as a shareholder of a money market, mutual fund, CEF or ETF, you will bear a proportionate share of the fund's expenses, including investment management fees that are paid to the fund's investment advisor. We may receive fees from these mutual funds or closed-end funds. For more information about these funds, refer to their prospectuses.

You should be aware that you may invest in money market funds or mutual funds directly without

incurring the fee charged for participation in a Program. In addition, certain institutional investors may directly purchase a class of shares of certain money market funds or funds that do not charge shareholder services, sub-accounting or other related fees. If you do, however, you will not receive the various Program Services provided under the Program and some mutual funds may impose a sales load on direct investments. You will receive a prospectus for each money market and mutual fund purchased, as required by securities regulations.

We may also receive payments in the form of marketing support from mutual fund companies.

Certain funds make multiple no-load, institutional, advisory, or load-waived share classes available for purchase through investment advisory Programs and agree to waive minimums and redemption fees in certain instances. These share classes may be available only through our investment advisory Programs and have different and lower shareholder servicing, sub-accounting, investment management and 12b-1 fees and charges from other shares classes offered by those Funds. As a result, some Clients may have purchased these lower-cost institutional share classes, while others may have purchased a non-institutional share class. You authorize us, at our discretion, to convert existing mutual funds in your Account to any available institutional share or advisory program share class ("Advisory Share Class") without your prior consent. We review our policies, procedures and systems to determine whether to continue to support these multiple no-load and load-waived share classes, and reserve the right to no longer offer certain share classes within our Programs.

To the extent that cash used for investment in the Program comes from redemption proceeds of or deposits of your existing mutual funds or other securities investments, you should consider the cost of any sales charges or commissions you paid, which are in addition to the Program fee on the same assets.

Account Termination

Client Agreements may be terminated by either party at any time upon written notice. If you terminate your Agreement, a pro rata refund will be made, less reasonable start-up costs. In the event of cancellation of the Client Agreement, fees previously paid pursuant to the Fee Schedule will be refunded on a pro rata basis, as of the date notice of such cancellation is received by the non-canceling party, less reasonable start-up costs.

If you choose to terminate your Agreement with our investment advisory Program, we can liquidate your Account if you instruct us to do so. If so instructed we will liquidate your Account in an orderly and efficient manner. We do not charge for such redemption; however, you should be aware that certain mutual funds impose redemption fees as stated in their fund prospectus. You should also keep in mind that the decision to liquidate security issues or mutual funds may result in tax consequences that should be discussed with your tax advisor.

We will not be responsible for market fluctuations in your Account from the time of written notice until complete liquidation. All efforts will be made to process the termination in an efficient and timely manner. Factors that may affect the orderly and efficient liquidation of an Account might be size and types of issues, liquidity of the markets, and market makers' abilities.

Item 5. Account Requirements and Types of Clients

Account Requirements

A minimum initial Account value of at least \$25,000 is required to establish a Program Account. Under certain circumstances the Account minimum may be waived. Certain investment options may require initial investments greater than the Program minimum Account value. We may terminate Client Accounts with written notice if they fall below minimum Account value guidelines established by us.

Types of Clients

We provide the advisory services described in this brochure to individuals, trusts, foundations, estates or charitable organizations, corporations or other business entities.

Item 6. Investment Strategies Selection and Evaluation

As described *above* in the "Services, Fees and Compensation" section, Program Advisors can select from several strategies or model portfolios offered within the Program. The Portfolio Managers select strategies based on certain established guidelines and your investment objectives and individual needs. The Program strategies are designed to provide a disciplined advisory approach to meet your objectives and needs.

Advisory Business

The Program's Investment Philosophy is to develop and manage strategies and portfolios that enable clients to achieve risk-adjusted market performance during upward markets while enabling the tactical flexibility to reduce risk in unfavorable environments.

In order to accomplish this we intend to employ the following methods and strategies:

- We will adhere to the Modern Portfolio Theory for the macro-risk tolerance of each strategy.
- Stock-to-bond ratios are to be maintained within a tolerance range for each strategy.
- Macro portfolio adjustments will become strategies when the team determines a significant trend is occurring. Otherwise, tactical portfolio adjustments will be left to managers and advisers within the tactical sleeve of the strategies.
- We will monitor and evaluate risk, utilizing portfolio standard deviation and beta measurements. The evaluation of other risk measures will take place when deemed reliable and necessary.
- Strategies may employ a tactical component by utilizing managers. Managers, by prospectus, possess the flexibility to make highly tactical shifts in holdings based on their view of the investing environment. The teams' due diligence process focuses on risk-adjusted performance as well as the core research methodology and philosophy the manager chooses to utilize.
- All managers used in strategies will have exhibited a sufficient track record with the existing firm or prior firm. The uses of similar disciplines satisfy the team of the firm's ability to replicate its processes.

The ongoing monitoring of overall strategies and individual manager performance will use Morningstar reporting as well as available reports. All core strategies offered through the Program are developed from the analyses of public filings, general economic and market trends, research, and investment and portfolio analyses. WaterFront core strategies can hold any US-exchange traded security including ADRs and ETFs.

To determine client suitability and core strategy selection WaterFront relies upon the information provided to it by the client, including the application and suitability questionnaire. Client may impose reasonable restrictions, subject to approval, on the management of the Account, including the designation of specific securities or a specific category of securities, that should not be purchased for the Account or that should be sold if held in the Account, and may reasonably modify such restrictions from time to time.

Services Tailored to Individual Client Needs

All of our investment recommendations for Program Accounts are based on an analysis of your individual financial needs. They are drawn from research and analysis we believe to be reliable and appropriate to your financial circumstances. Each of the advisory services we offer is tailored to a specific type of investor and designed to meet their individual investment objectives, financial needs and tolerance of risk. A detailed description of these Programs is provided in the "Services, Fees and Compensation" section.

Client Restrictions and Instructions

We will comply with any reasonable instructions and/or restrictions you give us when making recommendations for your Account. Reasonable instructions generally include the designation of particular securities or types of securities that should not be purchased for the Account, or that should be sold if held in the Account.

If your restrictions are unreasonable or if we or your Financial Advisor believe that the restrictions are inappropriate, we will notify you that, unless they are modified, we may *remove* your Account from the Program. You will not be able to provide instructions that prohibit or restrict the investment advisor of an open-end or closed-end mutual fund or exchange-traded funds, with respect to the purchase or sale of specific securities or types of securities within the fund.

Our policy is generally to liquidate your preexisting securities portfolio immediately and bring the Account into conformity with your target allocations. If you wish to hold certain positions for tax or investment purposes, you should consider holding these positions in a separate Account.

Performance-Based Fees and Side-By-Side Management

We do not charge performance-based fees in any of our investment advisory Programs. We do not have any side-by-side management situations.

Item 7. Methods of Analysis, Investment Strategies and Risk of Loss

As stated *above* in the "Services, Fees and Compensation" section, WaterFront advisers use both fundamental and quantitative research as well as other independent research. Portfolio Managers may develop a specific investment philosophy using the mix of these analysis methods. Quality and concentration requirements are established to provide an overall discipline and quality element to the Program. Such strategies ordinarily include long and short-term purchase of securities and, depending on your objectives and the Portfolio Manager's investment philosophy (if so used), supplemental *covered* option writing.

However, in special circumstances the strategies may also include margin transactions, other option strategies and trading or short sale transactions.

Risk of loss

All investments shall be at your risk exclusively, and you must understand that we do not guarantee any return on the investments recommended or advised upon and may not be responsible for losses resulting from such trading or for any transactions that we have not recommended to you.

Item 8. Voting Client Securities

We do not vote proxies for Advisory Program Accounts *over* which we exercise discretion. We will not render any advice or take any action with respect to information related to Non-Program Asset securities, or the issuer of such securities.

Client Information Provided to Portfolio Managers

All Clients must provide information on their investment objectives, financial circumstances, risk tolerance and any restrictions they may wish to impose on investment activities. We will notify you in writing at least annually to update your information and indicate if there have been any changes in your financial situation, investment objectives or instructions; and you agree to inform us in writing of any material change in your financial circumstances that might affect the manner in which your assets should be invested. Your Financial Advisor will be reasonably available to you for consultation on these matters, and will act on any changes deemed to be material or appropriate as soon as practical after we become aware of the change.

Client Contact with Adviser

In the Program, your WaterFront Adviser is acting in the capacity of Portfolio Manager. You have no restrictions in contacting your Adviser.

Item 9. Additional Information

Disciplinary Information

WaterFront Advisers are registered with a broker-dealer and the WaterFront investment advisory Firm. We have no disciplinary information to report, however disciplinary can be obtained at the sites below:

For more information on broker/dealer related disciplinary events you may visit:

<http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/>

Our investment advisory disciplinary history is available by going to:

<http://www.adviserinfo.sec.gov/>

Item 10. Other Financial Industry Activities and Affiliations

Client transactions are executed and client accounts are carried by Trade-PMR, a registered broker-dealer and a qualified custodian. Trade-PMR is a member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC").

Mr. Ratzlaff remains a registered representative with Wells Fargo Financial Advisers Network, LLC. Separate and apart from the advisory services offered through WaterFront Wealth, Roger Ratzlaff offers brokerage services and investment recommendations as a Registered Representative of Wells Fargo Advisors Financial Network, LLC. WaterFront Wealth is independent of Wells Fargo Advisors Financial Network, LLC.

Unless otherwise stated as the case, the investment advisory services offered and the underlying stock, bonds, mutual funds and other securities bought or sold through us are not deposits of any bank and are not insured or otherwise protected by the Federal Deposit Insurance Corporation ("FDIC") or another government agency.

WaterFront also offers non-wrap fee service to its clients. Additional information about those services may be found in WaterFront Wealth, Inc. ADV Part 2A.