

**Item 1 – Cover Page**

II

**Waterfront Wealth, Inc.**

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August 16, 2023

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 913-951-5800 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](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

This Brochure dated August 16, 2023, is an amendment to the Brochure for Waterfront Wealth, Inc.

Since the filing of the firm's annual update Brochure on March 09, 2023, we have made various updates to our Brochure but no material changes were made.

Pursuant to regulatory requirements, we will deliver to you a summary of any material changes to this and subsequent Brochures within 120 days of the close of our fiscal year. We may further provide other ongoing disclosure information about material changes as necessary. All such information will be provided to you free of charge.

Currently, our Brochure may be requested by contacting us at (913) 951-5800.

Additional information about the firm is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with the firm who are registered as investment adviser representatives of the firm.

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## **Item 4 – Advisory Business**

**Waterfront Wealth, Inc. (“Waterfront,” “We,” or “the Firm”)** is a corporation organized and based in the state of Kansas. Waterfront was founded in 2012 by Roger C. Ratzlaff Jr., the firm’s principal owner, managing director, and Chief Compliance Officer. 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 remained registered with Wells Fargo Financial Advisers Network, LLC (a FINRA registered broker dealer) and representatives of Waterfront Wealth operated a registered branch office of that broker-dealer through late 2020. He and his team at Waterfront work together to provide customized strategies for a wide range of clients.

Mr. Ratzlaff no longer provides brokerage services through Wells Fargo Financial Advisers Network, LLC. Advisory services are provided through Waterfront Wealth, Inc. under the business name “Waterfront Wealth Management” (in the process of being transitioned to “Waterfront Advisors”).

Waterfront Wealth, Inc. also represents its division responsible for management strategies as “Waterfront Asset Management”.

As of 12/31/2022, Waterfront managed approximately \$645,000,000 in assets on a discretionary basis.

### **Services Offered**

#### ***Portfolio Management Services***

Waterfront provides ongoing discretionary and non-discretionary portfolio management services to businesses, charitable organizations, endowments, estates, families, foundations, individuals, trusts, and other investment advisers. When providing portfolio management services, the firm not only makes recommendations related to investments, but also implements these recommendations and provides ongoing monitoring and reporting. Clients may elect to give the firm discretion to make all decisions (discretionary management), or may prefer to approve all decisions before implementation (non-discretionary management).

#### ***Financial Planning Services***

Waterfront also provides project oriented and ongoing financial planning services to individuals and families where the firm offers advice or other strategic assistance in areas such as education funding, retirement planning, estate planning, risk management, employee benefits planning, tax planning, etc. When engaged to provide financial planning assistance, clients are responsible for determining whether or not to implement a recommendation, and if they decide to do so, are responsible for actual implementation. The actual details of an engagement vary on a case by case basis depending on the complexity of the client’s financial situation. Generally however, an engagement will include identification of goals and objectives, collection and analysis of data, and formulation of a strategy, and may also include preparation of a written plan.

## ***Retirement Plan Services***

Waterfront also provides retirement plan services to businesses. Plan level services offered include discretionary management services and non-discretionary advisory/consulting services. Services are made available for different types of retirement plans, including 401K and 403B among others. When providing management services, the firm is responsible for implementing recommendations. When the firm is providing advisory/consulting services, the client is responsible for implementation of recommendations. Although the firm does not provide participant level services as part of a retirement plan engagement, participants may engage Waterfront separately for participant level services.

## **Investment Philosophy**

Regardless of the type of services provided, each service is tailored to the individual needs of a particular client (whether an individual, a family, or a business) through an assessment conducted prior to an engagement. Clients may impose restrictions related to the level of discretion granted, the types of investments used, etc. Terms of an actual engagement, including description of service, limitations and restrictions, fees, etc., are all detailed before any engagement begins in a written client agreement.

## **Fiduciary Standards**

Because Waterfront is a registered investment adviser, we are required to meet certain fiduciary standards when providing investment advice to clients. Additionally, when we provide investment advice related to a retirement plan account or an individual retirement account, we are considered fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. As such, we are required to act in your best interest and not put our interest ahead of yours, even though our compensation creates some conflicts with your interests in that the more you have us manage, the more we can earn. Our clients however are under no obligation to use services recommended by our associated persons. Furthermore, we believe that our recommendations are in the best interests of our clients and are consistent with our clients' needs.

## **Item 5 – Fees & Compensation**

### ***Portfolio Management Services***

Fees for portfolio management services are charged as a percentage of assets under management, and a client's actual fee rate is negotiable based on level of service and other factors. Household accounts may be aggregated at our discretion for purposes of determining fee rate. The firm's standard fee schedule is as follows:

Account Size	Annual Fee
Up to \$249,999	1.25% to 2.50%
\$250,000 to \$749,999	1.00% to 2.25%
\$750,000 to \$4,999,999	0.75% to 2.00%
Over \$5,000,000	Negotiable

An additional management fee of 0.50% applies to Waterfront Asset Management (WAM) individual stock and bond services.

Our annual portfolio management fee is prorated and billed quarterly in advance based on the value of your account on the last trading day of the previous quarter. Partial periods are prorated based on the number of days services are provided. Upon termination, any unearned fees paid in advance will be refunded.

Fees are generally deducted directly from client accounts, but clients may elect to alternatively pay fees by check.

All management fees paid to Waterfront are separate and unrelated to any fees or expenses assessed by mutual funds or exchange traded funds, or to any trade commission charged by an account custodian. Information pertaining to fund-generated fees and expenses can be found in mutual fund and exchange traded fund prospectuses.

### ***Financial Planning Services***

Financial Planning Services may be provided free of charge as part of an investment management engagement, or may be provided for a separate fee. Fees charged for financial planning services are quoted in advance and generally charged at a fixed amount. Quoted fixed fees will be based on the complexity and level of service provided on a case by case basis. As mentioned above, services may include planning in areas such as education funding, retirement planning, estate planning, risk management, employee benefits planning, tax planning, etc. Since each of these areas can vary in complexity depending on the client's financial situation, cost will vary as well. Fees are negotiable depending on the circumstances of the engagement, location, etc.

Fees are generally billed directly to the client in arrears, although a portion may be billed in advance.

Projects terminated before completion will be prorated. Upon termination, any payments made in advance will be prorated and refunded to the client.

All financial planning fees paid to Waterfront are separate and unrelated to any fees or expenses assessed by any broker, custodian, or other outside party.

### ***Retirement Plan Services***

Fees charged for retirement plan services may be charged in advance or in arrears depending on the service provided. Plan fees may be fixed or asset based (not to exceed 2.00% annually), and are negotiable depending on the complexity of the service. Plan fee levels (whether fixed or asset based) are primarily based on actual services to be provided.

Plan fees may be deducted directly from the Plan on a quarterly basis, or clients may elect to alternatively pay fees by check or wire transfer.

Plan Fees for partial periods are prorated. Upon termination, any payments made in advance will be prorated and refunded to the client.

As mentioned above, participants may separately engage Waterfront for participant level services. Participant fees are generally asset based (not to exceed 1.00% annually), and are negotiable depending on the complexity of the service. Participant fees are generally deducted directly from the Participant's account on a quarterly basis. Fees for partial periods are prorated. Upon termination, any payments made in advance will be prorated and refunded to the client.

All retirement plan fees paid to Waterfront are separate and unrelated to any fees or expenses assessed by any broker, custodian, or other outside party.

## **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. Therefore, Waterfront does not simultaneously 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, pension plans and other investment advisers. Waterfront Financial recommends (but does not require) that clients have at least \$250,000 in total manageable assets.

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

### **Methods of Analysis & Investment Strategies**

Waterfront believes each client has unique investment needs and we are committed to providing a multitude of high quality investment options to enable us to best serve the investment needs of our clients.

In order to accomplish this, we have developed several strategies including:

- Active Fund Strategies that invest in low cost shares of mutual fund managers that possess significant skill to outperform peers over time. We have developed eight different strategies that we feel cover most client investment needs.
- Exchange Traded Fund Strategies that invest in several very low cost passive exchange traded funds as well as active exchange traded funds. We have developed five different strategies to support client investment needs.
- Dimensional Fund Strategies are designed to be very low cost, similar to our passive strategies, and provide alpha through security selection in addition to that generated by tactical asset allocation.
- Individual Security Strategies that provide a differentiated investment approach that may not be available on other platforms.
- Custom Strategies that are tailored to suite a particular client's situation. Hedging techniques and state specific municipal bonds are two of several options available to support clients.

Asset allocation and securities selection are determined by Waterfront 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.

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, and 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. **Investing in securities involves risk of loss that clients should be prepared to bear.**

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to the evaluation of the firm or the integrity of its management.

One of Waterfront's management persons, Mr. Michael Shields, was subject to an administrative order and fine by the Florida Office of Financial Regulation in January of 2023 for not being properly registered as an investment adviser representative in Florida. Although Waterfront was properly registered with the SEC and Mr. Shields was properly registered as an investment advisory representative in his home state of Kansas, he periodically worked remotely from Florida for the firm's Kansas home office. After subsequently moving to Florida, Mr. Shields applied for registration as an investment adviser representative in the state of Florida, but the state asserted that he should have

already been registered. Rather than contest the state's position, Mr. Shields elected to consent to a fine in order to resolve the registration oversight matter.

Waterfront is currently not subject to, nor has ever been subject to, any other legal or disciplinary events of a material nature.

## **Item 10 – Other Financial Industry Activities and Affiliates**

### **Professional Business Relationships**

Waterfront 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.

## **Item 11 – Code of Ethics**

### **Code of Ethics**

Waterfront has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. The Waterfront Code of Ethics describes the firm's fiduciary duties and responsibilities to clients, and details practices for reviewing the personal securities transactions of supervised persons with access to client information. The Code also requires compliance with applicable securities laws, addresses insider trading, and details possible disciplinary measures for violations. Waterfront will provide a complete copy of its Code of Ethics to any client upon request to the Chief Compliance Officer.

### **Trading Conflicts of Interest**

Individuals associated with Waterfront are permitted to buy or sell securities for their personal accounts identical to or different than those recommended to clients. However, no person employed by the firm is allowed to favor his or her own interest over that of a client or make personal investment decisions based on the investment decisions of, or recommendations made to, advisory clients.

In order to address potential conflicts of interest, Waterfront requires that associated persons with access to advisory recommendations provide annual securities holdings reports and quarterly transaction reports to the firm's Chief Compliance Officer. Waterfront also requires prior approval from the Chief Compliance Officer for investing in any IPOs or private placements (limited offerings).

## **Item 12 – Brokerage Practices**

We do not maintain possession of client assets. Instead, we require all client assets be maintained in an account at a non-affiliated “qualified custodian,” generally a broker-dealer or bank. We are not

affiliated with any particular broker or custodian. Your custodian will hold your assets in a brokerage account and will be able to buy and sell securities on your behalf. We currently recommend, but do not require, the brokerage services of Trade-PMR, Inc. with Wells Fargo Clearing Services, LLC (doing business as "First Clearing") serving as custodian. Some advisers require their clients to use a particular broker or custodian.

We believe that our custodial arrangement 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, including the value of the firms' reputations, execution capabilities, commission rates, and responsiveness to our clients and our firm. In recognition of the value of the services provided, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

### **Your Brokerage and Custody Costs**

Our clients receive various services directly from our broker and custodian. For our clients' accounts that they maintain, they generally do not charge separately for custody services but instead are compensated by charging commissions or other fees on trades that it executes or trades that are executed by other brokers to and from the custodial accounts. Fees applicable to our client accounts were negotiated based on the condition that our clients collectively maintain a certain level of assets at the custodian. We feel this commitment benefits you because we expect the overall rates you pay will be lower than they might be otherwise.

### **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. In these instances, Waterfront cannot guarantee best price or trade execution.

### **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's 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's order allocation procedures.

### **Products and Services Available to Us from Brokers/Custodians**

Our broker and custodian provide us and our clients with access to institutional brokerage services like trading, custody, reporting, and related services, many of which are not typically available to retail customers. They also make available various support services, some of which may help us manage or administer our clients' accounts, while others may help us manage and grow our business.

Other institutional brokerage services which benefit you directly include access to a broad range of investment products, execution of securities transactions, and asset custody. The investment products available through the custodians include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients.

Our broker and custodian may also make available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both the broker's own and that of third parties. We may use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at the custodians. In addition to investment research, the broker and custodian may also make available software and other technology that provide access to client account data, facilitates trade execution for multiple client accounts, provides pricing and other market data, facilitates payment of our fees from our clients' accounts, and assists with back-office functions, recordkeeping, and client reporting.

Our broker and custodian may also offer other services intended to help us manage and further develop our business. These services include educational conferences and events, consulting on technology, compliance, legal, and business needs, publications and conferences on practice management and business succession, and access to employee benefits providers, human capital consultants, and insurance providers.

The availability of these services benefit us because we do not have to produce or purchase them. Of course, this may give us an incentive to recommend that you maintain your account with a particular custodian based on our interests rather than yours, which is a conflict of interest. We believe, however, that our recommendation of our broker and custodian is in the best interests of our clients, and is primarily supported by the scope, quality, and price of their services and not the services that benefit only us.

## **Item 13 – Review of Accounts**

### **Reviews**

Account holdings are reviewed relative to value on an ongoing basis. Account holdings will also be reviewed relative to client situation on a quarterly basis, and each client's situation will be reviewed on less frequently than annually. Client accounts will be rebalanced as required. Reviews are conducted by the firm's Principal, Roger C. Ratlaff, Jr, and or other Investment Advisor Representatives (IARs) of the firm.

Changes in a client's situation, such as investment goals, financial position, unusual economic, industry or individual investment developments will generally 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.

## **Reports**

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.

Waterfront may also provide clients with additional reports, such as performance reports, market analysis, etc., depending on the engagement.

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

### **Referral Arrangements**

Waterfront does not pay a cash fee, directly or indirectly, for client solicitations.

### **Other Compensation**

Waterfront does not receive any sales award or prizes in connection with providing advisory services to clients. The firm may however receive economic benefits from our custodian in the form of the support products and services that are made available to us and to other independent investment advisors. These products and services, how they benefit us, and the related conflicts of interest are described in Item 12 above. The availability to us of our custodian's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

## **Item 15 - Custody**

As noted in Item 12 above, Waterfront requires that client assets be held by a qualified custodian. Although Waterfront will not hold clients' funds or securities, we may have limited control to trade, to deduct fees, or to request disbursements on your behalf (although various types of written authorizations are required depending on the type of disbursements).

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 or other reports you may 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.

Clients may 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, Waterfronts' authority to trade securities may also be limited by certain federal securities and tax laws.

## **Item 17 – Voting Securities**

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

Waterfront may however accept responsibility for voting proxies for some engagements. When voting proxies, the firm will take into consideration factors which may affect value and will vote the proxies in a manner that in its opinion is in the best interest of the client. The firm may however determine the manner in which a proxy will be voted based on the recommendation of management of the company for whom the proxy is being solicited or based on a third-party service provider's recommendation and analysis. Proxies will not necessarily be voted "with management" whether matters are routine or non-routine. If in the firm's opinion a material conflict of interest exists related to its voting of a proxy, the firm will disclose the conflict and obtain the client's consent before voting. Clients may obtain information about how their proxies have been voted or information about the firm's proxy voting policies and procedures by contacting the firm's Chief Compliance Officer.

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, and accepts no obligation, to determine if securities held by the client are subject to a pending or resolved class action lawsuit. Waterfront also accepts no obligation to evaluate a client's eligibility or to submit a claim to participate in the proceeds of a securities class action settlement or verdict. Furthermore, Waterfront accepts 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 accepts no obligation 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.

Although Waterfront generally does not provide proxy, class action, or other such advice, clients may contact Waterfront with general questions about solicitations.

## **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.

## **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 [roger@waterfrontadvisors.com](mailto:roger@waterfrontadvisors.com) or by calling us at (855) 875-0100.