

WATERFRONT

ASSET MANAGEMENT

**Separately Managed Accounts
(SMAs)**

Waterfront Asset Management

Waterfront Asset Management was founded in 2016 with the idea that active management using separately managed accounts is an excellent complement to today's more passive index style investing. This active management leads to greater tax efficiencies, increased visibility, and cost control.

Waterfront Asset Management is a division of Waterfront Wealth, Inc., a Registered Investment Advisor located in Overland Park, KS. Waterfront Wealth, Inc. was founded in 2012 and continues to serve institutional and individual investors with AUA of \$567MM.

Waterfront Asset Management AUM: \$101.8MM

<u>Strategy:</u>	<u>AUM:</u>	<u>Minimum:</u>	<u>Equities:</u>	<u>Fixed Income:</u>
Opportunistic Strategy	\$43.6MM	\$250,000	80-90%	10-20%
Opportunistic Equity	\$15.4MM	\$100,000	100%	0%
Waterfront Balanced	\$19.8MM	\$200,000	50-70%	30-50%
Waterfront Equity	\$19.5MM	\$150,000	100%	0%

Chief Investment Officer: Chris Harrington (CFA, CPA, CFP®)

Portfolio Manager: Matthew Hekman

Director of Business Development: Trent Grissom

Managing Director: Roger Ratzlaff Jr.

Have any questions about Waterfront Asset Management services?

Contact Trent Grissom
at 913-951-5800 or trent@waterfrontadvisors.com

Opportunistic Strategy (OS)

Structure

The Opportunistic Strategy (OS) is a composite of separately managed accounts that are managed in unison. Accounts will experience a small difference in returns due to timing and tax loss trading for some accounts.

Description

A differentiated value strategy with the objective to achieve strong risk-adjusted returns over a 2 to 3 year period. The OS has a unique stock selection method and is focused on securities that can provide strong returns over a 2 to 3 year period, albeit at the expense of greater short-term volatility. Stock holdings tend to be lower multiple more cyclical stocks. The number of securities held will likely be in the 60 to 80 range.

Investment Philosophy and Process

The manager is a generalist investor and believes broad knowledge of various markets can help identify some of the best investment opportunities. Half the battle to successful investing is being knowledgeable about what is available. Screening techniques are used to identify a narrow list of potential investments. Securities are selected by researching company filings and reports, industry and analyst reports and performing various valuation approaches such as discounted cash flow analysis. Both top down and bottom up analysis are utilized for security selection. There is a heavy emphasis on special situation stocks and self-improvement stocks.

Investment Categories

The strategy is a multi-cap value strategy although some growth stocks are held. The largest weighting will be small-cap value. International stocks are held and can be up to 60% of the strategy. 20% of the strategy can be held in bonds and those bonds will largely be high-yield bonds. 10% of the strategy can be held in funds. Funds are used to get exposure to certain sectors or geographies that are difficult to do with individual stocks.

Investment Terms

Minimum investment: \$250,000
Management fee: 0.50%

Portfolio Manager

Chris Harrington CFA, CPA, CFP®
21 years financial analysis experience
17 years investing

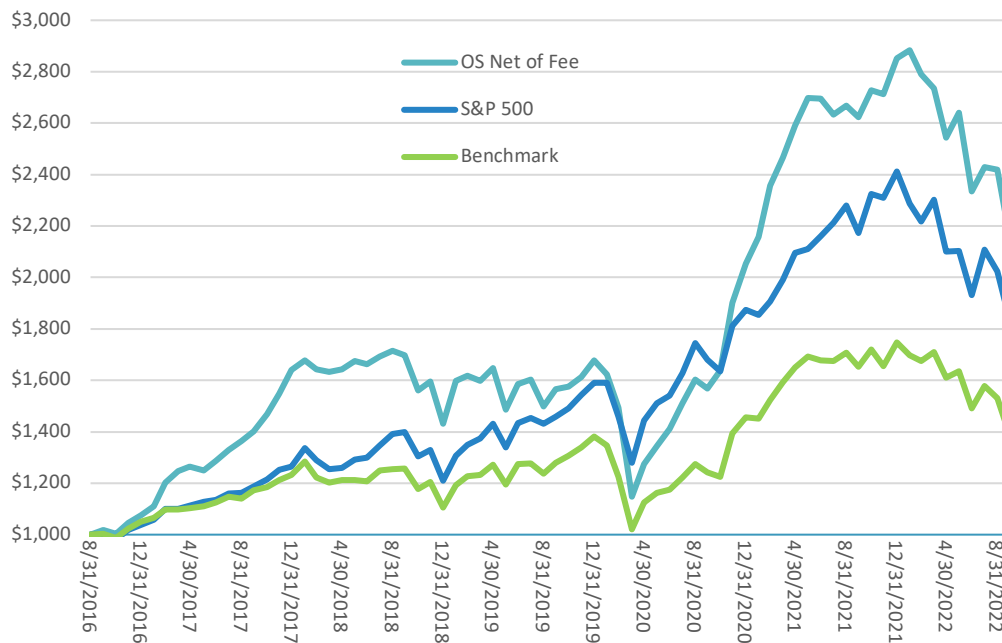
Opportunistic Strategy (OS) Performance Detail as of 09/30/2022

	Gross Return TWR	Net Return TWR	Custom Benchmark Return	Composite Gross 3 Year St Dev	Custom Benchmark 3 Year St Dev	Internal Dispersion	Number of Portfolios	Composite Assets (\$M)	Firm Assets (\$M)
2016*	7.6%	7.5%	5.0%	N/A	N/A	N/A	6	2.39	2.41
2017	53.3%	52.6%	17.3%	N/A	N/A	9.2%	39	17.74	17.74
2018	-12.2%	-12.7%	-10.2%	N/A	N/A	0.6%	76	25.82	25.82
2019	17.7%	17.1%	24.9%	15.5%	11.3%	1.1%	80	32.24	32.24
2020	23.0%	22.3%	5.4%	24.3%	19.1%	1.7%	72	35.70	40.54
2021	39.6%	38.9%	20.0%	23.5%	18.4%	0.9%	75	49.88	75.76
2022 YTD**	-24.0%	-24.3%	-20.5%	24.3%	19.6%	N/A	86	43.62	101.84

*OS had a 09/01/2016 start date.

**Custom Benchmark is 70% Russell 3000 Value/ 30% FTSE All World ex US net tax

Hypothetical Growth of \$1,000,000



Annualized Returns

As of 9/30/2022	Gross Return TWR	Net Return TWR	Custom Benchmark TWR
1 Year	-17.3%	-17.7%	-15.9%
3 Year	11.9%	11.3%	2.8%
5 Year	9.6%	9.0%	2.0%
10 Year	N/A	N/A	N/A
Since Inception*	14.1%	13.5%	5.6%

*See disclosures and information page

Waterfront Asset Management – Opportunistic Strategy (OS)

9/30/2022

Strategy Facts

- Inception date: 9/1/2016
- Benchmark: 70% Russell 3000 Value/ 30% FTSE All World ex US net tax
- Morningstar category: Aggressive Allocation (70% - 90% equity)
- Strategy assets: \$43.62M

Model Portfolio Statistics

- Number of securities: 68
- Equity Estimated Dividend Yield: 3.0%
- Fixed Income Statistics:
 - Holdings: 22
 - Duration: 4.2
 - Yield to worst (YTW): 11.5%
- Equity Market Cap:
 - \$50B: 20%
 - \$10-50B: 34%
 - \$5-10B: 14%
 - \$0-5B: 32%

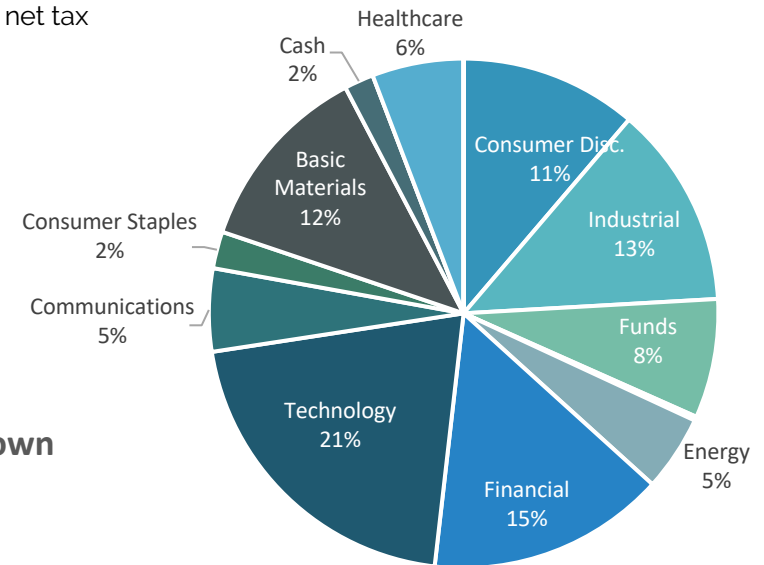
Model Portfolio Risk Characteristics

- Beta (3yr): 1.16x
- Alpha (annualized): 9.4%
- R-squared (3yr): 88
- Standard deviation (3yr): 24.3%
- Sharpe ratio (3yr): 0.57

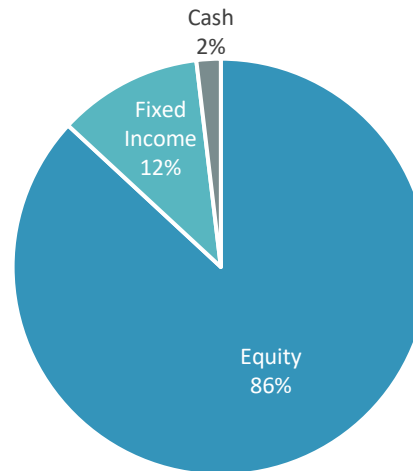
Model Portfolio Top 10 Holdings

- Ally Financial Inc. 2.7%
- Criteo SA 2.5%
- Societe Generale SA 2.5%
- Covestro AG 2.4%
- Macy's Inc. 2.4%
- Hewlett Packard Ent. 2.3%
- General Motors Co. 2.3%
- Mitsubishi Electric Corp. 2.0%
- Telefonica Brasil SA 2.0%
- Bayer AG 2.0%

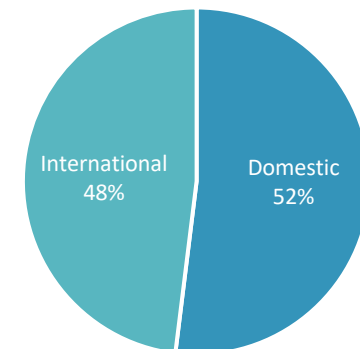
Sector Allocation



Asset Class Breakdown



Geographic Allocation



Portfolio composition, statistics and characteristics are derived from a representative account of the strategy as of the date shown above and is subject to change without notice. Model portfolio data reflect the strategy for a fully discretionary, unconstrained account. Actual portfolios may differ as a result of account size, client-imposed investment restrictions, the timing of client investments, market, economic and individual company considerations and other factors.

Opportunistic Equity (OE)

Structure

The Opportunistic Equity Strategy (OE) is a composite of separately managed accounts that are managed in unison. Accounts will experience a small difference in returns due to timing and tax loss trading for some accounts.

Description

A differentiated value strategy with the objective to achieve strong risk-adjusted returns over a 2 to 3 year period. The OE has a unique stock selection method and is focused on securities that can provide strong returns over a 2 to 3 year period, albeit at the expense of greater short-term volatility. Stock holdings tend to be lower multiple more cyclical stocks. The number of securities held will likely be approximately 50.

Investment Philosophy and Process

The manager is a generalist investor and believes broad knowledge of various markets can help identify some of the best investment opportunities. Half the battle to successful investing is being knowledgeable about what is available. Screening techniques are used to identify a narrow list of potential investments. Securities are selected by researching company filings and reports, industry and analyst reports and performing various valuation approaches such as discounted cash flow analysis. Both top down and bottom up analysis are utilized for security selection. There is a heavy emphasis on special situation stocks and self-improvement stocks.

Investment Categories

The strategy is a multi-cap value strategy although some growth stocks are held. The largest weighting will be small-cap value. International stocks are held and can be up to 60% of the strategy.

Investment Terms

Minimum investment: \$100,000
Management fee: 0.50%

Portfolio Manager

Chris Harrington CFA, CPA, CFP®
21 years financial analysis experience
17 years investing

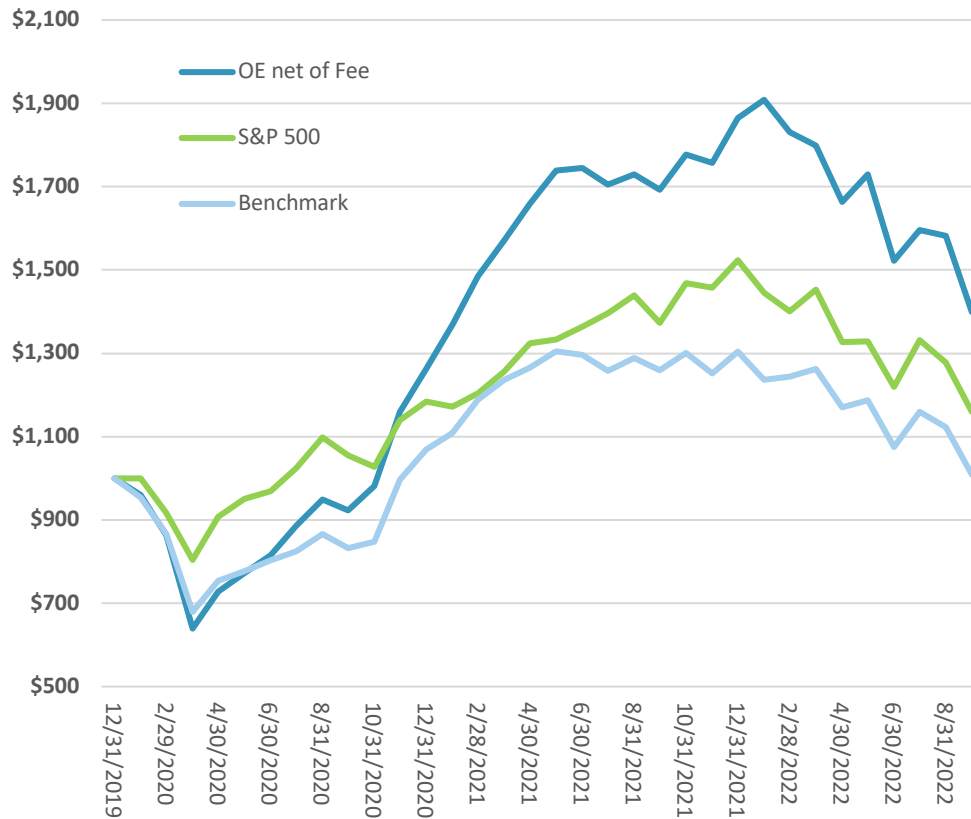
Opportunistic Equity (OE) Performance Detail as of 09/30/2022

As of 9/30/22 (Annualized)	Gross Return TWR	Net Return TWR	Custom Benchmark Return	Composite Gross 3 Year St Dev	Custom Benchmark 3 Year St Dev	Internal Dispersion	Number of Portfolios	Composite Assets (\$M)	Firm Assets (\$M)
2020	26.9%	26.2%	6.8%	N/A	N/A	N/A	19	4.10	40.54
2021	48.5%	47.7%	22.0%	N/A	N/A	1.7%	62	14.60	75.76
2022 YTD	-24.6%	-25.0%	-22.6%	N/A	N/A	N/A	87	15.38	101.84

*OE had a 1/1/2020 start date.

**Custom Benchmark is 70% Russell 2000 Value/ 30% FTSE All World ex US net tax

Hypothetical Growth of \$1,000,000



Annualized Returns

As of 9/30/2022 (Annualized)	Gross Return TWR	Net Return TWR	Custom Benchmark TWR
1 year	-16.9%	-17.3%	-19.9%
3 year	N/A	N/A	N/A
5 year	N/A	N/A	N/A
10 year	N/A	N/A	N/A
Since Inception*	13.6%	13.0%	0.9%

*See disclosures and information page

Waterfront Asset Management – Opportunistic Equity (OE)

9/30/2022

Strategy Facts

- Inception date: 1/1/2020
- Benchmark: 70% Russell 2000 Value/ 30% FTSE All World ex US net tax
- Morningstar category: Global Equity Mid/Small Cap.
- Strategy assets: \$15.4M

Model Portfolio Statistics

- Number of securities: 53
- Market Cap:
 - \$50B+ 16%
 - \$10-50B 33%
 - \$5-10B 8%
 - \$0-5B 43%
- Dividend yield: 2.8%

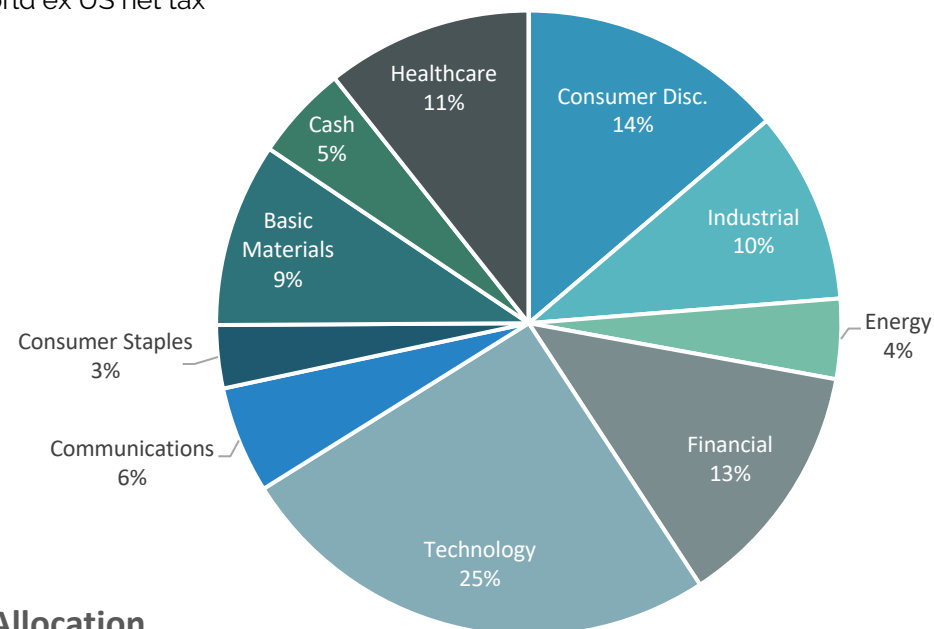
Model Portfolio Risk Characteristics (since inception 1/1/20)

- Beta 1.12x
- Alpha 14.2%
- R-squared 91
- Standard deviation 28.7%
- Sharpe ratio 0.58

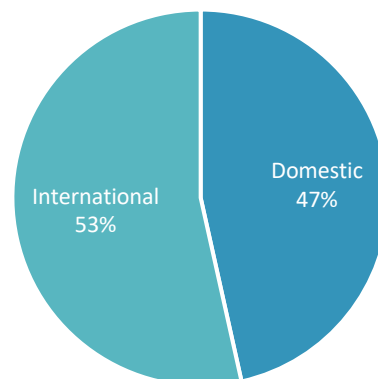
Model Portfolio Top 15 Holdings

- Covestro AG 3.3%
- Suzano SA 3.3%
- Criteo SA 3.1%
- Macy's Inc. 3.0%
- Bayer AG 3.0%
- Societe Generale SA 2.9%
- Hewlett Packard Ent. 2.9%
- General Motors Co. 2.9%
- Ally Financial Inc. 2.8%
- Canadian Solar Inc. 2.7%
- Mitsubishi Electric Corp. 2.5%
- Nokia Oyj 2.4%
- Hitachi Ltd. 2.3%
- Baidu Inc. 2.0%
- Sanofi 2.0%

Sector Allocation



Geographic Allocation



Portfolio composition, statistics and characteristics are derived from a representative account of the strategy as of the date shown above and is subject to change without notice. Model portfolio data reflect the strategy for a fully discretionary, unconstrained account. Actual portfolios may differ as a result of account size, client-imposed investment restrictions, the timing of client investments, market, economic and individual company considerations and other factors.

Waterfront Balanced (WB)

Objective

The Waterfront Balanced (WB) strategy is a composite of separately managed accounts that seek to opportunistically allocate between asset classes to provide a combination of capital appreciation and current income. The blended portfolio of assets is diversified across sectors with security selection governed by a disciplined emphasis on finding reasonably priced profitable companies with sound capital structures. The strategy seeks to provide a total return in excess of a 60/40 blended benchmark of equity (S&P 500) and fixed income (Bloomberg US Government/Credit Index).

Investment Philosophy

The strategy in the equity sleeve is predicated on the belief that above-average profitability is an accurate measure of quality and that the market frequently underestimates its durability. The Portfolio Manager seeks to exploit the inefficiency by opportunistically investing in quality companies when they are valued or out of favor.

The fixed income sleeve is focused on capital preservation and current income. The strategy is predicated on the belief that fixed income investing is inherently asymmetric which requires a focus on compounding modest returns and avoiding credit mistakes that can impair capital. The Portfolio Manager emphasizes sound capital structures while opportunistically allocating to credit when volatility creates opportunity.

Investment Process

Equity: A portfolio of 45-55 names with high sector-relative profitability, sound capital structures and stable or improving free cash flow generation. Utilizing proprietary quantitative analysis, company financial reports, industry commentary and third-party research, the Portfolio Manager investigates the fundamental drivers of profitability to enhance the probability of identifying 'winners' in this universe of profitable companies. The Manager uses absolute and relative valuation to discipline his quality bias.

Fixed Income: A portfolio of EFT's constructed using a proprietary quantitative model to identify risk-appropriate sector, credit and duration exposures. The Portfolio Manager utilizes economic releases, material news and third party research to construct a portfolio appropriate for his view of the macro environment, market liquidity and technical forces that can impact short and medium-term performance.

Cash: The strategy's cash position is a residual of the number of qualifying investments he can find and is normally between 0-3% of total account assets. In times of elevated uncertainty, cash is used to minimize downside capture; reduce daily volatility; and prepare to take advantage of opportunities created by declines in asset values.

Investment Terms

Minimum investment: \$200,000
Management fee: 0.50%

Portfolio Manager

Matthew A. Hekman, MBA
Financial Industry Experience: 24 years
Lead Portfolio Manager on strategy since 2014

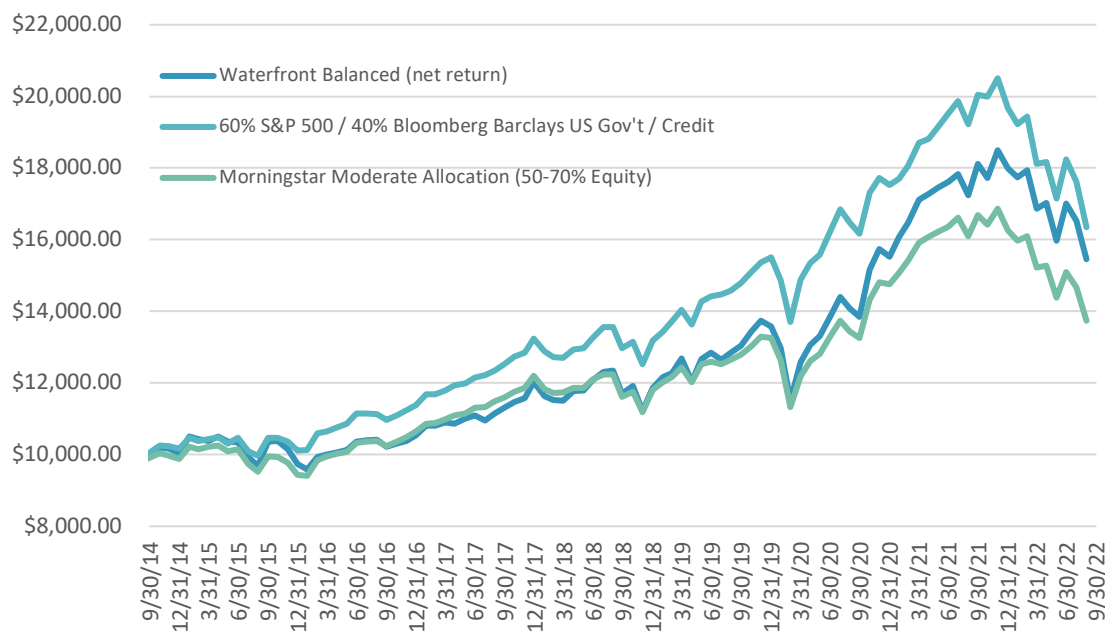
Waterfront Balanced (WB) Performance through 09/30/2022

YEAR	WATERFRONT BALANCED COMPOSITE		CUSTOM BENCHMARK RETURN	COMPOSITE GROSS 3YR ST DEV	CUSTOM BENCH 3YR ST DEV %	# OF PORTFOLIOS	INTERNAL DISPERSION %	COMPOSITE ASSETS (\$M)	FIRM ASSETS (\$M)
	GROSS RETURN	NET RETURN							
2014*	5.01%	4.62%	4.99%	N/A	N/M	1	N/A ***	\$2,330.67	-
2015	0.76%	-0.11%	1.13%	N/A	N/M	1	N/A ***	\$2,716.10	-
2016	3.10%	2.23%	8.47%	N/A	N/M	1	N/A ***	\$2,407.03	-
2017	12.60%	11.66%	14.40%	7.3%	5.9%	1	N/A ***	\$1,873.02	-
2018	-2.28%	-3.12%	-2.52%	7.6%	6.6%	1	N/A ***	\$2,490.55	-
2019	23.46%	22.42%	22.63%	8.7%	6.9%	1	N/A ***	\$2,571.64	-
2020	15.60%	14.63%	15.30%	14.2%	11.4%	1	N/A ***	\$2,533.41	-
2021	18.29%	17.46%	15.75%	13.5%	10.7%	7	N/A ***	\$3.2	\$75.8
2022**	-16.15%	-16.47%	-20.29%	15.1%	13.4%	52	N/A ***	\$19.8	\$101.8

* Inception date of composite is 8/4/2014

** 2022 Performance is Year-to-Date (YTD) through 9/30/2022

*** Internal Dispersion is not shown because there is only one portfolio in the composite for the full year or less than a full year of performance is shown.



Annualized Returns

ANNUALIZED RETURNS As of September 30, 2022	WATERFRONT BALANCED COMPOSITE GROSS RETURN	NET RETURN	CUSTOM BENCHMARK RETURN
1YR	-10.01%	-10.41%	-15.00%
5YR	7.57%	6.75%	5.78%
Since Inception*	6.78%	5.92%	6.59%
10YR*	N/A	N/A	N/M

The performance quoted represents past performance and does not guarantee future results. All investing involves risks, including the possible loss of principal. Please refer to the disclosures section for more information.

Waterfront Asset Management - Waterfront Balanced (WB)

9/30/2022

Strategy Facts

- Inception date: 8/4/2014
- Benchmark: 60% S&P 500 / 40% Bloomberg U.S. Gov't / Credit
- Morningstar category: Moderate Allocation (50% - 70% equity)
- Strategy assets: \$19.8M

Model Portfolio Statistics

- Number of securities: 56
- Yield: 2.3%
- Equity Sleeve statistics
 - Weighted avg. market cap: \$327M
 - Weighted avg. P/E (NTM): 18.2x
 - Dividend yield: 2.1%
- Fixed Income statistics
 - Yield to worst (YTW): 2.6%
 - Weighted avg. duration: 5.7yrs

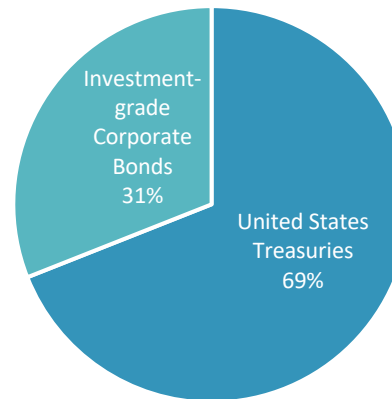
Model Portfolio Risk Characteristics

- Beta (3yr) 1.1x
- Alpha (3yr) 9.8%
- R-squared (3yr) 94
- Standard deviation (annualized) 15.1%
- Sharpe ratio (3yr) 0.4x

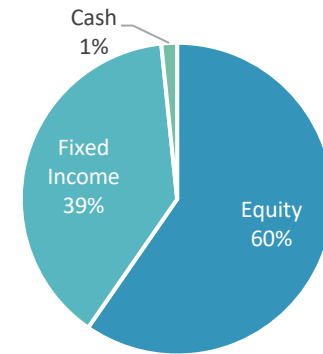
Model Portfolio Top 10 Holdings

- Vanguard Intermediate Term Treasury ETF 27.5%
- Vanguard Intermediate Term Corporate ETF 12.3%
- Microsoft Corporation 3.4%
- Alphabet Inc. – Class A 2.8%
- Amazon.com Inc. 2.2%
- Eli Lilly & Co. 1.9%
- Cash (USD) 1.6%
- Elevance Health Inc. 1.5%
- Jazz Pharmaceuticals PLC 1.5%
- Constellation Brands Inc. 1.5%

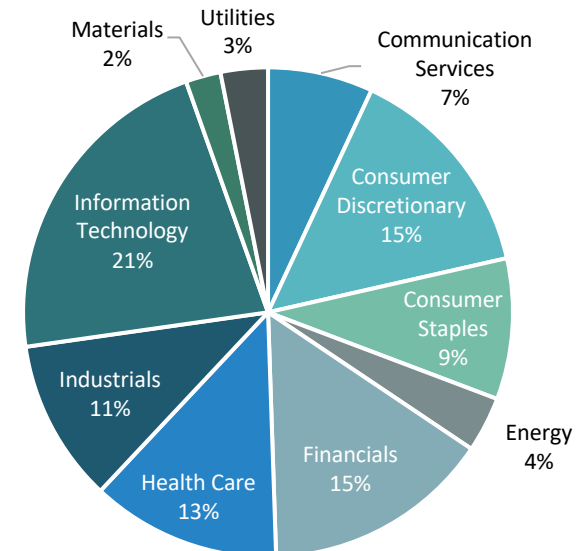
Fixed Income Credit Allocation



Composition % of Assets



Equity Sector Weights



Portfolio composition, statistics and characteristics are derived from a representative account of the strategy as of the date shown above and is subject to change without notice. Model portfolio data reflect the strategy for a fully discretionary, unconstrained account. Actual portfolios may differ as a result of account size, client-imposed investment restrictions, the timing of client investments, market, economic and individual company considerations and other factors.

Waterfront Equity (WE)

Objective

The Waterfront Equity (WE) strategy is a composite of separately managed accounts that seek to provide a total return in excess of the S&P 500 Index. The equity portfolio is diversified across sectors with security selection governed by a disciplined emphasis on finding reasonably priced profitable companies with sound capital structures.

Investment Philosophy

The strategy is predicated on the belief that above-average profitability is an accurate measure of quality and that the market frequently underestimates its durability. The Portfolio Manager seeks to exploit the inefficiency by opportunistically investing in quality companies when they are attractively valued or out of favor.

Investment Process

A portfolio of 45-55 names with high sector-relative profitability, sound capital structures and stable or improving free cash flow generation. Utilizing proprietary quantitative analysis, company financial reports, industry commentary and third-party research, the Portfolio Manager investigates the fundamental drivers of profitability to enhance the probability of identifying 'winners' in this universe of profitable companies. The fundamental drivers of above-average profitability are diverse and complex. He seeks to isolate the idiosyncratic attributes of these companies and assess their ability to suspend the ceaseless pull of reversion to the mean.

While seemingly incontrovertible, investors affinity for quality is surprisingly fickle. Although our ability to anticipate the ebbs and flows of investor psychology is limited, the Manager uses relative valuation as a barometer of the market's affinity for quality. In essence, The Manager uses valuation to discipline his quality bias.

The strategy's emphasis on sector relative profitability sharpens the focus and narrows the investable universe to a successful and proven cohort of companies whose pedigree inspires confidence across economic cycles. The Managers emphasis on relative valuation helps him opportunistically invest in these companies, improving the strategy's odds of producing excess returns. Equally important, it disciplines him to reduce or divest positions when relative valuation suggests their inherent characteristics are fully appreciated by the market.

The funds cash position is a residual of the number of qualifying investments he can find and is normally between 0-3% of total account assets. In times of uncertainty, cash is used to minimize downside capture; reduce volatility; and prepare to take advantage of opportunities created by declines in asset values.

Investment Terms

Minimum investment: \$150,000
Management fee: 0.50%

Portfolio Manager

Matthew A. Hekman, MBA
Financial Industry Experience: 24 years
Lead Portfolio Manager since inception

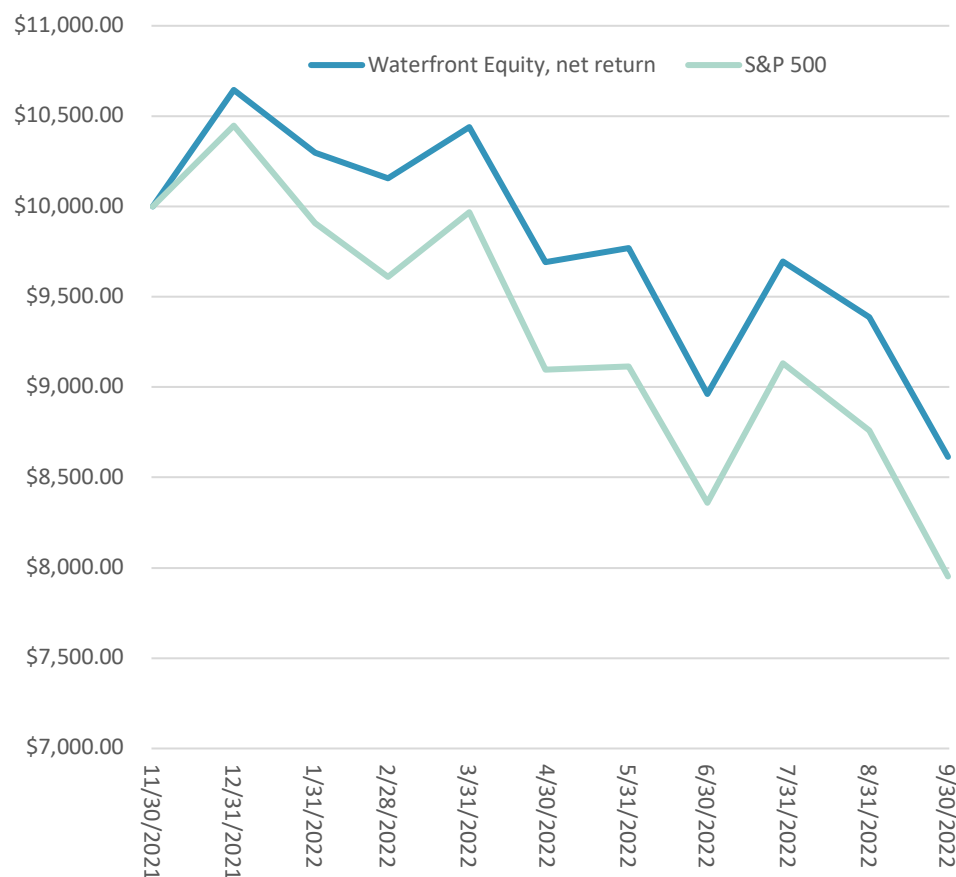
Waterfront Equity (WE) Performance through 09/30/2022

YEAR	WATERFRONT EQUITY COMPOSITE		BENCHMARK RETURN	COMPOSITE GROSS 3YR ST DEV	BENCH 3YR ST DEV %	# OF PORTFOLIOS	INTERNAL DISPERSION %	COMPOSITE ASSETS (\$M)	FIRM ASSETS (\$M)
	GROSS RETURN	NET RETURN							
2021*	2.06%	2.06%	1.96%	N/A	N/M	11	N/A***	\$1.8	\$75.8
2022**	-18.77%	-19.08%	-23.88%	N/A	N/M	68	N/A***	\$19.5	\$101.8

* Inception date of composite is 11/16/2021

** 2022 Performance is Year-to-Date (YTD) through 9/30/2022

*** Not shown because there is only one portfolio in the composite for the full year or less than a full year of performance is available



Annualized Returns

ANNUALIZED RETURNS As of September 30, 2022	WATERFRONT EQUITY COMPOSITE		BENCHMARK RETURN
	GROSS RETURN	NET RETURN	
1YR	N/A	N/A	N/M
5YR	N/A	N/A	N/M
Since Inception*	N/A***	N/A***	N/M
10YR*	N/A	N/A	N/M

The performance quoted represents past performance and does not guarantee future results. All investing involves risks, including the possible loss of principal. Please refer to the disclosures section for more information.

Waterfront Asset Management – Waterfront Equity (WE)

9/30/2022

Strategy Facts

- Inception date: 11/16/2021
- Benchmark: S&P 500
- Morningstar category: Large Blend
- Strategy assets: \$19.5M

Model Portfolio Statistics

- Number of securities: 54
- Weighted avg. market cap: \$327M
- Weighted avg. P/E (NTM): 18.1x
- Dividend yield: 2.1%

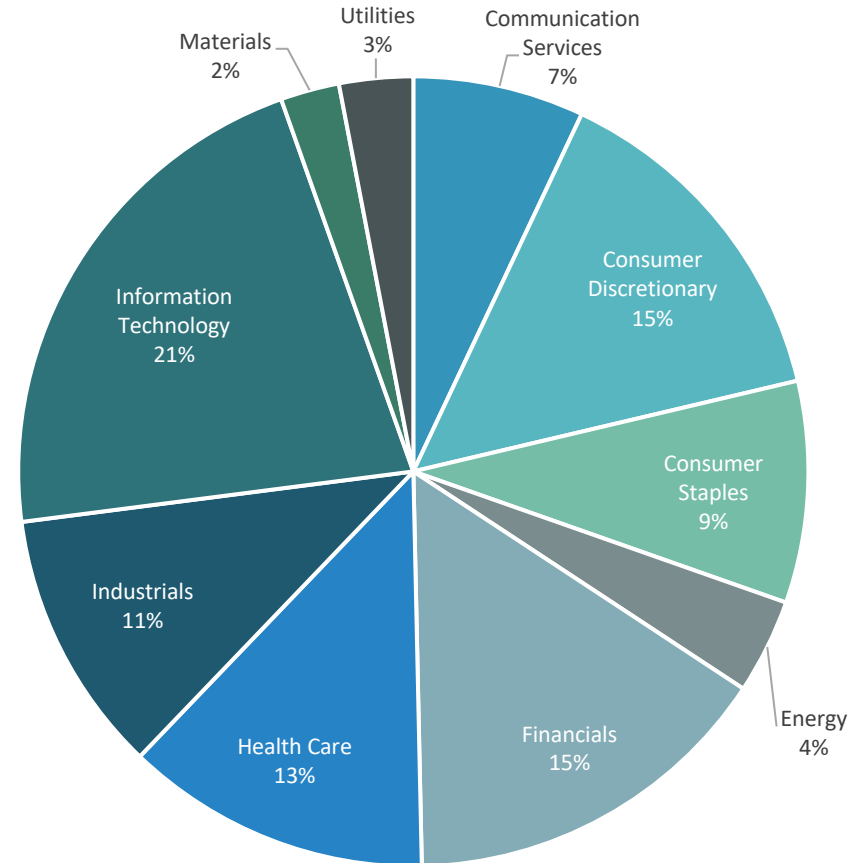
Model Portfolio Risk Characteristics

- Beta (3yr): N/A
- Alpha: N/A
- R-squared (3yr): N/A
- Standard deviation (3yr): N/A
- Sharpe ratio (3yr): N/A

Model Portfolio Top 15 Holdings

- Microsoft Corporation 5.8%
- Alphabet Inc. – Class A 4.6%
- Amazon.com Inc. 3.6%
- Cash 3.6%
- Eli Lilly & Co. 3.1%
- Elevance Health Inc. 2.5%
- Jazz Pharmaceuticals PLC 2.4%
- Autodesk Inc. 2.4%
- Constellation Brands Inc. 2.4%
- Zimmer Biomet Holdings 2.3%
- Canadian Pacific Railway 2.2%
- Progressive Corp. 2.1%
- UnitedHealth Group Inc. 2.0%
- Philip Morris 2.0%
- American Express 1.9%

Equity Sector Weights



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Waterfront Asset Management Disclosures

Waterfront Wealth Inc. is currently registered as an investment adviser with the Securities and Exchange Commission. State securities laws require that the firm be registered, or qualify for an exemption from registration, in order to provide investment advisory services to residents of a particular state. Should you choose to contact the firm, any substantive communication between you and the firm will be conducted by a representative who is appropriately licensed, registered, or qualifies for an exemption or exclusion from registration in the state where the prospective client resides.

Waterfront Wealth Inc. and its representatives do not provide tax or legal advice and nothing herein should be construed as such. Always consult with your tax advisor or attorney regarding your specific circumstances.

The investment(s) discussed may not be suitable for all investors. Investors must make their own decisions based on their specific investment objectives.

There is no guarantee the Strategy(s) will meet its (their) investment objectives. All investing involves risk including the possible loss of principal. Current performance may be lower or higher than what is stated for the composite return.

Waterfront Asset Management is a division of Waterfront Wealth, Inc., a registered investment advisor with the SEC that provides investment management services to institutional and individual investors.

Waterfront Asset Management claims compliance with the Global Investment Performance Standards (GIPS®) and has been independently verified by the Spaulding Group for the periods September 1, 2016 through June 30, 2022. To obtain the verification report and/or GIPS®-compliant performance information for the firms' strategies including a list of composite descriptions and the policies and procedures for valuing investments and calculating performance, contact Trent Grissom at trent@waterfrontadvisors.com.

Returns presented are time-weighted returns. Valuations are computed and performance is reported in U.S. dollars.

Gross-of-fees returns are presented before management fees but after all trading expenses. Composite and benchmark returns are presented net of non-reclaimable withholding taxes. Net-of-fees returns are presented after all trading expenses and are calculated by deducting a model management fee of 0.125% quarterly, $\frac{1}{4}$ of the maximum annual management fee of 0.50%.

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