

**FORM ADV**

**Uniform Application for Investment Adviser Registration**

**Part II – Page 1**

|  |                                |                      |                                      |   |
|--|--------------------------------|----------------------|--------------------------------------|---|
| Name of Investment Adviser:<br><b>Waterford Advisors, LLC</b>        |                                |                      | SEC File Number:<br><b>801-62941</b> | Date:<br><b>3/12/2010</b>                         |
| Address: (Number and Street)<br><b>6225 Sheridan Drive Suite 214</b> | (City)<br><b>Williamsville</b> | (State)<br><b>NY</b> | (Zip Code)<br><b>14221</b>           | Area Code Telephone Number<br><b>716 580-3906</b> |

**This part of Form ADV gives information about the investment adviser and its business for the use of clients. The information has not been approved or verified by any governmental authority.**

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(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

|  |                                      |                         |
|--|--------------------------------------|-------------------------|
| Applicant:<br><b>Waterford Advisors, LLC</b> | SEC File Number:<br><b>801-62941</b> | Date:<br><b>3/12/10</b> |
|--|--------------------------------------|-------------------------|

**1. A. Advisory Services and Fees.** (check the applicable boxes) For each type of service provided, state the approximate % of total advisory billings from that service. (See instruction below.)

Applicant:

|   |         |
|---|---------|
| <input checked="" type="checkbox"/> (1) Provides investment supervisory services  | 90 %    |
| <input type="checkbox"/> (2) Manages investment advisory accounts not involving investment supervisory services   | _____ % |
| <input checked="" type="checkbox"/> (3) Furnishes investment advice through consultations not included in either service described above                                    | 5 %     |
| <input type="checkbox"/> (4) Issues periodicals about securities by subscription  | _____ % |
| <input type="checkbox"/> (5) Issues special reports about securities not included in any service described above  | _____ % |
| <input type="checkbox"/> (6) issues, not as part of any service described above, any charts, graphs, formulas, or other devices which client may use to evaluate securities | _____ % |
| <input checked="" type="checkbox"/> (7) On more than an occasional basis, furnishes advice to clients on matters not involving securities                                   | 5 %     |
| <input type="checkbox"/> (8) Provides a timing service  | _____ % |
| <input checked="" type="checkbox"/> (9) Furnishes advice about securities in any manner not described above   | 0 %     |

(Percentages should be based on applicant’s last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

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**B.** Does applicant call any of the services it checked above financial planning or some similar term?..... Yes  No

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**C.** Applicant offers investment advisory services for: (check all that apply)

|  |  |
|--|--|
| <input checked="" type="checkbox"/> (1) A percentage of assets under management      | <input type="checkbox"/> (4) Subscription fees |
| <input checked="" type="checkbox"/> (2) Hourly charges                               | <input type="checkbox"/> (5) Commissions       |
| <input checked="" type="checkbox"/> (3) Fixed fees (not including subscription fees) | <input type="checkbox"/> (6) Other             |

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**D.** For each checked box in A above, describe on Schedule F:

- the services provided including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant’s basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

**2. Types of Clients – Applicant generally provides investment advice to: (check those that apply)**

|   |  |
|---|--|
| <input checked="" type="checkbox"/> A. Individuals                      | <input checked="" type="checkbox"/> E. Trusts, estates, or charitable organizations                    |
| <input type="checkbox"/> B. Banks or thrift institutions                | <input checked="" type="checkbox"/> F. Corporations or business entities other than those listed above |
| <input type="checkbox"/> C. Investment companies                        | <input type="checkbox"/> G. Other (describe on Schedule F)   |
| <input checked="" type="checkbox"/> D. Pension and profit sharing plans |  |

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

|  |                                      |                         |
|--|--------------------------------------|-------------------------|
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|--|--------------------------------------|-------------------------|

**3. Types of Investments** – Applicant offers advice on the following: (check those that apply)

|  |  |
|--|--|
| <input checked="" type="checkbox"/> A. Equity securities                   | <input checked="" type="checkbox"/> H. United States governmental securities |
| <input checked="" type="checkbox"/> (1) exchange-listed securities         |  |
| <input checked="" type="checkbox"/> (2) securities traded over-the-counter | <input type="checkbox"/> I. Options contracts on:                            |
| <input checked="" type="checkbox"/> (3) foreign issuers                    | <input type="checkbox"/> (1) securities                                      |
|  | <input type="checkbox"/> (2) commodities                                     |
| <input type="checkbox"/> B. Warrants                                       |  |
| <input checked="" type="checkbox"/> C. Corporate debt securities           | <input type="checkbox"/> J. Futures contracts on:                            |
| (other than commercial paper)  | <input type="checkbox"/> (1) tangibles                                       |
| <input checked="" type="checkbox"/> D. Commercial paper                    | <input type="checkbox"/> (2) intangibles                                     |
| <input checked="" type="checkbox"/> E. Certificates of deposit             |  |
| <input checked="" type="checkbox"/> F. Municipal securities                | <input type="checkbox"/> K. Interests in partnerships investing in:          |
|  | <input type="checkbox"/> (1) real estate                                     |
| <input type="checkbox"/> G. Investment company securities:                 | <input type="checkbox"/> (2) oil and gas interests                           |
| <input checked="" type="checkbox"/> (1) variable life insurance            | <input type="checkbox"/> (3) other (explain on Schedule F)                   |
| <input checked="" type="checkbox"/> (2) variable annuities                 |  |
| <input checked="" type="checkbox"/> (3) mutual fund shares                 | <input checked="" type="checkbox"/> L. Other (explain on Schedule F)         |

**4. Methods of Analysis, Sources of Information, and Investment Strategies.**

A. Applicant's security analysis methods include: (check those that apply)

|   |  |
|---|--|
| <input type="checkbox"/> (1) Charting               | <input checked="" type="checkbox"/> (4) Cyclical           |
| <input checked="" type="checkbox"/> (2) Fundamental | <input type="checkbox"/> (5) Other (explain on Schedule F) |
| <input checked="" type="checkbox"/> (3) Technical   |  |

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B. The main sources of information applicant uses include: (check those that apply)

|   |   |
|---|---|
| <input checked="" type="checkbox"/> (1) Financial newspapers and magazines    | <input type="checkbox"/> (5) Timing services  |
| <input checked="" type="checkbox"/> (2) Inspections of corporate activities   | <input checked="" type="checkbox"/> (6) Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| <input checked="" type="checkbox"/> (3) Research materials prepared by others | <input type="checkbox"/> (7) Company press releases   |
| <input checked="" type="checkbox"/> (4) Corporate rating services             | <input type="checkbox"/> (8) Other (explain on Schedule F)  |

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C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

|   |  |
|---|--|
| <input checked="" type="checkbox"/> (1) Long term purchases (securities held at least a year) | <input checked="" type="checkbox"/> (5) Margin transactions  |
| <input checked="" type="checkbox"/> (2) Short term purchases (securities sold within a year)  | <input type="checkbox"/> (6) Option writing, including covered options, uncovered options, or spreading strategies |
| <input type="checkbox"/> (3) Trading (securities sold within 30 days)                         | <input type="checkbox"/> (7) Other (explain on Schedule F)   |
| <input type="checkbox"/> (4) Short sales  |  |

|  |                                      |                         |
|--|--------------------------------------|-------------------------|
| Applicant:<br><b>Waterford Advisors, LLC</b> | SEC File Number:<br><b>801-62941</b> | Date:<br><b>3/12/10</b> |
|--|--------------------------------------|-------------------------|

**5. Education and Business Standards.** Yes    No

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients?.....    

(If yes, describe these standards on Schedule F.)

**6. Education and Business Background.**

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

|   |  |
|---|--|
| <ul style="list-style-type: none"> <li>• name</li> <li>• year of birth</li> </ul> | <ul style="list-style-type: none"> <li>• formal education after high school</li> <li>• business background for the preceding five years</li> </ul> |
|---|--|

**7. Other Business Activities.** (check those that apply)

A. Applicant is actively engaged in a business other than giving investment advice.

B. Applicant sells products or services other than investment advice to clients.

C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

**8. Other Financial Industry Activities or Affiliations.** (check those that apply)

A. Applicant is registered (or has an application pending) as a securities broker-dealer.

B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.

C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:

|  |   |
|--|---|
| <input type="checkbox"/> (1) broker-dealer<br><input type="checkbox"/> (2) investment company<br><input type="checkbox"/> (3) other investment adviser<br><input type="checkbox"/> (4) financial planning firm<br><input type="checkbox"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant<br><input type="checkbox"/> (6) banking or thrift institution | <input type="checkbox"/> (7) accounting firm<br><input type="checkbox"/> (8) law firm<br><input type="checkbox"/> (9) insurance company or agency<br><input type="checkbox"/> (10) pension consultant<br><input type="checkbox"/> (11) real estate broker or dealer<br><input type="checkbox"/> (12) entity that creates or packages limited partnerships |
|--|---|

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest?..... Yes    No  
   

(If yes, describe on Schedule F the partnerships and what they invest in.)

|  |                                      |                         |
|--|--------------------------------------|-------------------------|
| Applicant:<br><b>Waterford Advisors, LLC</b> | SEC File Number:<br><b>801-62941</b> | Date:<br><b>3/12/10</b> |
|--|--------------------------------------|-------------------------|

**9. Participation of Interest in Client Transactions.**  
Applicant or a related person: (check those that apply)

A. As principal, buys securities for itself from or sells securities it owns to any client.

B. As broker or agent effects securities transactions for compensation for any client.

C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.

D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.

E. Buys or sells for itself securities (other than shares of mutual funds) that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions. Describe, on Schedule F, your code of ethics, and state that you will provide a copy of your code of ethics to any client or prospective client upon request.)

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**10. Conditions for Managing Accounts.** Yes      No

Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of assets or other conditions for starting or maintaining an account?      

(If yes, describe on Schedule F.)

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**11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and trigger factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

**For those clients to whom Registrant provides investment supervisory services, account reviews are conducted on an on-going basis by the Registrant’s President, Gregory L. Kozerski, Sr., CPA, CFP, AIFA. All investment supervisory and financial planning clients are encouraged to discuss with Registrant his/her/their/its investment objectives, needs and goals, and will keep the Registrant informed of any changes regarding same. All clients are encouraged to meet, at least annually, with the Registrant to comprehensively review (to the extent applicable), financial planning issues, investment objectives and account performance.**

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B. Describe below the nature and frequency of regular reports to clients on their accounts.

**Clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer/custodian for the client accounts. Those clients to whom Registrant provides investment supervisory services will also receive a semi-annual report from the Registrant summarizing account activity and performance.**

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

|  |                                      |                         |
|--|--------------------------------------|-------------------------|
| Applicant:<br><b>Waterford Advisors, LLC</b> | SEC File Number:<br><b>801-62941</b> | Date:<br><b>3/12/10</b> |
|--|--------------------------------------|-------------------------|

**12. Investment or Brokerage Discretion.**

A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:

|  |   |  |
|--|---|--|
| (1) securities to be bought or sold? .....               | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/>            |
| (2) amount of the securities to be bought or sold? ..... | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/>            |
| (3) broker or dealer to be used? .....                   | Yes <input type="checkbox"/>            | No <input checked="" type="checkbox"/> |
| (4) commission rates paid? .....                         | Yes <input type="checkbox"/>            | No <input checked="" type="checkbox"/> |

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B. Does applicant or a related person suggest brokers to clients?..... Yes  No

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services;
- whether clients may pay commission higher than those obtainable from other brokers in return for those products and services;
- whether research is used to service all of applicant’s accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for products and research services received.

**13. Additional Compensation.**

Does the applicant or a related person have any arrangements, oral or in writing, where it:

|   |                              |  |
|---|------------------------------|--|
| A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? ..... | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| B. directly or indirectly compensates any person for client referrals? .....  | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |

(For each yes, describe the arrangements on Schedule F.)

**14. Balance Sheet.** Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities (unless applicant is registered or registering only with the Securities and Exchange Commission); or
- requires prepayment of more than \$500 in fees per client and 6 or more months in advance.

|  |                              |  |
|--|------------------------------|--|
| Has applicant provided a Schedule G balance sheet? ..... | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
|--|------------------------------|--|

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV Part II**

|  |                                      |                         |
|--|--------------------------------------|-------------------------|
| Applicant:<br><b>Waterford Advisors, LLC</b> | SEC File Number:<br><b>801-62941</b> | Date:<br><b>3/12/10</b> |
|--|--------------------------------------|-------------------------|

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

|   |                       |
|---|-----------------------|
| 1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:<br><b>Waterford Advisors, LLC</b> | IRS Empl. Ident. No.: |
|---|-----------------------|

| Item of Form<br>(identify) | Answer  |
|----------------------------|---|
| <b>Item 1.D.</b>           | <p>As discussed below in this disclosure statement, the Registrant provides its clients (i.e., individuals, pension and profit sharing plans, trusts, and business entities) with comprehensive financial planning and investment management services.</p> <p><b>FINANCIAL PLANNING</b></p> <p>Registrant provides its clients with a broad range of comprehensive financial planning and consulting services (including non-investment related matters). Registrant will charge a fee (fixed and/or hourly) for these services. Registrant’s financial planning fees are negotiable, but generally range from \$3,000 to \$5,000 on a fixed fee basis and from \$75 to \$200 on an hourly rate basis, depending upon the level and scope of the services required, and the professional rendering the service(s). Prior to engaging the Registrant to provide financial planning and/or consulting services, the client will generally be required to enter into a Financial Planning Agreement with Registrant setting forth the terms and conditions of the engagement, describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to Registrant commencing services. In the event the client terminates Registrant’s financial planning and/or consulting services, the balance of Registrant’s fee, if any, shall be refunded to the client. In performing its services, Registrant shall not be required to verify any information received from the client or from the client’s other professionals, and is expressly authorized to rely thereon. If requested by the client, Registrant may recommend the services of other professionals for implementation purposes. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Registrant. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/ evaluating/revising Registrant’s previous recommendations and/or services.</p> <p><b>INVESTMENT IMPLEMENTATION / MANAGEMENT</b></p> <p>The client can engage the Registrant to implement investment recommendations on either a commission or fee basis. In the event the client desires to implement on a discretionary or non-discretionary commission basis, the client can engage the Registrant’s President, Gregory L. Kozerski, Sr., CPA, CFP, AIFA in his individual capacity as a registered representative of Cadaret Grant &amp; Co., Inc., an SEC registered and FINRA member broker-dealer (“<i>Cadaret</i>”), to implement investment recommendations on a fully disclosed commission basis. In the event the client chooses to implement by purchasing investment products through the Registrant’s</p> |

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV Part II**

|  |                                      |                         |
|--|--------------------------------------|-------------------------|
| Applicant:<br><b>Waterford Advisors, LLC</b> | SEC File Number:<br><b>801-62941</b> | Date:<br><b>3/12/10</b> |
|--|--------------------------------------|-------------------------|

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

|   |                       |
|---|-----------------------|
| 1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:<br><b>Waterford Advisors, LLC</b> | IRS Empl. Ident. No.: |
|---|-----------------------|

| Item of Form<br>(identify)     | Answer   |                                |                   |                 |       |                        |       |                            |       |                  |       |
|--------------------------------|--|--------------------------------|-------------------|-----------------|-------|------------------------|-------|----------------------------|-------|------------------|-------|
| <b>Item 1.D. (continued)</b>   | <p>President, Gregory L. Kozerski, Sr., CPA, CFP, AIFA, in his individual capacity as a registered representative of <i>Cadaret</i>, brokerage commissions will be charged by <i>Cadaret</i> to effect securities transactions, a portion of which commissions shall be paid by <i>Cadaret</i> to Mr. Kozerski. Prior to effecting any transactions, the client will be required to enter into a new account agreement with <i>Cadaret</i>. The brokerage commissions charged by <i>Cadaret</i> may be higher or lower than those charged by other broker-dealers. In addition, <i>Cadaret</i>, as well as Mr. Kozerski relative to commission mutual fund purchases, may also receive additional ongoing 12b-1 trailing commission compensation directly from the mutual fund company during the period that the client maintains the mutual fund investment.</p> <p>In the event the client desires, the client can engage the Registrant to provide discretionary or non-discretionary investment management services on a fee basis. In the event the client determines to engage the Registrant on a fee basis, Registrant shall charge an annual investment management fee based upon a percentage of the market value of the assets being managed by Registrant. The investment management fee charged shall vary depending upon the specific type of investment management services to be rendered and the market value of assets under management as follows:</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;"><u>Assets Under Management</u></th> <th style="text-align: center;"><u>Annual Fee</u></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">up to \$500,000</td> <td style="text-align: center;">1.20%</td> </tr> <tr> <td style="text-align: center;">\$500,001 to \$999,999</td> <td style="text-align: center;">0.90%</td> </tr> <tr> <td style="text-align: center;">\$1,000,000 to \$1,999,999</td> <td style="text-align: center;">0.70%</td> </tr> <tr> <td style="text-align: center;">over \$2,000,000</td> <td style="text-align: center;">0.50%</td> </tr> </tbody> </table> <p>Registrant's annual investment management fee shall be prorated and paid quarterly, in advance, based upon the market value of the assets on the last day of the previous quarter. Registrant generally requires an account minimum of \$250,000 for investment management services, and a \$625 minimum quarterly investment management fee. Registrant, in its sole discretion, may require a lesser account minimum, waive the quarterly minimum fee, and/or charge a lesser management fee based upon certain criteria (i.e., existing financial planning client, anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).</p> <p>Currently, Registrant intends to primarily allocate investment management assets of its client accounts among various individual debt and equity securities, and mutual funds, on a discretionary or non-discretionary basis, in accordance with the investment objectives of the client. Unless the client directs otherwise, Registrant shall generally recommend that the broker-dealer for all investment management accounts be Charles Schwab &amp; Co., Inc. ("<i>Schwab</i>") and that the account be maintained at <i>Schwab</i>.</p> | <u>Assets Under Management</u> | <u>Annual Fee</u> | up to \$500,000 | 1.20% | \$500,001 to \$999,999 | 0.90% | \$1,000,000 to \$1,999,999 | 0.70% | over \$2,000,000 | 0.50% |
| <u>Assets Under Management</u> | <u>Annual Fee</u>  |                                |                   |                 |       |                        |       |                            |       |                  |       |
| up to \$500,000                | 1.20%  |                                |                   |                 |       |                        |       |                            |       |                  |       |
| \$500,001 to \$999,999         | 0.90%  |                                |                   |                 |       |                        |       |                            |       |                  |       |
| \$1,000,000 to \$1,999,999     | 0.70%  |                                |                   |                 |       |                        |       |                            |       |                  |       |
| over \$2,000,000               | 0.50%  |                                |                   |                 |       |                        |       |                            |       |                  |       |

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV Part II**

|  |                                      |                         |
|--|--------------------------------------|-------------------------|
| Applicant:<br><b>Waterford Advisors, LLC</b> | SEC File Number:<br><b>801-62941</b> | Date:<br><b>3/12/10</b> |
|--|--------------------------------------|-------------------------|

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

|   |                       |
|---|-----------------------|
| 1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:<br><b>Waterford Advisors, LLC</b> | IRS Empl. Ident. No.: |
|---|-----------------------|

| Item of Form<br>(identify)   | Answer  |
|------------------------------|---|
| <b>Item 1.D. (continued)</b> | <p>Factors which the Registrant considers in recommending <i>Schwab</i> to clients include <i>Schwab's</i> service, financial strength, reputation, reporting, execution, pricing, and research. Broker-dealers/custodians charge commissions and/or transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity/debt securities transactions). In addition to Registrant's investment management fee, brokerage commissions and/or transaction fees, the client will also incur, relative to all mutual fund purchases, charges impose at the mutual fund level (e.g., management fees and other fund expenses). <i>Schwab</i> enables Registrant to obtain many no-load mutual funds without transaction charges and other no-load mutual funds at nominal transaction charges. The commissions and/or transaction fees charged by <i>Schwab</i> may be higher or lower than those charged by other broker dealers/custodians. The Registrant will not receive any portion of the commissions and/or transaction fees charged by <i>Schwab</i> to the client for investment management services. In return for effecting securities brokerage transactions through <i>Schwab</i>, or any other designated broker-dealer/custodian, Registrant may receive certain investment research products or services which assist Registrant in its investment decision making process for its clients, all of which transactions shall be in compliance with Section 28(e) of the Securities Exchange Act of 1934. The commissions paid by Registrant's clients to <i>Schwab</i> are considered by Registrant to be highly competitive with standard industry rates. However, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where the Registrant determines, in good faith, that the commission is reasonable in relation to the value of the brokerage and research services received. The fees charged by <i>Schwab</i>, or any other designated broker-dealer/custodian, are exclusive of, and in addition to, Registrant's investment management fee. In addition to Registrant's investment management fee, the client, relative to all mutual fund purchases, shall also incur charges imposed directly at the mutual fund level (e.g., advisory fees and other fund expenses).</p> <p>Prior to engaging Registrant to provide investment management services, the client will be required to enter into a formal Investment Advisory Agreement with Registrant setting forth the terms and conditions under which Registrant shall manage the client's assets, and a separate custodial/clearing agreement with <i>Schwab</i>. Both Registrant's Investment Advisory Agreement and <i>Schwab's</i> custodial/clearing agreement will authorize <i>Schwab</i> to debit the account for the amount of the Registrant's investment management fee and to directly remit that management fee to the Registrant in accordance with required SEC procedures. The Investment Advisory Agreement between the Registrant and the client will continue in effect until terminated by either party by written notice pursuant to the terms of the Investment Advisory Agreement. Registrant's investment advisory fee shall be prorated through the date of termination, and the remaining balance, if any, shall be promptly refunded to the client.</p> |

**Schedule F of  
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| Applicant:<br><b>Waterford Advisors, LLC</b> | SEC File Number:<br><b>801-62941</b> | Date:<br><b>3/12/10</b> |
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| <b>Item 1.D. (continued)</b> | <p>In addition, for those clients that require an enhanced and/or specialized level of investment management services, the Registrant shall recommend that the client allocate his/her/its assets among other investment adviser(s) (the “Independent Manager(s)”), to be recommended by the Registrant, based upon the stated investment objectives of the client. The terms and conditions under which the client shall engage the Independent Manager(s) shall be set forth in a separate written agreement between the client and the designated Independent Manager(s). Upon engagement of the Independent Manager(s) by the client, the Registrant shall render periodic advisory services to the client limited solely to the monitoring and review of Independent Manager(s) performance. Factors which the Registrant shall consider in recommending Independent Manager(s) include the client’s stated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research. If Registrant refers a client to Independent Manager(s), and the client engages the Independent Manager(s), Registrant shall be compensated for its services by receipt of a referral fee to be paid by Independent Manager(s) to the Registrant in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities laws or requirements. Any such referral fee shall be paid solely from the Independent Manager(s) investment management fee, and shall not result in any additional charge to the client. In addition to Registrant’s written disclosure statement as set forth on Part II of Form ADV, the client shall also receive the written disclosure statement of the recommended Independent Manager(s).</p> <p>Registrant does not have authority to vote proxies on behalf of clients. The firm may offer assistance as to proxy matters upon a client’s request, but the client always retains the proxy voting responsibility.</p> <p>In performing its services, Registrant shall not be required to verify any information received from the client or from the client’s other professionals and is expressly authorized to rely thereon. The client is free to accept or reject any recommendation made by the Registrant. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/ revising Registrant’s previous recommendations and/or services, or if they wish to impose any reasonable restrictions upon Registrant’s management services.</p> <p>Neither the Registrant nor the client may assign the Financial Planning Agreement or Investment Advisory Agreement without the prior written consent of the other party. Transactions that do not result in a change of actual control or management of the Registrant shall not be considered an assignment.</p> |

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| <b>Item 1.D. (continued)</b> | <p>A copy of Registrant’s written disclosure statement as set forth on Part II of Form ADV shall be provided to each client prior to or contemporaneously with the execution of the Financial Planning Agreement or Investment Advisory Agreement. Any client who has not received a copy of Registrant’s written disclosure statement at least forty-eight (48) hours prior to executing the Financial Planning Agreement or Investment Advisory Agreement shall have five (5) business days subsequent to executing the agreement to terminate the Registrant’s services without penalty.</p> <p><b>PORTFOLIO MANAGEMENT THROUGH FTJ FUNDCHOICE PROGRAM</b></p> <p><b>Services</b></p> <p>Registrant manages portfolios for suitable clients through the FTJ FundChoice, LLC Program (the “Program”). In the Program, FTJ FundChoice, LLC (“FTJFC”) offers advisory services to Registrant (but not to the client) that consists of access to an asset allocation program and investment reporting services for use in the management of client account assets. Through the Program, Registrant may select asset allocation portfolios which diversify client assets among mutual funds. The mutual funds provided consist of no-load fund families and load waived class A share funds covering all major asset classes.</p> <p>Each model portfolio employed represents a different asset allocation strategy. FTJFC retains third-party non-affiliated investment managers to design and manage model portfolios using mutual funds available through the Program.</p> <p>In determining the initial allocation to be used, the client may complete a client profile which may be used to assist the client and Registrant in determining the suitability of the Program for the client. Registrant will furnish continuous advice as to the investment of the client’s account in the Program based on the client’s needs, current financial situation, financial goals and attitudes towards risk. This process will help Registrant review the client’s situation and enable Registrant to recommend an initial selection of a suitable asset allocation model. Once the client’s initial asset allocation model has been selected, the portfolio will be implemented using the mutual funds available through the Program. Registrant may suggest a reallocation of the client’s portfolio based on changing economic conditions or changes in the client’s individual circumstances. Under the Program, client will be assumed to have directed that the account be automatically invested in accordance with all adjustments and rebalancing of the asset allocation model unless the client instructs Registrant to terminate such automatic adjustment and rebalancing.</p> |

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| <b>Item 1.D. (continued)</b> | <p><b>Fees</b></p> <p>The annual fee for Registrant’s portfolio management services offered through the Program will be charged as a percentage of assets under management. The Program fee is generally assessed according to one of the schedules set forth below:</p> <p><b><u>Individual Accounts:</u></b><br/>           Asset Based Fee (Breakpoint Schedule)<br/>           From To Fee Schedule<br/>           \$0.00 \$50,000.00 0.45%<br/>           \$50,000.01 \$100,000.00 0.35%<br/>           \$100,000.01 \$250,000.00 0.30%<br/>           \$250,000.01 \$500,000.00 0.25%<br/>           Over \$500,000.01 0.20%<br/>           Annual Account Maintenance Fee per Account w/ Electronic Delivery \$25.00<br/>           Annual Account Maintenance Fee per Account w/ Mailed Statements \$50.00</p> <p><b><u>Household Accounts*:</u></b><br/>           Asset Based Fee (Breakpoint Schedule per Account)<br/>           From To Fee Schedule<br/>           \$0.00 \$50,000.00 0.35%<br/>           \$50,000.01 \$100,000.00 0.25%<br/>           \$100,000.01 \$250,000.00 0.20%<br/>           \$250,000.01 \$500,000.00 0.175%<br/>           Over \$500,000.01 0.15%<br/>           Annual Account Maintenance Fee per Household w/ Electronic Delivery \$115.00<br/>           Annual Account Maintenance Fee per Household w/ Mailed Statements \$165.00</p> <p>*Household Account is defined as head of household, spouse and dependent children of Registrant living at the same address.</p> <p>These fees are in addition to the percentage of assets fee charged by Registrant in accordance with its fee schedule. Please refer to Item 1.D. of this Schedule F for the Registrant’s fee schedule. In addition, clients will bear directly the fees and expenses charged by mutual funds. A description of these fees and expenses are available in each fund’s prospectus.</p> <p>There is no minimum account size required for this service. Fees will be payable monthly in arrears. If the client’s account was not open for the entire month used to compute the fee, the fee will be based upon the number of days that the account was open during such month. The annual fee is based on the daily average account balance for the period for which fees are collected, and they are automatically deducted from the client’s account as a condition of participation in the Program.</p> |

**Schedule F of  
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| <b>Item 1.D. (continued)</b> | <p><b>Reviewers and Reviewers of Accounts</b></p> <p>Please refer to Item 11.A. of Form ADV Part II.</p> <p><b>Regular Reports Provided to Clients</b></p> <p>Client will receive reports no less than quarterly, prepared by FTJFC, showing account activity as well as position held in the account. All accounts participating in the Program are accessible 24 hours a day by logging on to <a href="http://www.ftjfundchoice.com">www.ftjfundchoice.com</a>.</p> <p><b>Brokerage</b></p> <p>In order to be eligible for the Program, clients are required to use HNB Passive Custodian (“Custodian”) for trading and custody of mutual funds. Therefore, Registrant, through its recommendation of the Program, is recommending HNB Passive Custodian as the broker-dealer to be used. The client should carefully review all the terms and conditions of the agreement(s) client signs with the Custodian.</p> <p>With respect to its discretionary and non-discretionary asset management services, Registrant generally maintains ongoing responsibility to make recommendations, based upon the needs of the client, as to the securities the account may purchase or sell and, if such recommendation is accepted by the client, Registrant is responsible for arranging or effecting the purchase or sale.</p> <p>Registrant does not have authority to vote proxies on behalf of clients. The firm may offer assistance as to proxy matters upon a client’s request, but the client always retains the proxy voting responsibility.</p> <p>In performing its services, Registrant shall not be required to verify any information received from the client or from the client’s other professionals, and is expressly authorized to rely thereon. The client is free to accept or reject any recommendation made by the Registrant. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Registrant’s previous recommendations and/or services, or if they wish to impose any reasonable restrictions upon Registrant’s management services.</p> <p>Neither the Registrant nor the client may assign the Financial Planning Agreement or Investment Advisory Agreement without the prior written consent of the other party. Transactions that do not result in a change of actual control or management of the Registrant shall not be considered an assignment.</p> |

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| <b>Item 1.D. (continued)</b> | A copy of Registrant's written disclosure statement as set forth on Part II of Form ADV shall be provided to each client prior to or contemporaneously with the execution of the Financial Planning Agreement or Investment Advisory Agreement. Any client who has not received a copy of Registrant's written disclosure statement at least forty-eight (48) hours prior to executing the Financial Planning Agreement or Investment Advisory Agreement shall have five (5) business days subsequent to executing the agreement to terminate the Registrant's services without penalty.   |
| <b>Item 3.L.</b>             | As discussed in the response to Item 1.D. above, for those clients that require an enhanced and/or specialized level of investment management services, Registrant may recommend that clients authorize the active discretionary and non-discretionary management of a portion of their assets by and/or among certain Independent Manager(s), based upon the stated investment objectives of the client. Registrant shall continue to render services to the client relative to the monitoring and review of account performance, asset allocation, and client investment objectives.   |
| <b>Item 5.</b>               | All individuals that give investment advice on behalf of the Registrant must have earned a college degree and/or have substantive investment-related experience. In addition, all such individuals shall have attained the designation of Certified Financial Planner.   |
| <b>Item 6.</b>               | <p><b>GREGORY LEONARD KOZERSKI, SR., CPA, CFP®, AIFA</b><br/> Born: 1960<br/> Post-Secondary Educational Background:<br/> Erie Community College – AAS, Business Administration, 1980<br/> Canisius College – BS, Accounting, 1983<br/> Canisius College – MS, Finance, 1993<br/> Recent Business Background:<br/> Waterford Advisors, LLC, President – 08/00 to Present<br/> Cadaret Grant &amp; Co., Inc., Registered Representative – 7/00 to Present<br/> Carleton Technologies, Inc., CFO/Treasurer – 8/87 to 8/00</p> <p><b>SCOTT M. MCCARTHY, CPA, CFP®</b><br/> Born: 1964<br/> Post-Secondary Educational Background:<br/> State University of New York at Buffalo – BS, Business Administration, 1986<br/> Recent Business Background:<br/> Waterford Advisors, LLC, Director – 12/06 to Present<br/> Cadaret Grant &amp; Co., Inc., Administrative Registered Rep – 7/08 to Present<br/> Tronconi, Segarra &amp; Associates, CPAs, Partner – 08/94 to 12/06<br/> Price Waterhouse, CPAs, Tax Manager – 8/86 to 7/94</p> |

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| <b>Item 7.A., 7.B. &amp; 7.C.</b>   | <p><b>CHRISTINA M. MICHALCZAK, CFP®</b><br/> Born: 1984<br/> Post-Secondary Educational Background:<br/> State University of New York at Alfred – BS, Business Administration, Financial Planning, 2007<br/> Recent Business Background:<br/> Waterford Advisors, LLC, CFP – 01/07 to Present<br/> Cadaret Grant &amp; Co., Inc., Administrative Registered Rep – 11/08 to Present</p> <p>Gregory L. Kozerski, Sr., CPA, CFP, AIFA, President of Registrant in his individual capacity, is also a licensed insurance agent with <i>Cadaret</i>, and in such capacity, may recommend, on a fully-disclosed basis, the purchase of certain insurance-related products.</p> <p>In addition, as discussed above in the response to Item 1.D., Mr. Kozerski in his individual capacity as a registered representative of <i>Cadaret</i>, may effect securities brokerage transactions on a fully disclosed commission basis.</p> |                       |

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| <b>Item 9.B., 9.E.</b> | <p>Mr. Kozerski currently devotes approximately five percent (5%) of his time to securities and life insurance commission business. Mr. Kozerski and Mr. McCarthy, in their individual capacities as Certified Public Accountants, also devote approximately five percent (5%) of their time to providing tax compliance and preparation services for advisory and non-advisory clients.</p> <p><b>INVESTMENT POLICY</b></p> <p>None of Registrant’s advisory representatives may effect for himself or for his immediate family (i.e., spouse, minor children) (collectively “Covered Persons”) any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of Registrant’s clients, unless in accordance with the following Firm Procedures.</p> <p><u>Firm Procedures</u></p> <p>In order to implement Registrant’s Investment Policy, the following procedures have been put into place with respect to Registrant and its Covered Persons:</p> <p>(1) If Registrant is purchasing or considering for purchase any security on behalf of Registrant’s client, no Covered Persons may transact in that security prior to the client purchase having been completed by Registrant, or until a decision has been made not to purchase the security on behalf of the client; and</p> |
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|                            | <p>(2) If Registrant is selling or considering the sale of any security on behalf of Registrant's client, no Covered Persons may transact in that security prior to the sale on behalf of the client having been completed by Registrant, or until a decision has been made not to sell the security on behalf of the client.</p> <p><u>Exceptions</u></p> <p>(1) The investment policy has been established recognizing that some securities being considered for purchase and sale on behalf of Registrant's clients trade in sufficiently broad markets to permit transactions by clients to be completed without any appreciable impact on the markets of the securities. Under certain circumstances exceptions may be made to the policies stated above. Records of these trades, including the reasons for the exceptions, will be maintained with Registrant's records.</p> |

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| <b>Item 10.</b> | <p>(2) Open-end mutual funds and/or the investment subdivisions which may comprise a variable insurance product are purchased or redeemed at a fixed net asset value price per share specific to the date of purchase or redemption. As such, transactions in mutual funds and/or variable insurance products by Covered Persons are not likely to have an impact on the prices of the fund shares in which clients invest, and are therefore not prohibited by Registrant's Investment Policy and Procedures.</p> <p>In accordance with Section 204A of the Investment Advisers Act of 1940, the Registrant also maintains and enforces written policies reasonably designed to prevent the misuse of material nonpublic information by the Registrant or any person associated with the Registrant.</p> <p>Waterford Advisors LLC has adopted a <b>Code of Ethics</b> which sets forth high ethical standards of business conduct that Waterford Advisors LLC requires of its employees, including compliance with federal securities laws. Our Code of Ethics also includes policies and procedures for the review of securities transactions reports as well as initial and annual securities holdings reports that must be submitted by Waterford Advisors LLC Covered Persons. A copy of Waterford's Code of Ethics is available to our clients upon request to Gregory L. Kozerski, Sr., CPA, CFP, AIFA at our principal office address.</p> <p>Please also see the response to Item 1.D. on this Schedule F.</p> <p>Registrant generally imposes a minimum annual fee of \$2,500 for investment management services. In addition, Independent Fund Manager(s) may impose varying minimum account values upon Registrant's clients.</p> |
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| <b>Item 12.A.</b>          | <p>Please also see the response to Item 1.D. on this Schedule F.</p> <p>For discretionary and non-discretionary clients, Waterford requests that it be provided with written authority (Investment Policy Statement) to determine which securities and the amounts of securities that are bought or sold, as well as the broker or dealer to be used and the rates to be paid (Investment Advisory Agreement).</p> <p>Section 6 entitled "Authorizations" on the Schwab application is initialed by each client opening an investment account giving Waterford the authority to execute trades at the direction of the Investment Advisor as well as request disbursements by check, wire and otherwise make disbursements of funds held in the account to clients at said client's address of record. This authorization also authorizes payment of investment advisory and related fees to be paid to the Investment Advisor in the amount of Investment Advisor instructions. Any limitations on this discretionary and non-</p> |

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| <b>Item 12.B.</b> | <p>discretionary authority shall be included in this written authority statement. Clients may change/amend these limitations as required. Such amendments shall be submitted in writing. Waterford will endeavor to select those custodians which will provide the best services at the lowest commission rates possible. The reasonableness of commissions is based on the custodians' ability to provide professional services, competitive commission rates, research and other services which will help Waterford in providing investment management services to clients. Waterford may, therefore, use a custodian who provides useful research and securities transaction services even though a lower commission may be charged by a custodian who offers no research services and minimal securities transaction assistance. Research services may be useful in servicing all our clients, and not all of such research may be useful for the account for which the particular transaction was effected.</p> <p>Please see the previous response set forth on this Schedule F to Item 1.D. In addition, Registrant's general policies relative to the execution of client securities brokerage transactions are as follows:</p> <p style="padding-left: 40px;">Execution of Brokerage Transactions (when applicable). If requested, Registrant will arrange for the execution of securities brokerage transactions for the account through broker-dealers that Registrant reasonably believes will provide "best execution." In seeking best execution, the determinative factor is not the lowest possible commission cost but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Registrant will seek competitive commission rates, it may not necessarily obtain the lowest possible commission rates for account transactions.</p> |
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| Item of Form<br>(identify)    | Answer  |
|-------------------------------|---|
| <b>Item 12.B. (continued)</b> | <p>Consistent with obtaining best execution, transactions for a client’s account may be effected through broker-dealers in return for research products and/or services which assist Registrant in its investment decision making process. Such research generally will be used to service all of Registrant’s clients, but brokerage commissions paid by client may be used to pay for research that is not used in managing the client’s account. The account may pay to a broker-dealer a commission greater than another qualified broker-dealer might charge to effect the same transaction where Registrant determines in good faith that the commission is reasonable in relation to the value of the brokerage and research services received.</p> <p>Transactions for each client account generally will be effected independently, unless Registrant decides to purchase or sell the same securities for several clients at approximately the same time. Registrant may (but is not obligated to) combine or “batch” such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among Registrant’s 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 will be allocated among Registrant’s clients in proportion to the purchase and sale orders placed for each client account on any given day. To the extent that the Registrant determines to aggregate client orders for the purchase or sale of securities, including securities in which Registrant’s principal(s) and/or associated person(s) may invest, the Registrant shall generally do so in accordance with the parameters set forth in SEC No-Action Letter, SMC Capital, Inc. The Registrant shall not receive any additional compensation or remuneration as a result of the aggregation.</p> <p>The client may direct Registrant to use a particular broker-dealer (subject to the Registrant’s right to decline and/or terminate the engagement) to execute some or all transactions for the client’s account. In such event, the client will negotiate terms and arrangements for the account with that broker-dealer, and the Registrant will not seek better execution services or prices from other broker-dealers or be able to “batch” the client’s transactions for execution through other broker-dealers with orders for other accounts managed by Registrant. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. In the event that transactions for client accounts are effected through a broker-dealer that refers investment management clients to the Registrant, the potential for conflict of interest may arise.</p> |