

**Timothy John Watters**

**Watters Financial Services, LLC**

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**FORM ADV PART 2B  
BROCHURE SUPPLEMENT**

This brochure supplement provides information about Timothy J. Watters CFP®, that supplements Watters Financial Services, LLC's brochure. You should have received a copy of that brochure. Please contact Timothy J. Watters CFP® if you did not receive Watters Financial Services, LLC's brochure or if you have any questions about the contents of this supplement.

Additional information about Timothy J. Watters CFP® is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 Educational Background and Business Experience

### Timothy J. Watters, CFP®

Year of Birth: 1959

Formal Education after High School:

- Pace University, MBA; Finance & Marketing, 1985
- State University of New York at Albany, BA; Psychology & Economics, 1981

Business Background for the Previous Five Years:

- Watters Financial Services, LLC, Managing Member & Chief Compliance Officer, 2007 to Present
- Cambridge Investment Research, Inc., Registered Representative, 2003-2009
- Timothy J. Watters, CFP®, Sole Proprietor, Registered Investment Adviser, 1999-2007
- Timothy J. Watters, CFP®, Sole Proprietorship, 1986-2007

Certifications: CFP®

The **CERTIFIED FINANCIAL PLANNER, CFP®** and federally registered CFP® (with flame design) marks (collectively, the "CFP® marks") are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP® Board").

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 63,000 individuals have obtained CFP® certification in the United States. To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education - Complete an advanced college-level course of study addressing the financial planning subject areas that CFP® Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP® Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination - Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- Experience - Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics - Agree to be bound by CFP® Board's *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education - Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and

- Ethics - Renew an agreement to be bound by the *Standards of Professional Conduct*. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP® Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

### **Item 3 Disciplinary Information**

Mr. Watters does not have any reportable disciplinary information nor has he ever had any reportable disciplinary actions against him.

### **Item 4 Other Business Activities**

Mr. Watters is separately licensed as an independent insurance agent. In this capacity, he can effect transactions in insurance products for his clients and earn commissions for these activities. The fees you paid to the firm for advisory services are separate and distinct from the commissions earned by Mr. Watters for insurance related activities. This presents a conflict of interest because Mr. Watters may have an incentive to recommend insurance products for the purpose of generating commissions rather than solely based on the client's needs. However, clients are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with the firm.

### **Item 5 Additional Compensation**

Mr. Watters does not receive any additional compensation for providing advisory services beyond the compensation he receives through Watters Financial Services, LLC.

### **Item 6 Supervision**

Timothy J. Watters CFP® is the Managing Member, Chief Compliance Officer and Principal of Watters Financial Services, LLC, and therefore, supervises himself. Timothy J. Watters CFP® can be reached at (201) 843-0044.

### **Item 7 Requirements for State-Registered Advisers**

Mr. Watters does not have any reportable arbitration claims, has not been found liable in a reportable civil, self-regulatory organization proceeding or administrative proceeding, and has not been the subject of a bankruptcy petition.