

Part 2A of Form ADV: Firm Brochure

PFG Investments, LLC (D/B/A
Vanderbilt Advisory Services)

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Updated: 07/19/17

This Brochure provides information about the qualifications and business practices of Vanderbilt Advisory Services (“Advisor”). If you have any questions about the contents of this Brochure, please contact us at (631) 845-5100. 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. The Advisor 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 Vanderbilt Advisory Services also is available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number is 116537.

Item 2 *Material Changes*

On July 28, 2010, the United State Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated 11/23/2016 is an updated document prepared according to the SEC’s new requirements and rules. As such, this Document is materially different in structure and requires certain new information that our previous brochure did not require.

In the future, this Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Barry Champney, Chief Compliance Officer at (631) 845-5100.

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Item 4 Advisory Business

Vanderbilt Advisory Services (hereafter “Advisor”) is a state registered investment management firm formed under the laws of the State of New York. The firm was established in 2000 Stephen Alfred Distant is the CEO and majority stockholder.

The Advisor offers a wide variety of advisory services. We offer Financial Planning, several proprietary investment programs.

Advisor does not sponsor any wrap fee programs (programs that bundle brokerage and advisory services under one single comprehensive fee).

Advisor is a fee-based investment advisor that offers three types of advisory services:

- Independent Third Party Advisors
- Proprietary Vanderbilt Advisory Services Programs
- Financial Planning Services

As of 11/16/2015, the Advisor manages a total of \$27,713,000 in client assets. Of which \$27,713,000 are discretionary and 0 are non-discretionary.

Clients may impose restrictions on investing in certain securities or types of securities.

Proprietary Vanderbilt Advisory Services Programs

Vanderbilt Partners Investment Solutions Program (VPIS)

Advisor provides investment services which consist of continuous investment advice to a client and making investments for the client based on the individual needs of the client mainly through the use of Exchange Traded Funds (“ETFs”). Through this service, Advisor offers a highly customized and individualized investment program for individual clients on a discretionary basis among various ETFs. A specific investment strategy and investment policy is crafted to focus on the specific client's investment goals and objectives. Client assets are then invested in portfolios consisting strictly of ETFs.

Flexible Solutions Account (FLEX)

Advisor provides investment services which consist of investment advice and portfolio management based on the individual needs of the client using an array of investment products. Through this service, Advisor offers a highly customized and individualized investment program for individual clients on a discretionary or non-discretionary basis chosen by the client. A specific investment strategy and investment policy is crafted to focus on the specific client's investment goals and objectives.

Managed Solutions Program

The Managed Solutions Program provides the Client the ability to invest in certain timely investments or sectors that will be managed by Advisor.

Dorsey Wright Tactical Solutions Program

The *DWTS Program* provides an asset allocation service related to investments in Client-selected securities utilizing asset allocation models developed by Dorsey Wright and Associates. The services are customized for each Client to meet their personal investment goals and objectives by choosing among types of securities to be placed into the account and allocation model guidelines with the assistance of the AA. The *DWTS Program*, through the AA, will provide to Clients various monitoring, supervision, consolidated reporting and periodic recommendation services.

Financial Consulting Services

If a client elects Financial Consulting Services, the client will have the choice of several options:

- Financial Planning Services
- Hourly Financial Consulting Services
- Annual Planning Services

Financial Planning Services typically includes, but not limited to assistance to Client in designing personal financial planning goals and objectives and recommendations as to the allocation of present financial resources among different types of assets.

Hourly Financial Consulting Services may or may not be investment related. Typical services range from income tax/cash flow analysis, estate planning services, business valuation, buy-sell analysis, executive benefit analysis, government benefit analysis and more. Advisor has many resources that it may engage and seek expertise in helping deliver the services the client is requesting.

Annual Planning Services which will include a financial analysis, any updates in the financial analysis as requested by the client, and consultation services upon the client's request during a one year period.

Item 5 Fees and Compensation

The specific manner in which fees are charged by Advisor is established in a client's written agreement with Advisor. The Advisor has many different programs that are available and are listed below.

Proprietary Vanderbilt Advisory Services Programs

All of Advisors proprietary programs charge a management fee based on a percentage of assets under management. The percentage of assets charged per year (annum) is listed below for each program.

For each of the proprietary program, the client will authorize and direct the custodian to deduct the management fee directly from the account upon receipt of instructions from the Advisor. The amount of the management fee will be reflected on a statement provided to the client at least quarterly by the custodian. It is a client's responsibility to verify the accuracy of the fee calculation; the custodian will not determine whether the fee is properly calculated.

Vanderbilt Partners Investment Solutions Program (VPIS)

Maximum Fees:

Value of Account Assets	Annual Fee
\$0 - \$499,999	1.55%
\$500,000 - \$999,999	1.45%
\$1,000,000 - \$4,999,999	1.35%
\$5,000,000 - \$9,999,999	1.25%
\$10,000,000 +	1.15%

In addition, a transaction charge of \$25 per transaction will be charged to the account for any purchases or sales. The Advisor does not receive any portion of this transaction fee; however, the Advisor's affiliated broker-dealer, Vanderbilt Securities, LLC, may receive part of these fees. See contract for more details. The minimum annual fee is \$500.00.

Client understands and agrees that any changes to the fee schedule constitutes a new agreement of which an amended *Schedule A* must be signed and provided by Client as a written acknowledgement of the fee change.

All transactions in the Program will be cleared through National Financial Services, LLC by Vanderbilt Securities, LLC acting as the broker dealer of record. Advisor may provide discretionary investment advisory services for client accounts through the Program. When discretionary authority is granted, Advisor will have the authority to determine the type and the amount of securities that can be bought or sold for the client portfolio without obtaining the client's consent for each transaction.

Fees are due and payable quarterly, in advance, and are based upon the market value of the

client's account assets as determined by National Financial Services at the close of business on the last day of the previous calendar quarter. Fees for the initial quarter will be adjusted pro-rata based upon the number of calendar days in the calendar quarter that the Agreement has been in effect. Fees may be negotiable. Fees are deducted quarterly.

The Program may be terminated by either the client or Advisor upon written notice in accordance with the terms and conditions of the Agreement. If the Program is terminated, the participant will pay a pro-rata Program Fee based upon the number of days the client participated in the Program during the billing quarter, and the remaining Fee balance shall be refunded to the client.

Flexible Solutions Account (FLEX)

Maximum Fees:

Value of Account Assets	Max. Annual Fee
\$0 - \$249,999	2.25%
\$250,000 - \$499,999	2.15%
\$500,000 - \$999,999	2.05%
\$1,000,000 +	1.95%

In addition, a transaction charge of \$20 per transaction will be charged to the account for most purchases or sales. However, some investment purchases will be priced higher. See contract for more details. Some miscellaneous National Financial Services fees may also be charged to your account. See contract for more details. The Advisor does not receive any portion of this transaction fee; however, the Advisor's affiliated broker-dealer, Vanderbilt Securities, LLC, may receive part of these fees. The minimum annual fee is \$500.00.

Client understands and agrees that any changes to the fee schedule constitutes a new agreement of which an amended *Schedule A* must be signed and provided by Client as a written acknowledgement of the fee change.

All transactions in the Program will be cleared through National Financial Services, LLC by Vanderbilt Securities, LLC acting as the broker dealer of record. Advisor may provide discretionary investment advisory services for client accounts through the Program. When discretionary authority is granted, Advisor will have the authority to determine the type and the amount of securities that can be bought or sold for the client portfolio without obtaining the client's consent for each transaction.

Fees are due and payable quarterly, in advance, and are based upon the market value of the client's account assets as determined by National Financial Services at the close of business on the last day of the previous calendar quarter. Fees for the initial quarter will be adjusted pro-rata based upon the number of calendar days in the calendar quarter that the Agreement has been in effect. Fees may be negotiable. Fees are deducted quarterly.

The Program may be terminated by either the client or Advisor upon written notice in accordance with the terms and conditions of the Agreement. If the Program is terminated, the participant will pay a pro-rata Program Fee based upon the number of days the client participated

in the Program during the billing quarter, and the remaining Fee balance shall be refunded to the client.

Managed Solutions Program

Maximum Fees:

Value of Account Assets	Max. Annual Fee
\$0 - \$249,999	2.75%
\$250,000 - \$499,999	2.65%
\$500,000 - \$999,999	2.50%
\$1,000,000 +	2.40%

Although the fees cover most of the transaction charges for any purchases or sale, some are not covered and will be subject to the schedule indicated in the client contract. Some miscellaneous National Financial Services fees may also be charged to your account. See contract for more details. The minimum annual fee is \$500.00.

Client understands and agrees that any changes to the fee schedule constitutes a new agreement of which an amended *Schedule A* must be signed and provided by Client as a written acknowledgement of the fee change.

All transactions in the Program will be cleared through National Financial Services, LLC by Vanderbilt Securities, LLC acting as the broker dealer of record. Advisor may provide discretionary investment advisory services for client accounts through the Program. When discretionary authority is granted, Advisor will have the authority to determine the type and the amount of securities that can be bought or sold for the client portfolio without obtaining the client's consent for each transaction.

Fees are due and payable quarterly, in advance, and are based upon the market value of the client's account assets as determined by National Financial Services at the close of business on the last day of the previous calendar quarter. Fees for the initial quarter will be adjusted pro-rata based upon the number of calendar days in the calendar quarter that the Agreement has been in effect. Fees may be negotiable. Fees are deducted quarterly.

The Program may be terminated by either the client or Advisor upon written notice in accordance with the terms and conditions of the Agreement. If the Program is terminated, the participant will pay a pro-rata Program Fee based upon the number of days the client participated in the Program during the billing quarter, and the remaining Fee balance shall be refunded to the client.

Dorsey Wright Tactical Solutions***Program Maximum Fees:***

Value of Account Assets	Max. Annual Fee
\$ 0 - \$ 249,999	2.25 %
\$ 250,000 - \$ 499,999	2.15 %
\$ 500,000 - \$ 999,999	2.05 %
\$ 1,000,000 +	1.95 %

In addition, a transaction charge of \$8.75 per transaction will be charged to the account for most purchases or sales. However, some investment purchases will be priced higher. See contract for more details. Some miscellaneous National Financial Services fees may also be charged to your account. See contract for more details. The Advisor does not receive any portion of this transaction fee; however, the Advisor's affiliated broker-dealer, Vanderbilt Securities, LLC, may receive part of these fees. The minimum annual fee is \$500.00.

Client understands and agrees that any changes to the fee schedule constitutes a new agreement of which an amended *Schedule A* must be signed and provided by Client as a written acknowledgement of the fee change.

All transactions in the Program will be cleared through National Financial Services, LLC by Vanderbilt Securities, LLC acting as the broker dealer of record. Advisor may provide discretionary investment advisory services for client accounts through the Program. When discretionary authority is granted, Advisor will have the authority to determine the type and the amount of securities that can be bought or sold for the client portfolio without obtaining the client's consent for each transaction.

Fees are due and payable quarterly, in advance, and are based upon the market value of the client's account assets as determined by National Financial Services at the close of business on the last day of the previous calendar quarter. Fees for the initial quarter will be adjusted pro-rata based upon the number of calendar days in the calendar quarter that the Agreement has been in effect. Fees may be negotiable. Fees are deducted quarterly.

The Program may be terminated by either the client or Advisor upon written notice in accordance with the terms and conditions of the Agreement. If the Program is terminated, the participant will pay a pro-rata Program Fee based upon the number of days the client participated in the Program during the billing quarter, and the remaining Fee balance shall be refunded to the client.

Financial Planning Services

Financial Planning Services (Charged Hourly). The fee for this service will range from \$25 to \$500 per hour, depending upon the location and experience of the Advisory Associate providing the service. The total amount of hourly fees will be estimated in the contract Advisor has with the client. These fees are charge after the work has been completed. Therefore, no refund will be given after payment is received.

Written Financial Plan (Charged via Flat Price). The fee for this service will range from no charge to \$50,000 depending upon the complexity which the client desires and the location and experience of the Advisory Associate providing the service, and will be stated to and agreed upon by the client in advance. Fees for a financial plan will be either due in full or payable half in advance and the balance upon completion of the services. Each client will have five days after signing an agreement with Advisor to terminate his agreement with Advisor, and under those circumstances, Advisor would return to such a client all of his initial payment. If a client sought to terminate his agreement with Advisor after the initial five day period, Advisor would return only those funds which had not actually been expended in providing financial planning services to a client.

Thus, it is possible that if the client sought to terminate his agreement with Advisor after the initial five day period and all the work had been done to provide financial planning services to the client, the client would not receive any return of this initial payment and would be liable for the balance due.

Hourly Financial Consulting (Charged Hourly). The fee for this service will range from \$25 to \$500 per hour, depending upon the location and experience of the Advisory Associate providing the service. The total amount of hourly fees will be estimated in the contract Advisor has with the client. These fees are charge after the work has been completed. Therefore, no refund will be given after payment is received. Fees are billed to client.

Annual Planning Service will include a financial analysis, any updates in the financial analysis as requested by the client, and consultation services upon the client's request during a one year period. The fee for the annual financial planning agreement will be charged as a flat dollar amount, depending on the work to be done, and is to be paid quarterly. It will not be based upon capital gains or capital appreciation. The annual fee will be stated to and agreed upon by the client in advance. Fees for an annual financial planning service agreement will be payable quarterly in advance. As with the financial plan, each client with an annual financial planning service agreement will have five days after signing an agreement with Advisor, and under those circumstances, Advisor would return to such a client all of his initial payment. If a client decided to terminate his agreement with Advisor after the initial five day period, the portion of the quarterly fee paid in advance which had not actually been expended in providing financial planning services would be refunded to the client.

Thus, it is possible that if a client sought to terminate his agreement with Advisor after the initial five-day period and substantial work had been done to provide financial planning services to the client, the client would not receive any return of his initial quarterly payment.

It is possible under certain circumstances that the fee for financial planning services with a client

may be negotiated. In any event, the fee structure and an estimate of the fee to be charged to any client will be agreed upon by the client prior to any financial planning services being provided by Advisor.

The recommendations provided in any of these three types of financial planning services will be valid as of the date(s) Indicated within the contract and will not be valid for any period beyond that (those) date(s).

It is possible that because many different individuals in many different locations will be making financial planning recommendations to clients, recommendations made to any one client may be contrary to or exactly the opposite of recommendations made to other clients.

Other Compensation

In addition to Vanderbilt Advisory Services annual advisory fee, investment management clients may also have to pay other costs that third parties charge for their services. These costs include, but are not limited to: custodial fees; brokerage commissions; transaction fees; charges imposed directly by a mutual fund, index fund, or exchange traded fund ("ETF")**; wire transfer fees; and other fees and taxes on brokerage accounts and securities transactions. The Advisor does not share in any portion of the brokerage fees/transaction charges imposed by the third party. However, our affiliated broker-dealer, Vanderbilt Securities LLC, may receive a portion of these fees, as may an advisory associate in his or her separate capacity as a registered representative of Vanderbilt Securities, LLC. Please refer to the „Brokerage Practices“ section (Item 12) of this Form ADV brochure for additional information.

Clients should review all fees charged by custodians, funds, Vanderbilt Advisory Services, and others to fully understand the total amount of fees that he or she must pay.

** The fees and expenses charged by a mutual fund, index fund or ETF such as fund management fees and fund expenses are described in the fund's prospectus, summary prospectus and/or Product Description. Vanderbilt Advisory Services encourages investors to review these materials thoroughly, and to contact the Advisor if questions arise or if requesting additional information.

Associated persons of Advisor may be registered securities representatives and insurance agents of Vanderbilt Securities, LLC, a registered broker-dealer, member of the Financial Industry Regulatory Authority, Inc. ("FINRA"), and insurance company wholly owned by Vanderbilt Capital, LLC. In these capacities associated persons of the Adviser may recommend securities, insurance, or other products, and receive normal securities transactions commissions or compensation if products are purchased through any firms with which any associated persons are affiliated.

In their capacity as registered representatives, associates of the Advisor may receive payments from certain mutual funds distributed pursuant to a 12b-1 distribution plan or other such plans as compensation for administrative services, representing a separate financial interest. As such, a

conflict of interest may exist with respect to recommendations to buy or sell securities. In all cases, transactions are effected in the best interests of the client.

Generally, we do not reduce or offset the Vanderbilt Advisory Services Program fees, Financial Planning fees, or Consulting fees by the amount of any such sales or other compensation. Any reduction or offset of the Vanderbilt Advisory Services Program fees, Financial Planning fees, or Consulting Fees is at the discretion of the Advisor and the advisory associate, and will be disclosed to clients prior to implementing transactions.

The potential for sales compensation creates a conflict between the Advisor's interests and the interests of our clients, because the Advisor's principals or associates have an incentive to recommend investment products based on the compensation received, rather than on a client's needs, and may affect our judgment when making recommendations. However, clients are not obligated to purchase any securities or insurance products recommended by the Advisor or its associates, and may choose to purchase such products from firms or associates not affiliated with Vanderbilt Advisory Services.

The Adviser does not, but its affiliate, Vanderbilt Securities, LLC, does earn additional compensation resulting from the free credit balances or "FCB" in accounts held at NFS. The compensation is separate and apart from transaction-related compensation or advisory fees charged to the account holder, and is based on a percentage of the FCB. FCB includes money market balances, un-cleared check deposits, and other funds payable to the client on demand. As a result of this additional compensation, the Adviser has a conflict of interest when recommending NFS as a custodian, because its affiliate will earn additional compensation on any FCB. Clients are not obligated to use NFS as their custodian, and may be informed of the specific amount or percentage of additional compensation on request. Clients are encouraged to review additional related disclosures found on their account statements at "Bank Deposit Program" under Activity and Holdings and under "Additional Information."

Item 6 *Performance-Based Fees and Side-By-Side Management*

The firm does not charge performance-related fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Item 7 *Types of Clients*

Advisor currently provides advisory services to individuals, high net worth individuals, and charitable organizations. There are no minimum asset or income requirements to be a client.

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

Methods of Analysis

The Advisor allows each of its associates to use his or her own method of analysis. This may

include:

- **Technical:** Forecast the direction of prices through the study of past market data, primarily price and volume.
- **Fundamental:** Analysis of a company's financial statements and health, its management and competitive advantages, and its competitors and markets.
- **Economic:** Involves the analysis of economic trends, monetary and fiscal policy, among other areas affecting the economy.
- **Asset Allocation Software:** Help to determine objectives and risk tolerance and to optimize a client's portfolio and diversify risk across asset classes.

The Advisor and its associates may use various sources of information to analyze securities such as product websites, meetings with product wholesalers, third party research materials (e.g., Morningstar), financial newspapers and magazines, and corporate ratings services, among others.

Risks

Investing involves risks that clients should understand and be prepared to accept. The risks can range from failing to keep pace with inflation to losing some or all of the money you invest. Common risks that investors face include:

- **Systematic or Market Risk:** Relates to factors that affect the overall economy or securities markets. Market risk affects all companies, regardless of the company's financial condition, management, or capital structure, and, depending on the investment, can involve international as well as domestic factors.
- **Interest-rate Risk:** The risk that the value of a security will go down because of changes in interest rates. For instance, when interest rates rise, the yields on existing bonds decrease and become less attractive to potential investors, causing their market values to decline.
- **Inflation Risk:** The risk that increases in the prices of goods and services, and therefore the cost of living, reduce your purchasing power.
- **Currency Risk:** This risk occurs because many world currencies float against each other. If money needs to be converted to a different currency to make an investment, any change in the exchange rate between that currency and yours can increase or reduce your investment return.
- **Liquidity Risk:** The risk of having difficulty in liquidating an investment position without taking a significant discount from current market value. Liquidity risk can be a significant problem with certain lightly traded securities such as unlisted options and municipal bonds that were part of small issues.
- **Non-systematic Risk:** The risk associated with investing in a particular product, company, or industry sector.
 - **Management Risk:** Refers to the impact that bad management decisions, other internal missteps, or even external situations can have on a company's performance and, as a consequence, on the value of investments in that company.
 - **Credit Risk:** The risk that an issuer of debt securities (e.g., bond) or a borrower default on its obligations and will be unable to make payment of interest or principal in a timely manner.
 - **Financial Risk:** The risk that a company will be unable to meet its financial obligations. This risk is primarily a function of the relative amount of debt that the company uses to finance its assets. A higher proportion of debt increases the likelihood that at some point the company will be unable to make the required interest and principal payments.

Risk plays a key role in the investment strategy that Vanderbilt Advisory Services associates develop for clients. The Advisor primarily uses the following tactics to reduce investment risk:

- Diversification – Investing in a wide variety of assets to reduce risk

- Ongoing monitoring processes and active management including transaction reviews, portfolio reviews, account rebalancing and regular client meetings as a means to control risk

While these tactics can reduce risk, there are times when almost all asset classes can decline simultaneously, especially in the short-term. The Advisor cautions all clients and potential clients that investing in securities involves risk of loss; although Vanderbilt Advisory Services does its best to minimize risk, clients should be prepared to bear losses when they occur.

Investment Strategies

The Advisor does not have one particular company-wide investment strategy. Depending on the needs and objectives of a particular client, the following are examples of strategies the Advisor may use as appropriate:

Long-Term Investments: This strategy involves buying and holding a security for a year or longer. A long-term investment strategy carries the risk that (1) the investments will not achieve the price targets originally anticipated; (2) the Advisor may not take advantage of short-term gains that could be profitable to a client; and (3) the security may decline in value before the Advisor decides to liquidate the security.

Short-Term Investments: This strategy involves purchasing securities with the intention of selling them within a relatively short time (less than one year) to take advantage of favorable price movements. This type of investment strategy includes the risk that the anticipated price swing may not materialize (1) leaving a long-term investment in a security that was designed to be a short-term purchase, or (2) potentially taking a loss. This strategy also means there are increased transaction-related costs associated with the more frequent trading than a longer-term strategy, plus less the favorable tax treatment of short-term gains.

Trading: This investment strategy involves buying and selling securities in a very short period of time (within 30 days) to take advantage anticipated brief price swings. A trading strategy includes the risk that the anticipated price swing may not materialize (1) leaving a long-term investment in a security that was designed to be a short-term purchase, or (2) potentially taking a loss. This strategy also means there are increased transaction-related costs associated with the more frequent trading than a longer-term strategy, and any distributions derived from gains may be ordinary income for federal tax purposes.

Modern Portfolio Theory (Asset Allocation): Owning allocations of different asset classes that don't always move up or down together, is the best way to maximize returns while minimizing risk.

Item 9 *Disciplinary Information*

Neither Advisor (VAS) nor Members of Management have had any legal or disciplinary events in their past. Clients and prospective clients can always view the CRD records (registration records) for advisors or any of its associates through the SEC's Investment Adviser Public Disclosure (IAPD) website at www.adviserinfo.sec.gov or through FINRA's BrokerCheck database online at www.finra.org/brokercheck if the associate is also a broker-dealer agent. The CRD number for Advisor is 116537 and the CRD numbers for management and IA Reps are listed alongside their biographical information in the accompanying *BROCHURE SUPPLEMENT* document. Summary disclosure information can be found for each investment advisor representative in Item 19 of this brochure in addition to the FINRA BrokerCheck database.

Item 10 *Other Financial Industry Activities and Affiliations*

Vanderbilt Securities, LLC is an affiliated broker-dealer and controlled by Stephen Distant. Vanderbilt Securities, LLC is a fully disclosed, full service broker/dealer that buys and sells securities including stocks, bonds, mutual funds and limited partnerships. Vanderbilt Securities, LLC has a clearing relationship with National Financial Services, LLC.

Stephen Distant is the owner of Vanderbilt Capital, LLC which owns Vanderbilt Securities, LLC. He is also a principal with the broker/dealer. The Advisor utilizes Vanderbilt Securities for trading services for some programs, but not all.

Advisory associates of Vanderbilt Advisory Services are also registered representatives of the broker-dealer, Vanderbilt Securities, LLC. The broker-dealer affiliation gives the advisory representatives multiple sources of potential compensation.

The dual affiliations of the Advisor's principals and associates cause a conflict of interest because the duties each performs for Vanderbilt Securities, LLC represent primary obligations. The Advisor's principals and associates try to minimize the conflict by operating Vanderbilt Advisory Services and Vanderbilt Securities, LLC business from the same office, through the implementation of compliance and supervisory procedures and controls, among other methods. Clients may contact the Advisor directly for information or clarification of the roles and responsibilities of the parties.

The Advisor has a conflict of interest in recommending Vanderbilt Securities and National Financial Services as the introducing and clearing broker-dealers for client accounts. Transactions in client accounts help Vanderbilt Securities to meet minimum clearing requirements with National Financial Services. This is an economic benefit to the broker-dealer and its principals, even if no additional commissions are charged to the client. In addition, Vanderbilt Securities receives other economic benefits from National Financial Services, such as rebates on money market or margin account balances, which are based on the number and size of the accounts and balances carried with National Financial Services.

Clients should be aware that when the Advisor, its principals or employees receive economic benefits, it creates a conflict of interest that may impair the objectivity of the Advisor and these individuals when making recommendations. Vanderbilt Advisory Services strives to put the

interests of our clients first at all times as part of its fiduciary duty as a registered investment adviser. The firm takes the following steps to address this conflict:

- Implement a compliance program designed to ensure that its regulatory obligations, including its obligations to clients, are met or exceeded
- Disclose the existence of all material conflicts of interest
- Inform clients that they are not obligated to purchase the products or services through Vanderbilt Securities, LLC or its registered representatives
- Educate employees regarding the responsibilities of a fiduciary
- Collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance, as the basis for making recommendations

Mr. Distanto is a partner with Marano Distanto, LLC an accounting firm. The Advisor does not have any material arrangements with Marano & Distanto for services.

Mr. Distanto is the President and CEO of the Annuity Depot. The Advisor does not have any material arrangements with the Annuity Depot for services.

Mr. Distanto is Publisher of Financial Advisor Publications. The Advisor does not have any material arrangements with Financial Advisor Publications.

Item 11 *Code of Ethics, Participation or Interest in Client Transactions and Personal Trading*

Code of Ethics

The Adviser has adopted a Code of Ethics ("Code") for the purpose of instructing its personnel in their ethical obligations and to provide rules for their personal securities transactions. The Adviser and its personnel owe a duty of loyalty, fairness and good faith towards their clients, and the obligation to adhere not only to the specific provisions of the Code but to the general principles that guide the Code.

The Code covers a range of topics that may include: general ethical principles, reporting personal securities trading, exceptions to reporting securities trading, reportable securities, initial public offerings and private placements, reporting ethical violations, distribution of the Code, review and enforcement processes, amendments to Form ADV and supervisory procedures.

The Adviser will provide a copy of the Code to any client or prospective client upon request.

The Advisor may not make recommendations to clients about securities that it buys or sells in its own account except under certain conditions. The Advisor and its associates will not buy or sell securities in a firm or personal account in such a way that might disadvantage a client, such as front running. At all times, Vanderbilt Advisory Services will act in a fiduciary capacity to its clients. Fiduciary is the highest standard of care for a client's assets. When an advisory associate makes a recommendation to a client, it must be for the client's sole benefit and interest. Therefore, client orders are always given priority (orders entered first) and the Advisor seeks to ensure that the firm and/or an advisory associate do not make personal investment decisions based on the investment decisions of clients.

To ensure that the firm and its associates adhere to these standards, the Advisor monitors the personal trading activity of its associates using the automated surveillance tools provided by National Financial Services, provides training to its associates related to their fiduciary duty, and requires that associates adhere to the firm's personal trading policies described in its code of ethics as demonstrated through the requirement that associates sign an annual attestation of compliance with the code of ethics.

Item 12 *Brokerage Practices*

Factors Considered When Recommending Broker/Dealers

Clients wishing to implement Advisor's advice are free to select any broker/dealer or investment advisor they wish and are so informed. Vanderbilt Advisory Services does not have discretionary authority to select the broker-dealer(s) to effect client transactions. If a client wishes to participate in the VPIS, FLEX or Managed Solutions program, he or she must direct the Advisor to use Vanderbilt Securities and National Financial Services for their transactions and custodial services.

The Advisor recommends clients use the services of its affiliated introducing broker/dealer, Vanderbilt Securities, and National Financial Services as clearing broker-dealer and custodian. Vanderbilt Advisory Services will not recommend a broker-dealer solely on the basis of the lowest possible commission cost, but instead determines whether the broker/dealer has the ability to provide the best qualitative execution. The Advisor considers several factors prior to recommending a broker and custodian including financial strength, reputation, reporting, execution, pricing, and research. Based on this evaluation, the Advisor believes that Vanderbilt Securities and National Financial Services will provide a balance of execution services, commission costs and operational capabilities that will help the Advisor to meet the fiduciary obligations owed to clients.

The Advisor's recommendation of Vanderbilt Securities is influenced by its economic interests related to clients opening and maintaining accounts with National Financial Services. The Advisor relies on the services National Financial Services makes available to the firm as custodians for its client accounts. These services include:

- Duplicate client confirmations and duplicate statements

- Electronic access to client account information
- Access to institutional trading desks
- Ability to have investment advisory fees deducted directly from client accounts
- Access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment
- Technology to assist with back-office functions, recordkeeping, and client reporting.
- Access to additional services and benefits such as compliance publications, educational events and occasional business entertainment of the firm's associates

In addition, the Advisor receives other payments and credits from National Financial Services based on a percentage of the interest paid by clients on margin account balances, a percentage of interest earned on customer "free credit balances," a percentage of the interest earned on sweep account balances maintained by National Financial Services or its affiliates, and a percentage of IRA account fees. These payments or credits will increase as the amount of assets held in client accounts at National Financial Services grows.

When the Advisor uses client commissions, markups, or markdowns to obtain products or services from broker-dealers, it does not have to pay for these products and services from its own funds. Consequently, a conflict exists between the Advisor's fiduciary obligation to seek best execution for clients and its interest in receiving these items, and this practice may cost clients more money.

The Advisor's recommendation of a broker-dealer is not based solely on the cost and quality of the custodial or brokerage services the broker provides; it also considers all of the products, services, and benefits it receives.

Because Vanderbilt Advisory Services has an incentive to recommend National Financial Services, it has adopted policies and procedures to monitor and mitigate this conflict by periodically analyzing the National Financial Services program it recommends to clients, evaluating the usefulness of the services received in relation to the costs of such services, and assessing the overall quality of the services.

Although Vanderbilt Advisory Services may recommend that clients establish accounts at Vanderbilt Securities/National Financial Services, it is the client's decision to open an account with Vanderbilt Securities and custody assets with National Financial Services.

The costs clients will pay using Vanderbilt Advisory Services as investment adviser or Vanderbilt Securities as broker-dealer, or National Financial Services as broker-dealer or custodian may not be as low as the costs charged by other firms for similar services.

Brokerage for Client Referrals

Vanderbilt Advisory Services refers clients to National Financial Services; however, the Advisor does not receive client referrals from National Financial Services.

Directed Brokerage

We do not permit clients to direct us to execute transactions through a specified broker/dealer other than Vanderbilt Securities, LLC. Transactions directed to Vanderbilt Securities as introducing broker-dealer are also directed to National Financial Services as its clearing firm. Not all investment advisers require their clients to direct the use of a particular broker/dealer.

Because clients direct the use of Vanderbilt Securities and National Financial Services, the Advisor will not seek lower costs, volume discounts, or price improvement opportunities from other broker-dealers, and best execution may not be achieved. The transaction costs for client transactions may be higher for accounts that direct the use of a broker-dealer than for accounts that do not direct broker-dealer. While the Advisor has a reasonable belief that National Financial Services is able to provide best execution and competitive prices, the Advisor will not independently negotiate or seek lower commissions, volume discounts, or price improvements through other broker-dealers.

We may have an incentive to select or recommend a broker-dealer based on our interest in receiving the research or other products or services, rather than on our clients' interest in receiving most favorable execution.

Trade Aggregation

Transactions for each client are generally considered and entered independently. On the rare occasion an advisory associate aggregates or blocks trades (purchase or sell the same security for several accounts), clients or accounts that participate in an aggregated order will receive an average share price (same price) with all other transaction costs shared on a pro-rata basis. Aggregated orders that are filled in their entirety will be allocated among clients or accounts according to an allocation statement created prior to the execution of the transaction(s). Partially filled orders will be allocated pro-rata based on the allocation statement. The CCO or another authorized principal must approve in writing any allocation that differs from the allocation statement. The Advisor will not favor a client or account over any other client or account as a result of the allocation.

As a result of not aggregating orders, the cost benefits, such as reduced ticket charges, may not be available to our customers.

Item 13 *Review of Accounts*

The advisory associate who manages the account will review investment management accounts upon Client request, and/or annually, at a minimum. The Chief Compliance Officer will also conduct secondary reviews on a random basis. Accounts are reviewed for consistency with the investment strategy and performance. Significant market or economic factors, or changes in the client's financial situation, large withdrawals or significant deposits, or changes in account objectives, liquidity needs, or risk tolerance may trigger more frequent reviews.

The reviews include at minimum an evaluation of the portfolio holdings relative to a client's stated objectives, and an appraisal of the performance in the account relative to expectations based on market performance, economic conditions, allocation in the account and other factors. Annual and interim portfolio reviews are considered an integral part of the management service, and do not trigger any additional fees to the customer. There is no limit of account reviews assigned to an advisory associate.

For financial planning and consulting clients, the advisory associate and the client will engage in meetings, telephone conversations, and other communications to discuss and review the various topics to be addressed while the financial plan is being developed or the consulting project is being performed. The Advisor will not provide any subsequent monitoring, advice, or updates unless specifically agreed in the written Hourly Financial Planning Agreement.

Reports

Advisory services clients will receive written statements (monthly or quarterly depending on the level of activity in the account) and transaction confirmations directly from the account custodian. The statements include valuation of holdings and transaction activity for the period. The client should use custodial reports to reconcile and compare holdings, prices, transaction records, and other activity in the account. A client may opt to access the custodial reports online. The Advisor will provide a separate written report only upon client request.

Financial planning clients will receive a completed written financial plan within 180 days of the contract date, provided that all information needed for the analysis and preparation of the report has been promptly provided by the client. The report may include current listings of assets and liabilities, cash flow projections, retirement/accumulation projections or other situation-specific reports dependent upon each client's requests or financial situation. The Advisor will not provide additional reports unless otherwise agreed to in the Financial Planning Agreement. The Advisor will not provide a written report to consulting services clients unless specifically agreed upon in their Consulting Agreement.

Item 14 *Client Referrals and Other Compensation*

The Advisor does not directly or indirectly compensate any person who is not a supervised person for client referrals.

Please refer to Item 12 for further information about the products, services, and economic benefits we receive from National Financial Services.

Item 15 *Custody*

Although the Advisor does not have physical custody of client funds or securities, some states take the position that an investment adviser who directly deducts fees from clients' accounts is deemed to have custody of clients' assets. As such, the Advisor has adopted the following safeguards:

1. Vanderbilt Advisory Services must have written authorization from the client to deduct advisory fees from the account held with a qualified custodian.
2. The Advisor must send a statement to its clients showing the amount of its fee, the value of the client's assets upon which the fee was based, and the specific manner in which the fee was calculated.
3. The Advisor will disclose that it is a client's responsibility to verify the accuracy of the fee calculation, and that the custodian will not determine whether the fee is properly calculated.
4. The account custodian must agree to send each client a statement, at least quarterly, showing all disbursements from the client's account, including advisory fees.
5. Clients should carefully review the statements provided by the custodian.

Client assets will be held at a qualified custodian according to a separate written agreement between the client and the custodian. Clients should expect to receive regular written account statements at least quarterly from the custodian. The Advisor encourages clients to use custodial statements to reconcile and compare holdings, prices, transaction records, reconcile the account value to the fee invoice, and review other activity in the account. Clients should contact Vanderbilt Advisory Services with questions or concerns.

Item 16 *Investment Discretion*

As described in the “ADVISORY BUSINESS” section, Advisor may have investment discretion for those Advisory Clients that elect to use some of the Proprietary Vanderbilt Advisory Services Programs. Clients will select this option specifically in the Advisory Agreement and will sign a trading authorization form with Vanderbilt Securities, LLC and National Financial Services, LLC. When Advisory Clients grant discretionary authority to Advisor, Clients may still place restrictions on the Advisor, such as a prohibition on investing in specific securities, industries, or markets that the Client chooses.

Item 17 *Voting Client Securities*

For any security that entails a voting right in the underlying company, Advisor will not have or accept authority to vote Client securities. All voting issues, proxies, and solicitations will be communicated to Clients through the Client's broker-dealer/custodian. Upon request, however, Advisor may help explain or answer questions regarding a given voting issue.

Item 18 *Financial Information*

We are not required to provide financial information to our clients because we do not do any of the following:

- Require the prepayment of more than \$500 in fees and six or more months in advance

- Take custody of client funds or securities (other than deducting advisory fees directly from a client's account with client's written authorization)
- Have a financial condition that is reasonably likely to impair our ability to meet our commitments to you

Item 19 *Requirements for State-Registered Advisers*

Jurisdiction-Specific Disclosures:

California: Subsection (j) of Rule 260.238 California Code of Regulations requires Advisor to disclose that lower fees for comparable services may be available through other sources. In addition, financial planning clients should be aware that pursuant to California Rule 260.235.2, a conflict will exist between the interests of the applicant or associated person and the interest of the client.

Pennsylvania: Clients will not be offered any insurance products prior to associated persons becoming insurance licensed in Pennsylvania.

Stephen A. Distant

**Vanderbilt Advisory Services
125 Froehlich Farm Blvd.
Woodbury, NY 11797
631-845-5100**

11/23/2016

**FORM ADV PART 2B
BROCHURE SUPPLEMENT**

This brochure supplement provides information about Stephen Distant that supplements the Vanderbilt Advisory Services brochure. You should have received a copy of that brochure. Please contact our Compliance Officer if you did not receive Vanderbilt Advisory Services' brochure or if you have any questions about the contents of this supplement. Our Compliance Officer can be reached at 631-845-5100 or by email at Compliance@vanderbiltsecurities.com.

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.

Additional information about Stephen Distant is available on the SEC's website at www.adviserinfo.sec.gov.

***Stephen Distantte, was born in 1965
CRD No. 2206574***

Formal Education after High School:

St. Johns University, B.S. Accounting, 1988

Business Background:

Vanderbilt Advisory Services, CEO, 09/2000 to present
Vanderbilt Securities, LLC, CEO, 12/2001 to present
Marano & Distantte, LLC, Partner, 11/2000 to Present

Disciplinary Information:

Not Applicable

Stephen Distant -- CRD No. 2206574

Other Business Activities:

Registered Representative of a Broker-Dealer

Advisor also holds a securities license required by FINRA (Financial Industry Regulatory Authority) in order to offer securities products and execute transactions, in addition to his registration as an Investment Advisor representative providing investment advice. Registration, supervision, and continuing education are all requirements for maintaining this type of registration.

The types of commissions that may be earned as a Registered Representative are:

1. Commission for Equity trades
2. Mutual Fund trade commission
3. Mutual Fund Trail commission

Stephen Distant is licensed as a Registered Representative in the following states: Alabama, Arizona, California, Connecticut, District of Columbia, Delaware, Florida, Georgia, Iowa, Illinois, Indiana, Kansas, Massachusetts, Maryland, Michigan, Minnesota, North Carolina, New Hampshire, New Jersey, New Mexico, Nevada, New York, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, Texas, Virginia, Vermont, Washington, and Wisconsin.

Insurance Representative

Advisor is also licensed as an insurance agent and allowed to offer various insurance products such as Variable Annuities, Life Insurance, and Long Term Care Insurance in the States of Arizona, Connecticut, Florida, New Jersey, New York, Pennsylvania, and South Carolina. These products generate commission payments to the representative. The ability to also offer these products enables the Advisor to provide the client with a much more comprehensive financial plan.

Holding these additional licenses and allowing the advisor the ability to offer securities and insurance products in addition to their investment advice, may create a conflict of interest if the advisor is recommending products in order to generate commissions rather than looking out for the client's best interest. Each of these purchases is reviewed and approved by a principal of the firm. Additionally, most of these products come with disclosures so that the client can fully understand the product.

Stephen Distant -- CRD No. 2206574

Additional Compensation:

Not Applicable

Supervision:

Barry Champney, Chief Compliance Officer, 631-845-5100, supervises Stephen Distant. They regularly work together and communicate on client issues.

In addition, each Advisor is subject to the following ongoing supervision and review:

- Daily trade reviews

- Monthly review of personal securities accounts

- Monthly correspondence reviews – including ongoing monitoring and review of email

- Periodic reviews of client account activity

Barry Champney

**Vanderbilt Advisory Services
125 Froehlich Farm Blvd.
Woodbury, NY 11797
631-845-5100**

11/23/2016

FORM ADV PART 2B BROCHURE SUPPLEMENT

This brochure supplement provides information about Barry Champney that supplements the Vanderbilt Advisory Services brochure. You should have received a copy of that brochure. Please contact our Compliance Officer if you did not receive Vanderbilt Advisory Services' brochure or if you have any questions about the contents of this supplement. Our Compliance Officer can be reached at 631-845-5100 or by email at Compliance@vanderbiltsecurities.com.

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.

Additional information about Barry Champney is available on the SEC's website at www.adviserinfo.sec.gov.

***Barry Champney, was born in 1952
CRD No. 731205***

Formal Education after High School:

University of Pennsylvania, B.A. Biology, 1974

Business Background:

Vanderbilt Advisory Services, CCO, 4/2013 to present
Vanderbilt Advisory Services, COO, 5/2011 to 04/2013
Vanderbilt Advisory Services, CCO, 7/2010 to 5/2011
Vanderbilt Securities, LLC, CCO 06/2006 to present
Vanderbilt Securities, LLC, Vice President of Sales 05/2005 to 06/2006,
Janney Montgomery Scott, LLC, Vice President of Sales, 11/1997 to 05/2005

Professional Designations:

Not Applicable

Disciplinary Information:

Not Applicable

Barry Champney -- CRD No. 731205

Other Business Activities:

Registered Representative of a Broker-Dealer

Advisor also holds a securities license required by FINRA (Financial Industry Regulatory Authority) in order to offer securities products and execute transactions, in addition to his registration as an Investment Advisor representative providing investment advice. Registration, supervision, and continuing education are all requirements for maintaining this type of registration.

The types of commissions that may be earned as a Registered Representative are:

1. Commission for Equity trades
2. Mutual Fund trade commission
3. Mutual Fund Trail commission

Barry Champney is licensed as a Registered Representative in the following states: Arizona, California, Colorado, Delaware, Florida, Georgia, Illinois, Massachusetts, Maryland, Michigan, North Carolina, New Jersey, New York, South Carolina, Texas, Virginia, and Wisconsin.

Insurance Representative

Advisor is also licensed as an insurance agent and allowed to offer various insurance products such as Variable Annuities, Life Insurance, and Long Term Care Insurance in the States of Florida, Maryland, and New York,

These products generate commission payments to the representative. The ability to also offer these products enables the Advisor to provide the client with a much more comprehensive financial plan.

Holding these additional licenses and allowing the advisor the ability to offer securities and insurance products in addition to their investment advice, may create a conflict of interest if the advisor is recommending products in order to generate commissions rather than looking out for the client's best interest. Each of these purchases is reviewed and approved by a principal of the firm. Additionally, most of these products come with disclosures so that the client can fully understand the product.

Barry Champney -- CRD No. 731205

Additional Compensation:

Not Applicable

Supervision:

Barry Champney is the Chief Compliance Officer and can be reached at 631-845-5100.

In addition, each Advisor is subject to the following ongoing supervision and review:

- Daily trade reviews
- Monthly review of personal securities accounts
- Monthly correspondence reviews – including ongoing monitoring and review of email
- Periodic reviews of client account activity

Joseph J. Trifiletti

**Vanderbilt Advisory Services
125 Froehlich Farm Blvd.
Woodbury, NY 11797
631-845-5100**

11/23/2016

**FORM ADV PART 2B
BROCHURE SUPPLEMENT**

This brochure supplement provides information about Joseph J. Trifiletti that supplements the Vanderbilt Advisory Services brochure. You should have received a copy of that brochure. Please contact our Compliance Officer if you did not receive Vanderbilt Advisory Services' brochure or if you have any questions about the contents of this supplement. Our Compliance Officer can be reached at 631-845-5100 or by email at Compliance@vanderbiltsecurities.com.

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.

Additional information about Joseph J. Trifiletti is available on the SEC's website at www.adviserinfo.sec.gov.

***Joseph Trifiletti, was born in 1985
CRD No. 5295897***

Formal Education after High School:

State University of New York – Farmingdale, B.S. Management Technology, 2006

Business Background:

Vanderbilt Advisory Services, Investment Advisor, 04/2013 to present

Vanderbilt Advisory Services, CCO, 5/2011 to 04/2013

Vanderbilt Advisory Services, Investment Advisor, 9/2008 to 5/2011

Vanderbilt Securities, LLC, Dir. Operations, 1/2007 to present

Professional Designations:

Not Applicable

Disciplinary Information:

Not Applicable

Other Business Activities:

Registered Representative of a Broker-Dealer

Advisor also holds a securities license required by FINRA (Financial Industry Regulatory Authority) in order to offer securities products and execute transactions, in addition to his registration as an Investment Advisor representative providing investment advice. Registration, supervision, and continuing education are all requirements for maintaining this type of registration.

The types of commissions that may be earned as a Registered Representative are:

1. Commission for Equity trades
2. Mutual Fund trade commission
3. Mutual Fund Trail commission

Joseph Trifiletti is licensed as a Registered Representative in the following states: New York.

Joseph Trifiletti -- CRD No. 5295897

Other Business Activities (continued):

Insurance Representative

Advisor is also licensed as an insurance agent and allowed to offer various insurance products such as Variable Annuities, Life Insurance, and Long Term Care Insurance in the State of New York.

These products generate commission payments to the representative. The ability to also offer these products enables the Advisor to provide the client with a much more comprehensive financial plan.

Holding these additional licenses and allowing the advisor the ability to offer securities and insurance products in addition to their investment advice, may create a conflict of interest if the advisor is recommending products in order to generate commissions rather than looking out for the client's best interest. Each of these purchases is reviewed and approved by a principal of the firm. Additionally, most of these products come with disclosures so that the client can fully understand the product.

Additional Compensation:

Not Applicable

Supervision:

Barry Champney, Chief Compliance Officer, 631-845-5100, supervises Joseph Trifiletti. They regularly work together and communicate on client issues.

Each Advisor is subject to the following ongoing supervision and

- review: Daily trade reviews
- Monthly review of personal securities accounts
- Monthly correspondence reviews – including ongoing monitoring and review of email
- Periodic reviews of client account activity.