

# **Consolidated Portfolio Review Corp.**

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## **Item 1. Part 2A of Form ADV: *Firm Brochure***

This brochure provides information about the qualifications and business practices of Consolidated Portfolio Review Corp. If you have any questions about the contents of this brochure, please contact us at 631-845-5100 or [compliance@vanderbiltsecurities.com](mailto: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 Consolidated Portfolio Review Corp. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for Consolidated Portfolio Review Corp. is 112694. Registration with the Securities and Exchange Commission does not imply any level of skill or training.

## **Item 2. Summary of Material Changes**

This Firm Brochure is our disclosure document prepared according to the United States Securities and Exchange Commission's (SEC) current requirements and rules. The Brochure provides you with a summary of Consolidated Portfolio Review Corp.'s ("CPR" or "the Adviser") services and fees, professionals, certain business practices and policies, as well as actual or potential conflicts of interest, among other things. This Item is used to provide our clients with a summary of new and/or updated information; we will inform of the revision(s) based on the nature of the information as follows:

- Annual Update: We are required to update certain information at least annually, within 90 days of our firm's fiscal year end (FYE) of December 31. We will provide you with either a summary of the revised information with an offer to deliver the full revised Brochure within 120 days of our FYE or we will provide you with our revised Brochure that will include a summary of the changes in this Item.
- Material Changes: Should a material change in our operations occur, depending on its nature, we will promptly communicate this change to clients (and it will be summarized in this Item). "Material changes" requiring prompt notification will include changes of ownership or control, location, disciplinary proceedings, significant changes to our advisory services or advisory affiliates – any information that is critical to a client's full understanding of who we are, how to find us, and how we do business.

### **Material Changes** –

**Item 12.** CPR has added Fidelity Clearing & Custody/IWS, member FINRA/SIPC/NYSE, as a qualified and "Recommended Custodian".

Currently, our Brochure may be requested by contacting our office at 631-845-5100 or by email at [compliance@vanderbiltsecurities.com](mailto:compliance@vanderbiltsecurities.com).

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## Item 4. Advisory Business

Consolidated Portfolio Review Corp. – (CPR)

Operating under the umbrella company called, Vanderbilt Financial Group, CPR is the SEC-Registered Investment Advisory division of a group of companies all of which are located on the same premises and offer comprehensive investment advice and planning.

CPR provides comprehensive investment services after a careful review of a client's financial position and an analysis of their investment objectives. Strategic asset allocation decisions are used to make investments in individual equity securities and bonds, mutual funds, ETFs, and other securities.

### CPR Advisory Client: Includes Barrister, Carillon, & Mechling Models

Barrister is our theme driven ETF models which are used as a complement to our Mechling ETF core models. The Barrister lineup is focused on 5 areas: US Equity, Diversified Income, Balanced, International, and our Global Allocation. Our Mechling ETF models are our risk-based asset allocations based on Ibbotson's strategic asset allocation framework coupled with a tactical overlay. With our Carillon models, CPR utilizes a tactical approach using alternatives which allows us to try to take advantage of market inefficiencies. All security selection is based on the recommendations of the CPR Investment Committee with models rebalanced quarterly or sooner if asset allocation weights violate our variance thresholds. The services provided shall include, and shall be limited to the following:

- A. Preparation of a Client Risk Profile ("Profile") and Model Portfolio Selection Guide.
- B. Define and select asset classes suitable to the Client's objectives and develop a target asset allocation portfolio based upon the Client's Profile
- C. Development of "satellite" portfolios based upon multiple investment objectives, as needed.
- D. Recommendations of one or more investment managers for each of the asset classes to be included in the portfolio.
- E. Systematic re-balancing based on model portfolio selection guide.
- F. Ongoing review of investment manager performance, and application of the performance standards as defined in the Client Risk Profile and working with Client to accommodate for any future changes of financial needs.
- G. Quarterly Account Reporting, to include, but not limited to, internal rates of return.
- H. 24/7 On-line Account Access, if desired by Client

CPR will neither guarantee nor promise any specific levels of future performance. Our advice and recommendations are subject to various market, political, and business risk

and will not necessarily bring about the desired outcome. CPR will not be liable for any losses that are (i) a result of our good faith decisions or actions where we exercise the degree of care, skill, prudence and diligence under the circumstances that a prudent person acting in fiduciary capacity would use in the conduct of an enterprise of a like character and with like aims; (ii) caused by following the Client's instructions; or (iii) caused by the Custodian to whom we direct all transactions of the account. Federal and State securities laws impose liabilities under certain circumstances on persons who act in good faith, and this agreement does not waive or limit the Client's rights under those laws.

It is understood and agreed that CPR and its employees are not qualified to and will not render any tax, legal or accounting services. CPR may prepare documents solely for illustrative purposes, but under no circumstances shall this be construed as the rendering of accounting, tax or legal advice. Client agrees that CPR shall in no way be responsible or held liable to Client for the rendering and/or preparation of any legal or accounting advice, opinions, determinations or documents.

The person or persons who perform the function of collecting confidential financial data for analysis from the Client with Client's permission may not necessarily be employees or agents of CPR. CPR reserves the option of engaging a third party for the collection of such confidential data.

In exchange for the services rendered by CPR, Client shall pay to the Adviser an annual fee. This fee will be based on the total assets under management using the average daily asset value during the month. The fee will be assessed at the end of each month or quarter based on the attached fee schedule at the end of the Financial Advisory Agreement.

In the event the CPR deems it necessary to consult with the Client's attorney, accountant or other adviser, and Client authorizes such consultation, Client shall be responsible for the payment of all fees of such person(s) which are charged for such consultation

CPR shall not be compensated on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds or income of the Client.

CPR Separately Managed Accounts (SMAs):

Ariston Advisors provides our lineup of quantitative stock models. They are stylistic, all stock, multi-factor models based on long-term disciplined (non-emotional) fundamental data analysis. They are rules based; utilize periodic rebalancing, with strict adherence to each strategy.

- A) 24/7 On-line Web account access to FolioFN site where the execution and maintenance of the models occur.
- B) Ability to select various quantitative and fundamentally driven model portfolios.
- C) Systematic re-balancing pursuant the model criteria.
- D) Performance of the various model portfolios can be viewed on the website along with suitable benchmark(s).

- E) Due to the nature of the models, the discretion to rebalance, augment and replace managers/investments rests solely with CPR.
- F) Note: CPR shall not be responsible for Security Selection in the Ariston quant models
- G) Available to discuss the models, the criteria used in creating them as well as other administrative questions with CPR personnel.

Please refer to page 7 of the CPR client agreement for a breakdown of fees associated with the Ariston models.

Galaxy Dynamically Managed Thematic Models managed by United Asset Strategies (“UAS”). The manager’s disciplined sell strategy allows them not only to limit losses but to also capture gains as they appear. By combining quantitative knowledge and trends, with a knowledge of each company’s products and management, UAS is able to create a complete picture of the company’s prospects and make informed selections. Through careful determination of price levels to trigger buying and selling, they are able to redeploy cash into sectors and stocks representing better value. The services provided shall include, and shall be limited to the following:

- A) 24/7 On-line Web account access to TD Ameritrade site where the execution and maintenance of the models occur.
- B) Ability to select various fundamentally driven model ETF / mutual fund portfolios.
- C) Systematic re-balancing pursuant the model criteria.
- D) Performance of the various model portfolios can be viewed on the website along with suitable benchmark(s).
- E) Due to the nature of the models, the discretion to rebalance, augment and replace managers/investments rests solely with CPR.
- F) Note: CPR shall not be responsible for security selection in the Galaxy models.
- G) Available to discuss the models, the criteria used in creating them as well as other administrative questions with CPR personnel.

Please refer to page 7 of the CPR client agreement for a breakdown of fees associated with the Galaxy models.

Ariston and Galaxy Models - CPR will neither guarantee nor promise any specific levels of future performance. Our advice and recommendations are subject to various market, political, and business risk and will not necessarily bring about the desired outcome. CPR will not be liable for any losses that are (i) a result of our good faith decisions or actions where we exercise the degree of care, skill, prudence and diligence under the circumstances that a prudent person acting in fiduciary capacity would use in the conduct of an enterprise of a like character and with like aims; (ii) caused by following the Client’s instructions; or (iii) caused by the custodian to whom we direct all transactions of the account. Federal and State securities laws impose liabilities under certain circumstances on persons who act in good faith, and this agreement does not waive or limit the Client’s rights under those laws.

It is understood and agreed that CPR and its employees are not qualified to and will not render any tax, legal or accounting services. CPR may prepare documents solely for illustrative purposes, but under no circumstances shall this be construed as the rendering of accounting, tax or legal advice. Client agrees that CPR shall in no way be responsible or held liable to Client for the rendering and/or preparation of any legal or accounting advice, opinions, determinations or documents.

The person or persons who perform the function of collecting confidential financial data for analysis from the Client with Client's permission may not necessarily be employees or agents of CPR. CPR reserves the option of engaging a third party for the collection of such confidential data.

In exchange for the services rendered by CPR, Client shall pay to the Adviser an annual fee. This fee will be based on the total assets under management using the average daily asset value during the month. The fee will be assessed at the end of each month or quarter based on the attached fee schedule at the end of the Financial Advisory Agreement.

Qualified Plan Advisory Business – Managed by CPR

The services provided shall include, and shall be limited to the following:

- A) Assistance in defining and selecting the asset classes suitable to the Client's objectives, as defined in the Statement.
- B) Development of a model asset allocation portfolio based upon the Client's Statement of Investment Objectives.
- C) Recommendation of one or more investment managers for each of the asset classes to be included in the model/portfolio.
- D) 24/7 On-line Web account access to Aspire website where the execution and maintenance of the qualified plans occur.
- E) Availability of systematic re-balancing pursuant to the model criteria and selected investment allocation.
- F) Ongoing review of investment manager performance, and application of the performance standards as defined in the Statement of Investment Objectives and working with Client to accommodate for any future changes of financial needs.

Qualified Plan Advisory Business- CPR will neither guarantee nor promise any specific levels of future performance. Our advice and recommendations are subject to various market, political, and business risk and will not necessarily bring about the desired outcome. CPR will not be liable for any losses that are (i) a result of our good faith decisions or actions where we exercise the degree of care, skill, prudence and diligence under the circumstances that a prudent person acting in fiduciary capacity would use in the conduct of an enterprise of a like character and with like aims; (ii) caused by following the Client's instructions; or (iii) caused by the Custodian to whom we direct all transactions of the account. Federal and State securities laws impose liabilities under certain circumstances on persons who act in good faith, and this agreement does not waive or limit the Client's rights under those laws.

It is understood and agreed that CPR and its employees are not qualified to and will not render any tax, legal or accounting services. CPR may prepare documents solely for illustrative purposes, but under no circumstances shall this be construed as the rendering of accounting, tax or legal advice. Client agrees that CPR shall in no way be responsible or held liable to Client for the rendering and/or preparation of any legal or accounting advice, opinions, determinations or documents.

The person or persons who perform the function of collecting confidential financial data for analysis from the Client with Client's permission may not necessarily be employees or agents of CPR. CPR reserves the option of engaging a third party for the collection of such confidential data.

In exchange for the services rendered by CPR, Client shall pay to the Adviser an annual fee. This fee will be based on the total assets under management using the average daily asset value during the month. The fee will be assessed at the end of each month or quarter based on the attached fee schedule in Appendix A of the Financial Advisory Agreement.

#### Fee-based Services

Consolidated Portfolio Review Corp. endeavors to deliver to its clients a comprehensive written financial plan, which details recommended courses of action in the following financial areas: retirement planning, estate planning, capital needs planning in the event of death, income tax planning, cash flow analysis, and investment needs.

Consolidated Portfolio Review Corp. prepares comprehensive written financial plans tailored to meet its clients' individual circumstances. Such plans help clients identify and quantify their financial goals and objectives and provides them with specific recommendations and alternative solutions to help them achieve these goals. Time spent in preparing these plans is approximately 65% of total billable hours.

In addition to the preparation of financial plans, Consolidated Portfolio Review Corp. also offers its clients an annual review program. This program updates a client's financial plan to determine if goals and objectives are being met as set forth in the initial plan. Modifications and changes are made on an ongoing basis as clients' circumstances change over the years. Time spent in preparing these updates is approximately 10% of total billable hours.

Consolidated Portfolio Review Corp. also offers consulting services to clients who, because of their complex financial circumstances, require services in addition to (or in lieu of) the preparation of a financial plan. Clients may receive specific consultations in the areas of business transfer planning, charitable giving planning, risk management, and incorporation feasibility, to name a few. Time spent in the area of consultations is approximately 10% of total billable hours.

In the event CPR deems it necessary to consult with the Client's attorney, accountant or



other adviser, and Client authorizes such consultation, Client shall be responsible for the payment of all fees of such person(s) which are charged for such consultation.

CPR shall not be compensated on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds or income of the Client.

#### Services Limited to Specific Types of Investments

CPR generally limits its investment advice, overall advice and strategy to mutual funds and ETFs. However, CPR may also provide investment advice pertaining to bonds, CDs, and possibly individual stocks.

#### Regulatory Assets Under Management

As of 3/30/2020, CPR manages approximately \$185,516,192. in assets for approximately 1,229 clients, on a discretionary basis.

### **Item 5. Fees and Compensation**

#### **Assets Under Management**

##### **CPR Advisory - Discretionary**

CPR Legacy Client – Discretionary: (Legacy Clients and/or Qualified Exception) CPR provides investment advice pertaining to ETFs, bonds, CDs, individual stocks, and mutual funds. The Adviser offers its' clients mutual funds on a "load-waived" basis given our institutional arrangements with the fund families.

<b>Value of Aggregated Assets</b>	<b>Annual Fee</b>
Up to \$1,000,000	1.00 %
And from \$1,000,001 to \$2,000,000	0.90 %
And from \$2,000,001 to \$5,000,000	0.75 %
And for \$5,000,001 to \$10,000,000	0.50%
\$10,000,001 and above	Negotiable*

##### CPR Advisory Client – Non-Discretionary:

CPR provides investment advice pertaining to ETFs, bonds, CDs, individual stocks, and mutual funds. The Adviser offers its' clients mutual funds on a "load-waived" basis given our institutional arrangements with the fund families. Additionally, CPR offers clients Quant, Alternative, and Risk-based models with tactical overlays. Ongoing services to monitor and re-balance asset allocation goals are an important part of the Adviser's long-term services. Client agrees to pay the annualized fee indicated below. This fee covers advisory services which include access to our Barrister, Carillon, and

Mechling Models.

<b>Value of Aggregated Assets</b>	<b>Annual Fee</b>
Up to \$500,000	1.40 %
And from \$500,001 to \$1,000,000	1.25 %
And from \$1,000,001 to \$2,000,000	1.00 %
And from \$2,000,001 to \$5,000,000	0.75%
And for \$5,000,001 and above	0.50%

CPR Advisory Fee on Separately Managed Accounts (SMAs):

Client agrees to pay the annualized fee indicated below. Our CPR advisory fee is in addition to the third party SMA.

<b>Value of Aggregated Assets</b>	<b>Advisory Fee + SMA Fee</b>
Up to \$500,000	1.00 %
And from \$500,001 to \$1,000,000	0.85 %
And from \$1,000,001 to \$2,000,000	0.60 %
And from \$2,000,001 to \$5,000,000	0.35%
And for \$5,000,001 and above	0.10%

The fees listed below are in addition to any CPR/SMA fees. The platform fees vary based on where the accounts are held and will appear separately on the custodial account statement. Fees charged by unaffiliated third-party money managers and any potential platform fees are listed below.

<b>CPR Product Name</b>	<b>Annual SMA Fee</b>	<b>Annual Platform Fee</b>
Barrister, Carillon, Mechling CPR Models	0.00%	.10-.32% (Envestnet & TD Ameritrade)
Ariston Advisors - Equity Quant Models	0.70%	0.20% (Folio)
SEI Investments - Equity	1.00%	None
United Asset Strategies – Equity	0.65%	None
United Asset Strategies – Fixed Income	0.50%	None

CPR Qualified Plan Advisory Client:

Consolidated Portfolio Review Corp. is compensated by charging a fee as a percentage of the total assets in the plan. No commissions, transaction fees, or “soft dollar” compensation arrangements are used. Our recommendations for funds and asset allocation are not compromised by any relationship with fund providers.

The annual investment advisory fee will be:

- 1.00% of the first \$1,000,000 of assets plus
- 0.90% of the next \$1,000,000 of assets plus
- 0.75% of the next \$3,000,000 of assets plus
- 0.50% of the next \$5,000,000 of assets plus
- 0.25% of the next \$40,000,000 of assets plus
- 0.10% on assets above \$50,000,000

One fourth of the above fee schedule will be deducted from the assets each quarter.

Additional fees may be charged when these services are used:

- Distributions (includes preparation of 1099-R Forms)
- Loans

The fee for the investment advisory services is based on the total assets under management using the daily asset value during a quarter. The fee is assessed and deducted at the end of each quarter. Fees are normally not payable before a client signs a Risk Profile, signs a Financial Advisory Agreement and have placed or transferred assets into an account. There is no binding contract with the client that necessitates an expiration date, but the Financial Advisory Agreement may be cancelled in writing by either party (30) days prior to the effective cancellation date.

Fee-based Services

Consolidated Portfolio Review Corp. offers five levels of Fee-based services: (1) an Initial Financial Plan for a fee of \$ 750, (2) an Expanded Financial Plan for a fee of \$ 1,500, (3) a Comprehensive Financial Plan for a fee of \$ 3,500, (4) an Amplified Financial Plan for a fee of \$ 4,500 and (5) a Full Service Financial Plan for a fee of \$ 8,500. Fees are payable: 50% upon engagement and 50% upon a formal presentation of the final written plan.

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

We do not charge any performance-based fees (fees based on a share of capital gains on, or capital appreciation of, the assets of a client) due to the inherent conflict of interest in charging fees in such a manner.

## **Item 7. Types of Clients**

We provide investment advisory primarily to individuals that encompass a variety of distinct market segments: corporate executives, business owners, and affluent, high net worth individuals. We also provide investment management services to pension plans, trusts, and charitable institutions, such as foundations that are often connected to, and created by individual clients. We typically provide investment advisory services to clients with investment portfolios of \$500,000 or more. As of 08/01/2015, CPR will generally require a minimum of \$250,000 in account assets for a new advisory client although it may under appropriate circumstances accept accounts with less than \$250,000. There are no special conditions for starting or maintaining an account of this nature.

For Private Placement Life Insurance, the minimum investment is \$2mm and for Private Placement Variable Annuity the minimum investment is \$500k.

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

We offer comprehensive wealth management services, which combine financial planning and investment management. We work with you to clarify and fully understand your current financial situation and goals. We then suggest an investment management program personalized to your needs and your ability to endure market changes. Your portfolio allocations outlined in the investment management program that we develop with you are the result of two factors: We consider our capital market expectations for investment markets to help us create an optimized portfolio according to the client's risk tolerance and investment goals.

Our investment advice is based on our expectations for the capital markets which include returns for, and risks to, various types of investments (asset classes): fixed income [bonds]; real estate; global public equity [stocks, of both large and small, and domestic and overseas companies that are traded on an exchange]; private equity [investments in companies that are not traded on an exchange] and opportunistic strategies [sophisticated investment strategies usually implemented by hedge funds]; and natural resources/commodities. We believe that worldwide investments can provide positive portfolio growth over the long term. We expect your portfolio's returns to compare favorably to the return produced by a portfolio of relevant benchmarks, and each investment's benchmark will be the return of a recognized investment index such as the S&P 500. This comparison to benchmarks is referred to as "relative performance."

We expect a large portion of your returns to come from the outperformance of individual investment managers compared to the standard index for those investments. We seek to build investment portfolios which aim to have the lowest possible overall risk for a given level of expected return. This portfolio design considers how the various asset classes are expected to perform relative to each other, their correlations, as well as how a particular asset class' risk relates to the other asset classes. Our standard portfolios that target the

lowest risk will more heavily weight bonds, while portfolios that target higher risk/return profile will focus on stocks and other asset classes which are expected to have a high return. Within each asset class, the allocations and implementation (managers, specific securities) are generally similar for portfolios with different risk and return targets; it is the overall asset allocations that differ. We often use two tools developed by Morningstar. Morningstar is a software package which facilitates the comparison of investment performance of mutual funds, exchange traded funds and individual securities to standard market benchmarks. We also use numerous sources of information both public and private, including but not limited Morningstar, Bloomberg, various institutional research reports, academics, financial websites and the Wall Street Journal.

We divide our investment program into three steps

1. Allocation across asset classes (e.g., stocks, bonds, domestic, overseas, large companies, small companies, real estate, commodities).
2. Strategy/manager selection within each asset class; and
3. Executing the program.

We actively review the investments chosen for you to make sure they are meeting our performance objectives. The majority of our investments are made using mutual funds, exchange traded funds, hedge funds, separate account managers, and other private investment partnerships.

We also invest in certain individual securities. We periodically rebalance our clients' portfolios because studies show that this increases returns and/or lowers risk over the long-term. Rebalancing involves trading securities - buying some and selling others - in order to bring your portfolio back to your original asset allocation. This is necessary because, over time, the distribution of your portfolio may become out of alignment with your investment goals. And, in the near term, you'll find that some of your investments will grow faster than others. You may experience some additional transaction costs due to this rebalancing. You also may suffer some lower returns if the assets sold have higher returns in the future than those being purchased.

#### *Material Risks*

- The progress of the capital markets is unpredictable, and our analysis is not able to predict future investment returns.
- All investments can lose value and certain asset classes and/or specific securities which we choose may have poor returns for an extended period.
- A focus on long-term returns could cause us to ignore or be less influenced by near-term economic or market events.
- The investment managers we choose may underperform their benchmarks, resulting in a worse return than investing in a single index fund or a portfolio of index funds.
- While we believe our approach will result in a lower tax bill than a traditional actively managed portfolio, our portfolios may incur higher taxes than an index fund, making any of our managers under performance of the benchmarks worse.
- Private investment vehicles often have limited liquidity and pursue investment strategies which are not completely transparent to investors.

### *Potential Risks of Investing in Private Investment Funds*

Private investment funds generally involve various risk factors and liquidity constraints, a complete discussion of which is set forth in each fund's offering documents, which will be provided to you for review and consideration. Investing in private investment funds is intended for experienced and sophisticated investors who are willing to bear the high economic risks of the investment. You should carefully review and consider potential risks before investing in private funds. Certain of these risks may include loss of all or a substantial portion of the investment due to leveraging, short-selling, or other speculative practices, lack of liquidity because of redemption terms and conditions and that there may not and will not be a secondary market for the fund, volatility of returns, restrictions on transferring interests in the fund, a potential lack of diversification, higher fees than mutual funds, lack of information regarding valuations and pricing, and advisor risk. You will be required to complete a subscription agreement with the private investment fund itself, pursuant to which you will establish that you are qualified to invest in the fund, and acknowledge and accept the various risk factors that are associated with such an investment. Private investment funds have liquidity risk and investors may not be able to redeem their investment per the offering document's disclosures.

### *Potential Risks Associated with Investing in Private Equity and Private Real Estate Funds*

There are particular risks associated with investing in private equity and private real estate funds that generally do not hold publicly traded securities. Unlike mutual funds, which generally invest in publicly traded securities that are relatively liquid, private equity funds generally invest in large amounts of illiquid securities from private companies. Depending on the strategy used, private real estate funds will have illiquid underlying investments that may not be easily sold, and investors may have to wait for improvements or development before any redemption. With such long-term investments, you should consider your financial ability to bear large fluctuations in value and hold these investments over a number of years.

### *They are Difficult to Value*

The portfolio holdings in private equity and private real estate funds may be difficult to value, because they are not usually quoted or traded on any financial market or exchange. As such, no easily available market prices for most of a fund's holdings are available. Additionally, it may be hard to quantify the impact a manager has had on underlying investments until those investments are sold.

### *They are Illiquid Investments*

Private equity and private real estate funds are not "liquid" (they cannot be sold or exchanged for cash quickly or easily), and the interests are typically nontransferable without the consent of a fund's general partner. As a result, private equity and private real estate funds are generally only suitable for sophisticated investors who have carefully considered their financial capability to hold these investments for the long term.

### *Default on Capital Calls has Consequences*

Answering capital calls to provide managers with the pledged capital is a contractual obligation of each investor. Failure to meet this requirement in a timely manner could elicit significant adverse consequences, including, without limitation, the forfeiture of the defaulting investor's interest in the fund.

### *They Often Employ Leverage*

Private equity and private real estate funds may use leverage (i.e., debt) in connection with certain investments or participate in investments with highly leveraged capital structures.

Although the use of leverage may enhance returns and increase the number of investments that can be made, leverage also involves a high degree of financial risk and may increase the exposure of such investments to factors such as rising interest rates, downturns in the economy or deterioration in the condition of the assets underlying such investments. Leverage can also amplify losses.

## **Item 9. Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or the integrity of our management. We have no information applicable to this Item. Neither we as a firm nor any of our Investment Adviser Representatives has been subject to any disciplinary action as of the date of this brochure.

## **Item 10. Other Financial Industry Activities and Affiliations**

In addition to providing the investment advisory services described in Item 4 above, we also provide non-investment advisory services commonly referred to as financial planning and family office services. These may include personal tax and cash flow planning, estate planning, retirement planning, educational funding, insurance planning, compensation and benefits planning and the preparation of financial analyses, expense management, and cash flow projections.

CPR maintains a relationship with Diefendorf Planning Services Ltd., an insurance and employee benefits' company. Stephen Distant, the CEO of CPR, is the CEO of Diefendorf Planning Services, Ltd.

CPR maintains a relationship with Retirement Planning & Administration, Inc., a qualified third-party administrator company. Stephen Distant, the CEO of CPR, is the CEO of Retirement Planning & Administration, Inc.

CPR maintains a relationship with 3D Wealth Insurance Services, LLC, an insurance and employee benefits' company. Stephen Distant, the CEO of CPR, is the CEO of 3D Wealth Insurance Services, LLC.

CPR maintains a relationship with Vanderbilt Securities, LLC, a FINRA registered Broker Dealer. Stephen Distanto, the CEO of CPR, is the CEO of Vanderbilt Securities, LLC.

CPR maintains a relationship with Vanderbilt Advisory Services, a SEC registered Investment Advisor Firm. Stephen Distanto, the CEO of CPR, is the CEO of Vanderbilt Advisory Services.

CPR maintains a relationship with ImpactU.Investments, LLC, a FINRA registered Broker Dealer. Stephen Distanto, the CEO of CPR, is the CEO of ImpactU.Investments, LLC.

CPR maintains a relationship with Annuity Depot dba Vanderbilt Insurance, an Insurance Agency. Stephen Distanto, the CEO of CPR, is the CEO of Annuity Depot dba Vanderbilt Insurance.

No formal arrangements exist; however, clients may be referred to these entities. When CPR recommends that its asset management clients invest with any of the above entities where CPR is the investment manager, a material conflict exists in that CPR's incentive to recommend the entity, product, or service may be based on economic factors and not necessarily the client's best interest. However, it is CPR's policy that the solicitation of asset management clients to invest in any product or service be based on the client's goals and risk tolerance. In addition, if asset management clients do invest with any of the above-mentioned entities, clients will be informed of the affiliation with CPR and CPR does not charge an advisory fee on those assets.

## **Item 11. Code of Ethics, Participation in Client Transactions and Personal Trading**

### **Consolidated Portfolio Review Principles of our Code of Ethics**

Our organization is a team of professionals with the fiduciary responsibility to maintain honesty and integrity with all those who may receive our advice. Each Associate is mindful that complete observance and compliance with our "Code of Ethics" shall serve to promote the highest quality standards. This observance is beneficial to our clients as well as to the entire organization. For purposes of this "Code", an "Access Person" is anyone within the Firm who has access to non-public information about our clients' personal and financial situations. Therefore, each Associate is deemed an Access Person and pledges to:

- Always place the best interests of the clients above their own direct or indirect interests.
- Maintain the highest standards of professional competence and give the best possible advice to clients by seeking to maintain and improve their knowledge,



- skills and competence.
- Make full and adequate disclosures of all facts necessary to enable their clients to make informed decisions.
- Hold in the strictest confidence, and consider as privileged, all business and personal information pertaining to our clients' affairs. Failure to abide by this principle may result in termination of employment.
- Maintain a personal conduct that will reflect favorably upon the organization.
- Abide by and conform to all provisions of the laws and regulations in the jurisdictions in which they do business. This includes the promise not to act upon any inside information to the disadvantage of the client or any other member of the investing public.

It is the Firm's policy to enforce the tenants of our "Code of Ethics" and to avoid conflicts of interest that may place any actions of our Associates, even inadvertently, before the interests of our clients. As such, the Firm requires that the following procedures be followed:

- Any violation of the above "Code" shall be promptly reported to the Firm's Chief Compliance Officer.
- Each Associate annually must provide the Firm with a statement of their personal security holdings in addition to appropriate and applicable disclosures of quarterly transactions.  
The list will be updated at least annually. In lieu of a statement of security holdings, a letter of attestation stating that there are no holdings or that there are no charges in their holdings will be provided. The letter will be updated at least annually.
- Each Associate is prohibited from accepting gifts from the Firm's vendors that are above the de minimis amount.
- Clients and perspective clients are entitled to receive a written copy of the Firm's "Code of Ethics" and may request a copy of the Code by contacting our office at 631-845-5100 or by email at [compliance@vanderbiltsecurities.com](mailto:compliance@vanderbiltsecurities.com).

## **Item 12. Brokerage Practices**

We do not maintain custody of your assets that we manage or advise on, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account. Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. We recommend that our clients use one of the following custodian/broker-dealers as the qualified custodian: Charles Schwab and Co., Inc., (Schwab Advisor Services® division of Charles Schwab & Co., Inc. (Schwab), a FINRA-registered broker-dealer, member SIPC); TD Ameritrade (TD AMERITRADE Institutional, a division of TD AMERITRADE, Inc., member FINRA/SIPC/NFA); and Fidelity Clearing & Custody/IWS, member FINRA/SIPC/NYSE, collectively referred to below as "Recommended Custodians" or "Custodian." We are independently owned and operated and are not affiliated with any custodian. The custodian will hold your assets in

a brokerage account and buy and sell securities when you instruct them to. While we suggest that you use one of the previously mentioned custodians/brokers, you will decide whether to do so and will open your account by entering into an account agreement directly with them.

TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA (“TD Ameritrade”), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services that include custody of securities, trade execution, clearance and settlement of transactions. Advisor receives some benefits from TD Ameritrade through its participation in the Program. (Please see the disclosure under Item 14 below).

FOLIOfn, Inc. Folio Institutional, Folio Investing, VIA Folio, FOLIOfn and Folio Advisor are registered trademarks of FOLIOfn, Inc. All Rights Reserved. Securities products and services are offered through FOLIOfn Investments, Inc., a registered broker-dealer and member FINRA/SIPC. Folios can be managed or unmanaged and are not registered investment companies.

Most of the investments that CPR recommends are in mutual funds or exchange traded funds. Usually, a new client will transfer in kind (ACAT) existing positions into their new CPR account. Should liquidations from straight equity securities or bonds be needed to purchase the recommended mutual funds, the transactions are affected through the securities firm at which the account is domiciled, i.e. Charles Schwab & Co., Inc., TD Ameritrade, or Fidelity Clearing & Custody/IWS. All of the aforementioned firms offer reduced commissions or discount rates to its clients as a matter of policy and this in turn is passed onto the CPR client. The Adviser does not suggest that a client utilize its affiliated broker-dealer, Vanderbilt Securities, LLC for these purposes. On occasion, one of our investment advisory clients may direct a transaction through our broker-dealer but this is an exception to the rule and proper disclosures to the client will be provided should such an exception occur. In directing the use of a particular broker or dealer for all or a portion of the trades executed in the client’s account, it should be understood that, with respect to the percentage of trades effected by such direction: CPR will not have authority to negotiate commissions among various broker dealers on a trade-by-trade basis, or to necessarily obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to the client for such trades and those charged to other clients.

### **Item 13. Review of Accounts**

All your accounts are regularly reviewed to ensure that your investment allocation is aligned with your individual circumstances and is consistent with our assessment of market conditions. General conditions in the stock and bond markets are monitored and assessed from both a short-term and long-term perspective.

As a matter of course, we provide you with quarterly investment performance reports. The preparation of the quarterly report includes a review by the primary relationship manager

serving you. Investors in private investment funds will receive quarterly capital account statements directly from the fund manager or our third-party administrator in the case of funds managed by us.

More in depth reviews are triggered by events like changes in your financial circumstances and significant changes in conditions in the stock and bond markets, such as large price movements, big economic surprises, and abnormal or unusual trading volumes. Reviews of your accounts are also triggered by significant changes in the management or policies of other investment vehicles such as mutual funds, separate account managers, or individual securities.

Accounts are reviewed by the Wealth Managers/Advisers responsible for your accounts. There are no set minimums or maximums limiting the number of accounts that a Wealth Manager can review.

Your accounts are reviewed to confirm that your recommendations and investment plans are consistent with your financial goals and are appropriately designed to help achieve those objectives. Periodic on-going reviews are conducted on an “as needed” basis depending on your needs and the nature of the financial issue. We expect to meet with you at least once annually, but more often quarterly, as well as have other contact by voice or email more frequently throughout the year.

The process of the review includes is an on-going service to ensure that client objectives and compliance obligations are satisfied. Finally, all clients are encouraged to keep CPR informed as to any personal changes in their financial condition that may necessitate changes to the portfolio. The Adviser will undertake a review at any time that the client requests.

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

We often receive referrals from our existing clients, as well as from other professional service providers, such as lawyers and accountants. While this might provide incentive for us to discount fees for clients who refer business to us, it is our strict policy not to do so. Referrals from other professional service providers could cause us to want to return the referrals, however we are careful to refer our business, and that of our clients, in as unbiased a way as possible. We therefore frequently provide multiple names when asked for referrals to professional service providers. None of these individuals or firms is compensated in any way for providing client referrals to us, and CPR does not compensate any referring parties.

CPR does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

## **Item 15. Custody**

You should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains your investments. We urge you to carefully review such statements and compare such official custodial records to the information we provide to you such as our quarterly performance reports and to contact CPR and the custodian if the client suspects any errors. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. We are happy to investigate any differences you encounter and recommend that you inform us of such discrepancies. We encourage you to ask questions about any discrepancies that you identify. CPR's investment management clients' assets are held at unaffiliated qualified custodians. Although CPR does not hold these assets, it is deemed to have custody for purposes of amended Rule 206(4)-2 of the Advisors Act due to its management of client accounts where it is paid its management fee directly debited from the client's custodian.

## **Item 16. Investment Discretion**

We do not have discretionary authority from our clients at the outset of an advisory relationship, unless an account is opened in a model with one of our Custodian providers or explicitly been granted in non-model accounts. We are responsible for selecting the identity and amount of securities to be bought or sold in your accounts. In all cases, however, discretion is to be exercised in a manner consistent with your stated investment objectives as outlined in your Risk Profile.

When selecting securities and determining amounts, we observe the investment policies, limitations and restrictions that you and we have discussed and agreed upon. We document those policies and investment guidelines in a Risk Profile or other applicable client documentation for you to review and agree to, and which we both sign. It is your responsibility to promptly notify us if there is ever any change in your financial situation or investment objectives. It is necessary that you keep us promptly informed about changes in your financial circumstances for the purpose of reviewing, evaluating, and/or revising our previous recommendations to you.

Because we manage more than one account and have many clients with varying circumstances, there may be conflicts of interest over time devoted to managing any one account and allocating investment opportunities among all the accounts we manage. For example, we may select investments for a particular client based solely on the investment strategy being pursued for that client. Different clients may have differing investment strategies and expected levels of trading. We may buy or sell a security for you but not for another client or may buy (or sell) a security for one type of client while simultaneously selling (or buying) the same security for another type of client. We attempt to resolve all such conflicts in a manner that is generally fair to all of our clients. We may give advice to, and take action on behalf of, any of our clients that differs from the advice given to

another client so long as it is our policy, to the extent practicable, to allocate investment opportunities to our clients fairly and equitably over time. We are not obligated to acquire for any account any security that we, our principals, or our employees may acquire for their own accounts or for any other client, if in our absolute discretion, it is not practical or desirable to acquire a position in such security for that account.

We may provide investment management services with respect to assets held in your 401(k) and/or 529 Plan accounts with various mutual fund companies. We may also use third-party data aggregators to obtain this information.

## **Item 17. Voting Client Securities**

As a matter of firm policy, CPR generally does not vote proxies on behalf of clients. Clients will receive their proxies and other solicitations directly from their custodian or transfer agent and retain sole responsibility for voting. CPR may provide advice to you regarding the voting of proxies; however, we shall not be deemed to have voting authority with respect to such shareholder matters as a result of providing such advice.

However, CPR will vote proxies in certain situations, such as long-standing clients that are grandfathered to our current procedure. In these limited situations, CPR will adhere to the appropriate procedures in its policy manual.

CPR will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements.

Separate account managers may be utilized to implement certain components of your investment plan. These separate account managers may vote proxies; however, we do not participate in or advise the separate account manager in any way on such votes. Records regarding any votes cast are maintained by the separate account manager and are available upon request.

CPR clients may obtain a copy of our complete proxy voting policies and procedures by contacting CPR administration directly.

## **Item 18. Financial Information**

Under no circumstances will we collect fees in excess of \$1,200 more than six months in advance of services rendered.

As a registered investment management firm, we are required in this Item to provide you with information about any financial condition or financial commitment likely to impair our ability to meet our contractual and fiduciary commitments to our clients. Our firm and its principals have no financial events or proceedings to disclose.

Stephen A. Distant

**Consolidated Portfolio Review Corp.**

125 Froehlich Farm Blvd., Woodbury, NY 11797

**Tel. (631) 845-5100**

**Fax (631) 845-4531**

**FORM ADV PART 2B  
BROCHURE SUPPLEMENT**

08/26/2020

This brochure supplement provides information about Stephen Distant that supplements the Consolidated Portfolio Review Corp. brochure. You should have received a copy of that brochure. Please contact our Compliance Officer if you did not receive Consolidated Portfolio Review Corp.'s 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](mailto: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](http://www.adviserinfo.sec.gov).

Stephen Distanto, was born in 1965  
CRD No. 2206574

Formal Education after High School:

St. John's University, B.S. Accounting

Business Background:

ImpactU.Investments, LLC, CEO, 10/2018 - present  
Vanderbilt Advisory Services, CEO, 09/2000 to present  
Vanderbilt Securities, LLC, CEO, 12/2001 to present  
Consolidated Portfolio Review Corp., CEO, 06/2020 to present

Disciplinary Information:

None

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, Option, Fixed Income, DPP trades, etc.
2. Mutual Fund trade commission
3. Mutual Fund Trail commission

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

## Stephen Distant -- CRD No. 2206574

### Other Business Activities (continued):

#### Insurance Representative

Stephen Distant 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 clients' 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:

Steve Howe, 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



Steven M. Howe

**Consolidated Portfolio Review Corp.**

125 Froehlich Farm Blvd., Woodbury, NY 11797

**Tel. (631) 845-5100**

**Fax (631) 845-4531**

08/26/2020

**FORM ADV PART 2B  
BROCHURE SUPPLEMENT**

This brochure supplement provides information about Steven M. Howe that supplements the Consolidated Portfolio Review Corp. brochure. You should have received a copy of that brochure. Please contact our Compliance Officer if you did not receive Consolidated Portfolio Review Corp.'s 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](mailto: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 Steven M. Howe is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Steve Howe, was born in 1976  
CRD No. 5088131

Formal Education after High School:

University of Vermont, B.S Forest Management/Environmental Science Concentration, 1999

Boston University, M.S Environmental Remote Sensing & GIS, 2003

Business Background:

Consolidated Portfolio Review Corp, Investment Advisor, 5/2006 – 3/2018  
Sterling Monroe Securities, LLC, Registered Representative, 5/2006 – 3/2018  
3D Wealth Advisory, Director of Operations & Compliance, 5/2006 – 3/2018  
Vanderbilt Securities, CCO, 1/2019 - present  
Vanderbilt Advisory Services, CCO, 1/2019 – present  
Vanderbilt Securities, Registered Representative, 3/2018 - present  
Vanderbilt Advisory Services, Investment Advisor, 3/2018 – present  
Vanderbilt Financial Group, Firm Onboarding Manager, 3/2018 - present  
Consolidated Portfolio Review Corp., CCO, 06/2020 to present

Professional Designations:

Not Applicable

Disciplinary Information:

None

Other Business Activities:

Registered Representative of a Broker-Dealer

Steve Howe 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, Options, Fixed Income, DPPs trades, etc.
2. Mutual Fund trade commission
3. Mutual Fund Trail commission
4. Variable Annuity commission

## Steve Howe CRD No. 5088131

### Other Business Activities (continued):

Steve Howe is licensed as a Registered Representative in the following states: Arkansas, California, Connecticut, Florida, Indiana, Iowa, Massachusetts, Michigan, Minnesota, New Jersey, New York, Ohio, South Dakota, and Texas

#### Insurance Representative

Steve Howe 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 New York and Florida.

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:

Steve Howe is the Chief Compliance Officer and works closely with Stephen Distant, CEO. They regularly work together and communicate on client issues. Steve 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.