



## FORM ADV PART 3, CLIENT RELATIONSHIP SUMMARY (FORM CRS), OCTOBER 15, 2020

### ITEM 1 - INTRODUCTION

Consultiva Wealth Management Corp. (“Consultiva”) is an SEC registered investment advisor that acts as a fiduciary for its clients. Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. Free and useful information about Consultiva and other firms and Investment Advisor Representatives can be found at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

### ITEM 2 - RELATIONSHIPS AND SERVICES

#### What investment services and advice can you provide me?

Consultiva offers investment advisory consulting services including financial planning. Investment advisory relationships may be subject to a minimum investment portfolio size of five-hundred thousand U.S. dollars (\$500,000). Our investment authority may be on a non-discretionary, limited discretionary or full discretionary basis. In addition, Consultiva provides ongoing evaluations of each client’s investment portfolio performance and assists in identifying strategic market opportunities, as well as in diversifying and rebalancing portfolios. Consultiva does not have proprietary products.

If the client elects limited discretionary or full discretionary investment advisory services, we will make the decision about the purchase or sale of the investments vehicles to implement the approved investment strategy but authority will be limited to the terms and conditions stated in the investment advisory agreement and will prevail while such agreement is outstanding. The client can cancel such authorization at any time by written notice. If the client elects non-discretionary services, the client makes the ultimate decision regarding recommended purchase or sale of investments vehicles to implement the approved investment strategy.

Refer to our [Form ADV Part 2A Brochure](#) (Item 4- Advisory Business and Item 7- Types of Clients) for more detailed information.

**Key questions you should ask our Investment Advisor Representatives: \*Given my financial situation, should I choose an investment advisory service? Why or why not? \*How will you choose investments to recommend to me? \*What is our relevant experience, including our licenses, education, and other qualifications? What do these qualifications mean?**

### ITEM 3 - FEES, COSTS, CONFLICTS, AND STANDARD OF CONDUCT

#### What fees will I pay?

Consultiva typically charges advisory fees based on a percentage over the assets under management for the client (i.e. the total value of securities, variable annuities, money market funds, and cash) and are generally billed in advance on a quarterly basis as set out in the agreement between the client and Consultiva, unless otherwise agreed. Advisory fees vary according to the amount of the assets under management and type of services; the greater your assets under our management, your advisory percentage fee will decrease. The investment advisory fees are negotiable, but typically advisory fee ranges between 0.80% and 1.50%. This fee is inclusive of our discretionary services. Our advisory fee is not the only fee clients will pay. For example, you may pay brokerage fees to third parties when we buy or sell investment in your accounts. You also may pay fees to independent investment manager who we recommend. Some investments (e.g. mutual funds and exchange traded funds) impose additional fees, such as transactional fees and product level fees, that reduce the value of your investment over time.

You will pay advisory fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. Refer to our [Form ADV Part 2A Brochure](#) (Item 5- Fees and Compensation) for more detailed information.

**Key questions you should ask our Investment Advisor Representatives: \*Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?**

**What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?**

When we act as your investment adviser, we must act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interest. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means.

1. Because the advisory fees are charged based on a percentage over the assets under management the firm may therefore have an incentive to encourage its clients to increase the assets in his or her account. Consultiva has procedures in place to address this potential conflict of interest.
2. Certain investment advisor representatives of Consultiva are also licensed insurance agents. As insurance agents they may recommend the purchase of certain insurance products to Consultiva investment advisory clients. The compensation received from the sale of insurance products potentially presents a conflict of interest, since it theoretically creates an incentive for these persons and Consultiva to recommend such insurance contracts for additional compensation. Consultiva also has a check and balance process to address these potential conflicts.

**Key questions you should ask our Investment Advisor Representatives: \*How might your conflicts of interest affect me, and how will you address them?**

Refer to our [Form ADV Part 2A Brochure](#) (Item 10- Other Financial Industry Activities and Affiliations) for more detailed information.

**How do your financial professionals make money?**

Consultiva and our Investment Advisor Representatives' benefit from the advisory services we provide to you because of the sharing of the advisory fees we receive from you. Consultiva and our Investment Advisor Representatives can receive commissions when clients purchase insurance products, such as life insurance, fixed annuities, and/or long-term care. Such commissions are paid to Consultiva and to your Investment Advisor Representative by insurance carriers, not by the client.

**ITEM 4 - DISCIPLINARY HISTORY**

**Do you or your financial professionals have legal or disciplinary history?**

Yes, on August 4, 2020 Consultiva and two of its financial professionals reached a settlement with Claimant regarding Consultiva's alleged breach of fiduciary obligations in relation to the recommendation of certain investments. Consultiva alleged that the Claimant never entered in an investment advisory relationship with Consultiva. Without admitting the Claimant's allegations, Consultiva agreed to pay a settlement amount to the Claimant to settle the FINRA Arbitration Number 19-01210. The settlement amount was paid to the Claimant by Consultiva on September 3, 2020.

Also, in July of 2012, Consultiva reached a settlement with the SEC regarding Consultiva alleged violations of certain compliance program and code of ethics provisions of the Advisers Act and the rules thereunder. Without admitting or denying the SEC's findings, Consultiva agreed to a censure and to a cease and desist from committing or causing any violations and any future violations of these provisions. Consultiva also agreed to, and paid, a \$35,000 civil penalty. However, Consultiva investment advisor representatives do not have legal or disciplinary history as of the date of this Relationship Summary. **Visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research our firm and its investment advisor representatives.**

**Key questions you should ask our Investment Advisor Representatives: \*As a financial professional, do you have any disciplinary history? For what type of conduct?**

**ITEM 5 - ADDITIONAL INFORMATION**

For additional information about our services, up-to-date information or to request a copy of this Relationship Summary (Form CRS), please contact us at: 250 Ave. Muñoz Rivera Suite 415, San Juan PR 00918 or via phone at 787-763-5868 or via email at [info@consultiva.com](mailto:info@consultiva.com).

**Key questions you should ask our Investment Advisor Representatives: \*Who is my primary contact person? \*Is he or she a representative of an investment adviser or a broker-dealer? \*Who can I talk to if I have concerns about how this person is treating me?**