

**Item 1 Cover Page**

ATI INVESTMENT CONSULTING INC.

8 North Road  
Stony Brook, NY 11790  
(631) 675-1420

[www.atiinvestment.com](http://www.atiinvestment.com)

May 1, 2014

**This brochure provides information about the qualifications and business practices of ATI Investment Consulting Inc. If you have any questions about the contents of this brochure, please contact us at (631) 675-1420 [dgisola7@yahoo.com](mailto:dgisola7@yahoo.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 ATI Investment Consulting Inc. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2 Material Changes**

May 1, 2014 – Item 4 was updated to disclose that the firm has a registration pending with the U. S. Securities and Exchange Commission (“SEC”) due to requirements that New York based advisors with greater than \$25 million in client assets under management must register with the SEC.

The material changes discussed above are only those changes that have been made to this brochure since the firm’s last annual update of the brochure. The date of the last annual update of the brochure was February 14, 2014.

### Item 3 Table of Contents

#### Brochure

Item 3 Table of Contents .....	3
Item 4 Advisory Business.....	4
Item 5 Fees and Compensation .....	6
Item 6 Performance-Based Fees and Side-by-Side Management .....	7
Item 7 Types of Clients .....	7
Item 8 Methods of Analysis, Investment Strategies and Risk of Loss .....	7
Item 9 Disciplinary Information.....	7
Item 10 Other Financial Industry Activities and Affirmations .....	8
Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	9
Item 12 Brokerage Practices.....	9
Item 13 Review of Accounts .....	11
Item 14 Client Referrals and Other Compensation .....	11
Item 15 Custody .....	11
Item 16 Investment Discretion .....	12
Item 17 Voting Client Securities .....	12
Item 18 Financial Information.....	12

#### **Item 4 Advisory Business**

ATI Investment Consulting Inc. is a registered investment advisor firm registered with the New York securities regulators since January 3, 2006 and has an application pending with the U. S. Securities and Exchange Commission (“SEC”) since May 1, 2014 due to the requirement that New York based advisor with greater than \$25 million in client assets under management must register with the SEC.

The principal owners of ATI Investment Consulting Inc. are Anthony T. Isola, President and Dinamarie R. Isola, Chief Compliance Officer and Chief Operating Officer.

ATI Investment Consulting Inc. (the “ATI” or “Advisor”) is an investment adviser providing financial planning, consulting, and investment management services to individuals, trusts, and estates. The Advisor, depending upon the engagement, offers its services on a fee basis which may include hourly and/or fixed fees as well as fees based upon assets under management. Prior to engaging ATI to provide any of the foregoing investment advisory services, the client will be required to enter into one or more written agreements with ATI setting forth the terms and conditions under which the Advisor shall render its services (collectively the “*Agreement*”).

ATI may provide its clients with financial planning and consulting services (which may include the preparation of an asset allocation plan or non-investment related matters). ATI will charge a fixed fee and/or hourly fee for these services. ATI’s fees for these services are negotiable, but generally range from \$250 to \$5,000 on a fixed fee basis and/or from \$100 to \$150 on an hourly rate basis, depending upon the level and scope of the services. Clients may engage the Advisor to provide additional investment management services after the initial delivery of an asset allocation plan, as set forth below. If the client engages ATI for additional investment management services, ATI may offset all or a portion of its fees for those services based upon the amount paid for the financial planning and/or consulting services.

Prior to engaging ATI to provide financial planning and/or consulting services, the client will generally be required to enter into a written agreement setting forth the terms and conditions of the engagement and describing the scope of the services to be provided and the portion of the fee that is due from the client prior to the Advisor commencing services. Generally, ATI requires one-half of the financial planning/consulting fee (estimated hourly or fixed) payable upon entering the written agreement. The balance is generally due upon delivery of the financial plan or completion of the agreed upon services. Either party may terminate the agreement by written notice to the other. In the event the client terminates the Advisor’s financial planning and/or consulting services, the balance of the Advisor’s unearned fees (if any) shall be refunded to the client.

In performing its services, ATI shall not be required to verify any information received from the client or from the client’s other professionals (e.g., attorney, accountant, etc.) and is expressly authorized to rely on such information. ATI may recommend the services of itself and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if ATI recommends its own services. The client is under no obligation to act upon any of the recommendations made by ATI under a financial planning/consulting engagement and/or engage the services of any such recommended professional, including the Advisor itself. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any of the Advisor’s recommendations. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify ATI if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing, evaluating, or revising the Advisor’s previous recommendations and/or services.

In the event the client determines to engage ATI to provide investment management services, ATI shall do so on a fee basis. If engaged, the Advisor shall charge an annual fee based upon a percentage of the market value of the assets being managed by the Advisor. As discussed in response to Item 12 (below), ATI's annual fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. However, ATI shall not receive any portion of these commissions, fees, and costs. The Advisor's annual fee shall be prorated and charged quarterly, in arrears, based upon the market value of the assets on the last day of the previous quarter. The annual fee shall be a flat fee of 1.00%.

The Advisor, in its sole discretion, may negotiate to charge a lesser management fee based upon certain criteria (i.e., pre-existing client, anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, account retention, *pro bono* activities, etc.).

The Advisor offers advice on exchange-listed securities, certificate of deposit, municipal securities, variable annuities, mutual fund shares, United States government securities, exchange traded funds (ETFs) and any type of investment held in a client's portfolio at the beginning of the advisory relationship. However, the Advisor intends to primarily allocate its client's investment management assets on a discretionary and/or a non-discretionary basis among mutual funds and exchange traded funds in accordance with the investment objectives of the client.

As further discussed in response to Item 12 (below), the Advisor shall generally recommend that clients utilize the brokerage and clearing services of Fidelity Institutional Wealth Services and its affiliates (collectively referred to as "*Fidelity*") investment management accounts.

The Advisor may only implement its investment management recommendations after the client has arranged for and furnished the Advisor with all information and authorization regarding accounts with appropriate financial institutions. Financial institutions shall include, but are not limited to, *Fidelity*, any other broker-dealer recommended by the Advisor, broker-dealer directed by the client, trust companies, banks, etc. (collectively referred to herein as the "*Financial Institution(s)*").

Clients may incur certain charges imposed by the *Financial Institution(s)* and other third parties such as custodial fees, charges imposed directly by a mutual fund or exchange traded fund in the account, which shall be disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Additionally, for assets outside of any wrap fee programs, clients may incur brokerage commissions and transaction fees. Such charges, fees and commissions are exclusive of and in addition to the Advisor's fee.

The Advisor's *Agreement* and/or the separate agreement with the *Financial Institution(s)* may authorize the Advisor through the *Financial Institution(s)* to debit the client's account for the amount of the Advisor's fee and to directly remit that management fee to the Advisor in accordance with applicable custody rules. The *Financial Institution(s)* recommended by the Advisor have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to the Advisor.

ATI also may render discretionary investment management services to clients relative to: (1) variable life/annuity products that they may own, and/or (2) their individual employer sponsored retirement plans. In so doing, ATI either directs or recommends the allocation of client assets among the various mutual fund subdivisions that comprise the variable life/annuity product or the retirement plan. The client assets

shall be maintained at either the specific insurance company that issued the variable life/annuity product which is owned by the client, or at the custodian designated by the sponsor of the client's retirement plan.

The client may make additions to and withdrawals from the account at any time, subject to the Advisor's right to terminate an account. Clients may withdraw account assets on notice to the Advisor, subject to the usual and customary securities settlement procedures. However, the Advisor designs its portfolios as long-term investments and asset withdrawals may impair the achievement of a client's investment objectives.

For the initial quarter of investment management services, the first quarter's fees shall be calculated on a *pro rata* basis. The *Agreement* between the Advisor and the client will continue in effect until terminated by either party pursuant to the terms of the *Agreement*. The Advisor's annual fee shall be prorated through the date of termination and any remaining balance shall be charged or refunded to the client, as appropriate, in a timely manner.

Additions may be in cash or securities provided that the Advisor reserves the right to liquidate any transferred securities, or decline to accept particular securities into a client's account. The Advisor may consult with its clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e., contingent deferred sales charge) and/or tax ramifications.

The Advisor's clients are advised to promptly notify the Advisor if there are ever any changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions upon the Advisor's management services.

Neither ATI nor the client may assign the *Agreement* without the consent of the other party. Transactions that do not result in a change of actual control or management of the Advisor shall not be considered an assignment.

A copy of the Advisor's privacy policy notice and a written disclosure statement that meets the requirements of Rule 204-3 of the Investment Advisers Act of 1940, as amended ("Advisers Act"), shall be provided to each client prior to or contemporaneously with the execution of the *Agreement*.

ATI will tailor its advisory services to its client's individual needs based on meetings and completion of a client profile. If clients wish to impose certain restrictions on investing in certain securities or types of securities, ATI will address those restrictions with the client to have a clear understanding of the client's requirements.

ATI does not provide portfolio management services to wrap fee programs.

ATI manages client assets and as of December 31, 2013 has \$36,022,000 in discretionary client assets under management.

## **Item 5 Fees and Compensation**

Please see the description of fees, expenses, brokerage and transaction costs, and the treatment of pre-paid fees in Item 4 above.

Neither ATI nor its supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

## **Item 6 Performance-Based Fees and Side-by-Side Management**

ATI does not charge performance-based fees.

## **Item 7 Types of Clients**

See response to Item 4 above.

ATI does not have any minimum requirements for opening or maintaining an account.

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

The Advisor may utilize fundamental and technical methods of analysis and investment strategies in formulating investment advice or managing assets for clients.

Fundamental analysis of businesses involves analyzing its financial statements and health, its management and competitive advantages and its competitors and markets. Fundamental analysis is performed on historical and present data but with the goal of making financial forecasts. There are several possible objectives; to conduct a company stock valuation and predict its probable price evolution; to make a projection on its business performance; to evaluate its management and make internal business decisions and to calculate its credit risk.

Technical analysis is a method of evaluating securities by relying on the assumption that market data, such as charts of price, volume and open interest can help predict future (usually short-term) market trends. Technical analysis assumes that market psychology influences trading in a way that enables predicting when a stock will rise or fall.

The investment strategies the Advisor will implement will include long-term purchases of securities held at least for one year and short-term purchases for securities sold within a year.

Clients need to be aware that investing in securities involves risk of loss that clients need to be prepared to bear.

The methods of analysis and investment strategies followed by the Advisor are utilized across all of the Advisor's clients, as applicable. One method of analysis or investment strategy is not more significant than the other as the Advisor is considering the client's portfolio, risk tolerance, time horizon and individual goals. However, the client should be aware that with any trading that occurs in the client account, the client will incur transaction and administrative costs.

The Advisor does not primarily recommend a particular type of security.

## **Item 9 Disciplinary Information**

Neither the Advisor nor its management persons have had any legal or disciplinary events, currently or in the past.

## **Item 10 Other Financial Industry Activities and Affirmations**

Neither ATI nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Neither ATI nor any of its management persons are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

ATI does not currently have any relationships or arrangements that are material to its advisory business or clients with either a broker-dealer, municipal securities dealer, or government securities dealer or broker, investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund” and offshore fund, other investment advisor or financial planner, futures commission merchant, commodity pool operator, or commodity trading advisor, banking or thrift institution, accountant or accounting firm, lawyer or law firm, pension consultant, or sponsor of syndicator of limited partnerships.

The CCO/COO for ATI, Dinamarie R. Isola, may publish and provide educational or investment-related research articles and/or newsletters to non-investment management clients. ATI intends to charge a separate fee for these services which shall be agreed upon prior to rendering the services. ATI does not provide this service to its clients. ATI anticipates that Ms. Isola will devote approximately thirty percent (30%) of her time to such services.

Ms. Isola is also the owner of an entity titled RealSmartica, Inc. that focuses on real estate and education on financial matters such as budgeting, wealth building strategies and college selection/funding. It is anticipated that Ms. Isola devote approximately 40% of her time to this service. To the extent that clients of ATI utilize this service and pay a fee for the service, this creates a conflict of interest because of the receipt of additional compensation. Any fees associated with the services of RealSmartica, Inc. and ATI will be fully disclosed to the client prior to entering into an Agreement.

The principal business of ATI’s President, Anthony T. Isola, is in his capacity as a teacher for the Plainview Old Bethpage School District. A conflict of interest exists to the extent Mr. Isola’s co-workers or other Plainview Old Bethpage School District personnel engage ATI for investment advisory services. If this occurs, prospective clients will be informed of ATI’s fees prior to entering into an Agreement. The Advisor anticipates Mr. Isola will devote approximately sixty percent (60%) of his time to such services.

The Advisor does not render insurance services or sell insurance products to its clients. However, certain of the Advisor’s Investment Advisor Representatives may recommend advisory clients to various duly licensed insurance agencies. These insurance agencies shall render these services independently of the Advisor. The Advisor’s Investment Advisor Representatives shall be entitled to receive fees charged by the insurance agencies for the services rendered.

ATI does not render real estate services to its clients. However, the CCO/COO, Dinamarie R. Isola is licensed in the State of New York to sell real estate. Ms. Isola is a self-employed licensed real estate salesperson representing Daniel Gale Sotheby's International Realty. As such, Ms. Isola will receive separate, yet typical compensation relating to the purchase of real estate. Clients of the Advisor are not required to utilize these services.

The Advisor does not recommend or select other investment advisers for clients.



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

The Advisor is registered with the State of New York securities regulators and has adopted a code of ethics ("*Code of Ethics*") made up of its personal securities transaction and insider trading policies and procedures. When the Advisor is purchasing or considering for purchase any security on behalf of a client, no *Covered Person* (as defined below) may effect a transaction in that security prior to the completion of the purchase or until a decision has been made not to purchase such security. Similarly, when the Advisor is selling or considering the sale of any security on behalf of a client, no *Covered Person* may effect a transaction in that security prior to the completion of the sale or until a decision has been made not to sell such security.

Unless specifically defined in the Advisor's procedures (summarized above), neither the Advisor nor any of the Advisor's Associated Persons may effect for himself or herself, for an Associated Person's immediate family (i.e., spouse, minor children, and adults living in the same household as the Associated Person), or for trusts for which the Associated Person serves as a trustee or in which the Associated Person has a beneficial interest (collectively "*Covered Persons*"), any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of the Advisor's clients.

The foregoing policies and procedures are not applicable to (a) transactions effected in any account over which neither the Advisor nor any of its *Advisory Affiliates* has any direct or indirect influence or control; and (b) transactions in securities that are: direct obligations of the government of the United States; bankers' acceptances, bank certificates of deposit, commercial paper, and high quality short-term debt instruments, including repurchase agreements; or shares issued by registered open-end investment companies.

This policy has been established recognizing that some securities being considered for purchase and sale on behalf of the Advisor's clients trade in sufficiently broad markets to permit transactions by clients to be completed without any appreciable impact on the markets of such securities. Under certain limited circumstances, exceptions may be made to the policies stated above. The Advisor will maintain records of these trades, including the reasons for any exceptions.

The Advisor also maintains and enforces written policies reasonably designed to prevent the unlawful use of material non-public information by the Advisor or any of its *Advisory Affiliates*. Clients and prospective clients may contact the Advisor to request a copy of its *Code of Ethics*.

## **Item 12 Brokerage Practices**

Except as provided for in any applicable wrap fee program, the brokerage commissions and/or transaction fees charged by *Fidelity* or any other designated broker-dealer are exclusive of and in addition to the Advisor's fee.

Factors which the Advisor considers in recommending *Fidelity* or any other broker-dealer, to clients include their respective financial strength, reputation, execution, pricing, research, and service. *Fidelity* enables the Advisor to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by *Fidelity* may be higher or lower than those charged by other broker-dealers.

The commissions paid by the Advisor's clients shall comply with the Advisor's duty to obtain "best execution." However, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where the Advisor determines, in good faith, that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including among others, the value of research provided, execution capability, commission rates, and responsiveness. Consistent with the foregoing, while the Advisor will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client transactions.

If the client requests the Advisor to arrange for the execution of securities brokerage transactions for the client's account, the Advisor shall direct such transactions through broker-dealers that the Advisor reasonably believes will provide best execution. The Advisor shall periodically and systematically review its policies and procedures regarding recommending broker-dealers to its client in light of its duty to obtain best execution.

The client may direct the Advisor in writing to use a particular broker-dealer to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that broker-dealer, and the Advisor will not seek better execution services or prices from other broker-dealers or be able to "batch" client transactions for execution through other broker-dealers with orders for other accounts managed by the Advisor (as described below). As a result, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, the Advisor may decline a client's request to direct brokerage if, in the Advisor's sole discretion, such directed brokerage arrangements would result in additional operational difficulties.

Transactions for each client generally will be effected independently, unless the Advisor decides to purchase or sell the same securities for several clients at approximately the same time. The Advisor may (but is not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among the Advisor's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will generally be averaged as to price and allocated among the Advisor's clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that the Advisor determines to aggregate client orders for the purchase or sale of securities, including securities in which the Advisor's *Advisory Affiliate(s)* may invest, the Advisor shall generally do so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. The Advisor shall not receive any additional compensation or remuneration as a result of the aggregation. In the event that the Advisor determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a *de minimis* allocation in one or more accounts, the Advisor may exclude the account(s) from the allocation; the transactions may be executed on a pro

rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

The Advisor does not receive research or other products or services other than execution from a broker-dealer or third party as a result of client securities transactions.

The Advisor does not receive client referrals from any broker-dealer or third party as a result of the firm selecting or recommending that broker-dealer to clients.

The Advisor recommends that all clients use a particular broker-dealer for execution and/or custodial services. The broker-dealer is recommended based on criteria such as, but not limited to, reasonableness of commissions charged to the client, tools and services made available to the client and the Advisor, and convenience of access to the account trading and reporting.

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

For those clients to whom the Advisor provides investment management services, the Advisor monitors those portfolios and conducts account reviews on an “as needed basis” or as clients may request from time to time. For those clients to whom the Advisor provides financial planning and/or consulting services, reviews are conducted on an “as needed” basis. Such reviews are conducted by the President of the Advisor, Anthony T. Isola. All investment advisory clients are encouraged to discuss their needs, goals, and objectives with the Advisor and to keep the Advisor informed of any changes thereto. The Advisor shall contact ongoing investment advisory clients at least annually to review its previous services and/or recommendations and to discuss the impact resulting from any changes in the client’s financial situation and/or investment objectives.

Unless otherwise agreed upon, clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for the client accounts. Those clients to whom the Advisor provides investment advisory services will also receive a report from the Advisor that may include such relevant account and/or market-related information such as an inventory of account holdings and account performance on a quarterly basis.

Those clients to whom the Advisor provides financial planning and/or consulting services will receive reports from the Advisor summarizing its analysis and conclusions as requested by the client or otherwise agreed to in writing by the Advisor.

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

ATI is not compensated by anyone for providing investment advice or other advisory services except as previously disclosed in this Brochure.

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

### **Item 15 Custody**

The Advisor does not have custody of client funds or securities. However, the client will receive written statements no less than quarterly from the custodian. The Advisor encourages clients to carefully review their account statements for any inaccuracies. Any discrepancies should be immediately brought to the firm’s attention.

## **Item 16 Investment Discretion**

The Advisor generally has discretion over the selection and amount of securities to be bought or sold in client accounts without obtaining prior consent or approval from the client for each transaction. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the client and agreed to by the Advisor.

Discretionary authority will only be provided upon full disclosure to the client. The granting of such authority will be evidenced by the client's execution of an Investment Advisory Agreement containing all applicable limitations to such authority. All discretionary trades made by the Advisor will be in accordance with each client's investment objectives and goals.

## **Item 17 Voting Client Securities**

The Advisor will not vote, nor advise clients how to vote, proxies for securities held in client accounts. The client clearly keeps the authority and responsibility for the voting of these proxies. Also, the Advisor cannot give any advice or take any action with respect to the voting of these proxies. The client and the Advisor agree to this by contract. Clients will receive proxy solicitations from their custodian and/or transfer agent.

## **Item 18 Financial Information**

The Advisor does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, and is not required to file a balance sheet.

The Advisor has discretionary authority over client accounts and is not aware of any financial condition that will likely impair its ability to meet contractual commitments to clients. If the Advisor does become aware of any such financial condition, this brochure will be updated and clients will be notified.

The Advisor has never been the subject of a bankruptcy petition.