



**Form ADV-CRS (Customer Relationship Summary) Part 3**  
**February 7, 2024**

**Item 1: Introduction**

Atala Financial, Inc. (“Atala”) is an investment adviser registered with the United States Securities and Exchange Commission (“SEC”). Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. Free and simple resources and tools are available to research firms and financial professionals at [Investor.gov/CRS](https://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 to me?**

Our retail investment services include portfolio management, financial planning, and business consulting services. Through our portfolio management services, we can utilize individual stocks, bonds, ETFs, mutual funds and other securities, as well as managed portfolios from third-party investment managers. Our services are either “nondiscretionary” or “discretionary”—meaning that we will either recommend investments to you and you will make the ultimate decision regarding the purchase or sale of investments (*non-discretionary*), or we will make the ultimate investment decisions without your signoff (*discretionary*). When we have discretionary authority, we will monitor the portfolio's performance on an ongoing basis and will make adjustments and reallocations as necessary. If we manage your account on a non-discretionary basis, we will first need to obtain your approval before executing transactions. The third-party managers we make available to you will invest your account on a discretionary basis using mutual funds, ETFs, and other securities, and either we or the third-party manager will monitor your advisory account and investments continuously as part of your standard services. You have the ability to impose reasonable restrictions and guidelines on investing in certain securities, types of securities or industry sectors. Atala also offers financial planning and consulting services. Regardless of the nature of the service, the implementation of all recommendations will be at the client's discretion. The minimum account size for investment advisory services is \$2,500,000. At our discretion, we may waive this minimum account size. There is no minimum fee for advisory services.

After we jointly review your financial situation, Atala's investment adviser representatives (“IARs”) primarily will recommend that clients authorize the active discretionary management of their assets. Account supervision is guided by the client's stated objectives (e.g. conservative, moderate, balanced, growth, aggressive), as well as tax considerations. Based on these considerations, Atala will select specific investments for your portfolios through the use of fundamental and technical analysis, as well as, charting. Atala will exercise discretionary authority over your account, which means we will select the amount of securities bought and sold for your account with or without your prior approval.

*For more information about our services, please refer to Items 4, 7, 8, and 13 of our Firm Brochure available at <https://adviserinfo.sec.gov/firm/brochure/298398>.*

**Conversation starters:** We encourage you to ask us the following questions:

- 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 your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

**Item 3: Fees, Costs, Conflicts and Standard of Conduct**

**What fees will you pay?**

If you participate in our investment management service, you will be charged an **ongoing management fee** based on the assets under management in accordance with the fee schedule contained in your agreement. These fees will generally be “asset-based” meaning that the fees are calculated as a percentage of assets invested in your account, according to the fee scheduled in your advisory agreement with us. This means that the more assets you invest in your account, the more you will pay in fees, and therefore ***we have an incentive to encourage you to increase your advisory account assets.*** Fees are negotiable and will not exceed 2% of the assets under management. We may also agree to an alternative fee arrangement with **flat quarterly or annual fees** where you will be charged at an agreed upon flat annual fee, paid quarterly, or flat quarterly fee depending on the scope and complexity of the client's needs. Our current fee schedules are described in Item 5 of the Form ADV Part 2 and in your advisory agreement. Depending on the custodian or broker utilized, Clients will also be responsible for paying **transaction costs** and fees to the extent applicable. You could also be responsible for paying miscellaneous fees that your account's custodian charges, including wire fees, transfer fees, bank charges and other fees, as well as fees and expenses that are included in the expense ratio of certain investments, including mutual funds and ETFs. If you are only engaging our planning or consulting services, fees are generally calculated and charged on a flat fee basis per engagement, depending on the scope and complexity

of the engagement. **Generally, the flat fee is calculated by an hourly rate that will be negotiated upon engagement. Our hourly rate will not exceed \$2,000/hour.**

Mutual funds and ETFs recommended by Atala have underlying fees that are disclosed in their prospectuses. Other costs incurred in your account may include prime broker charges, wire transfer and electronic fund transfer fees, fees and taxes on brokerage accounts and securities transactions. We do not collect any fees or revenue from these products.

**You will pay 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. For more information about fees and costs, please refer to Item 5 of our Firm Brochure available at <https://adviserinfo.sec.gov/firm/brochure/298398>.**

**Conversation Starters:** Ask your financial professional –

- 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 our legal obligations to you as an 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 have to 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 interests. 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.

- **Example 1:** Atala and/or its investment advisory representatives may from time-to-time purchase or sell products or investments that they may recommend to clients. In such circumstances, Atala or its investment adviser representatives may have a financial interest in recommending investments that Atala or its representatives also own.
- **Example 2:** Atala and its investment adviser representatives receive compensation based on a percentage of your assets under management. As the value of your assets under management increase, total compensation you pay to Atala, and its representatives also increases. However, if your account value decreases, you `still pay a fee to Atala and its representatives.

**For more information about the ways we make money and our conflicts of interest**, please refer to Items 5, 10, 12, and 14 of our Firm Brochure, available at <https://adviserinfo.sec.gov/firm/brochure/298398>.

**Conversation starter:** Ask us –

- “How may your conflicts of interests or fee structure affect me, and how will they be addressed?”

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

For advisory services provided, our financial advisors are compensated based on the amount of client assets they personally manage and service. In some instances, financial professionals in non-advisory roles are paid a salary and may earn bonuses based on company and individual performance.

## **Item 4: Disciplinary History**

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

No, neither the Firm nor any of our financial professions have a legal or disciplinary history. We encourage you to visit [Investor.gov/CRS](https://Investor.gov/CRS) for a free and simple search tool to research any of our financial professionals.

**Conversation starter:** Ask us: “As a financial professional, do you have any disciplinary history? For what type of conduct?”

## **Item 5: Additional Information**

**For additional information** on our investment advisory services, see our Form ADV, along with the brochure supplement on each of our financial professionals, on IAPD at [Investor.gov/CRS](https://Investor.gov/CRS). Information regarding our firm can be found at [adviserinfo.sec.gov](https://adviserinfo.sec.gov) or by calling our firm at the telephone number listed below for up-to-date information. If you have a problem with your investments, investment account or a financial professional, contact us in writing at the address listed above.

Your adviser serves as your primary contact with our firm. If you have concerns about how this person is treating you, you should contact our Chief Compliance Officer, Shawn Patt, at 310-570-2573.

**Conversation starter:** Ask us:

“Who is my primary contact? Is he or she a representative of an investment adviser representative or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?”