

## ***Paulo Financial Advisors, LLC***

### ***Form CRS Customer Relationship Summary***

#### **Introduction**

Paulo Financial Advisors, LLC is registered with the Securities and Exchange Commission (SEC) as an investment adviser.

Brokerage and investment advisory services and fees differ and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at [www.investor.gov/CRS](http://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

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

Our firm offers the following principal investment advisory services to retail investors:

- Portfolio Management Services;
- Financial Planning Services;
- Consulting Services.

Portfolio Management Services include the provision of continuous advice to a client or investing the client's account based on his/her particular circumstances. We offer Portfolio Management Services on a discretionary and nondiscretionary basis (referred to internally as our "Investment Management Program"). When engaged on a discretionary basis, we will buy and sell investments in your account as appropriate without requiring your pre-approval on an ongoing basis. When engaged on a nondiscretionary basis, you make the ultimate decision regarding the purchase or sale of investments. We monitor portfolio management services client accounts on an ongoing basis and review them at least quarterly.

Through our Financial Planning Services, we will analyze the client's current and anticipated financial condition, investment goals and objectives, risk tolerance, and investment time horizon, among other factors, and provide advice recommending the purchase or sale of securities and other actions intended to assist the client in achieving his or her investment objectives;

Through our Consulting Services, we will consult with the client on matters regarding the client's portfolio, estate planning, retirement planning, or other areas of client concern.

We generally require a minimum account size of \$100,000 for these services. This minimum is negotiable under certain circumstances.

**For additional information, please see Items 4 and 7 of our Form ADV, 2A Brochure (Part 2A) available at:**

[https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd\\_iapd\\_Brochure.aspx?BRCHR\\_VRSN\\_ID=610874](https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd_iapd_Brochure.aspx?BRCHR_VRSN_ID=610874)

***Conversation Starter.*** We encourage you to ask your financial professional:

- *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?*

#### **What fees will I pay?**

Our fees are generally assessed quarterly, in arrears, as agreed, and are disclosed in our Form ADV Part 2A at Item 5.

Portfolio Management Services fees are calculated as a percentage of assets under management. Under our current fee schedule, clients pay an annual rate of 1%, although our fees are negotiable. The more assets the client has in his/her account, the more we receive in fees. We therefore have an incentive to encourage a client to increase the assets in his/her account.

Fees for Financial Planning Services and Consulting Services may be charged on an hourly or fixed fee arrangement, as agreed with the client. Hourly fees vary based on our relationship with the client and the complexity of the client's situation but will not exceed \$350 per hour. Fixed fees may also vary based on our relationship with the client and complexity of the client's situation, but generally range between \$500 and \$5,000. The fees for Financial Planning Services and Consulting Services are negotiable and we may, at our discretion, offset fees paid by clients for other services by the amount of the Financial Planning Services fees. In addition to the principal fees and costs listed above, there are other fees and costs related to our investment advisory services that you will

pay directly or indirectly. Examples of the most common additional fees and costs incurred are custodial and brokerage fees, including commissions. Mutual funds and exchange-traded funds charge management fees, which are separate from the fees assessed by us.

**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 additional information, please see Item 5 of our Form ADV, 2A Brochure (Part 2A) available at:

[https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd\\_iapd\\_Brochure.aspx?BRCHR\\_VRSN\\_ID=610874](https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd_iapd_Brochure.aspx?BRCHR_VRSN_ID=610874)

**Conversation Starter.** We encourage you to 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 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 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 recommendations and investment advice we provide you. Here are some examples to help you understand what this means.

- As discussed above, the more assets the client has in his/her account, the more we receive in fees. We therefore have an incentive to encourage a client to increase the assets in his/her account.
- In addition, our minimum account size is negotiable under certain circumstances and at our discretion. Should we agree to waive this minimum account size, we would receive less compensation for services provided. We, therefore, have a disincentive to waive this minimum.
- As mentioned above, Financial Planning Services clients may, at our discretion, pay less for other services we provide, if we offset those fees by the amount of the Financial Planning Services fees. Should we choose to do so, this would reduce the amount of compensation we receive. We therefore have a disincentive to offset these fees.

**Conversation Starter.** We encourage you to ask your financial professional:

- *How might your conflicts of interest affect me, and how will you address them?*

For additional information, please see Item 5 of our Form ADV, 2A Brochure (Part 2A) available at:

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

Our financial professionals receive a salary. One of our financial professionals is also the firm's sole owner, which means he has an incentive to take actions which would reduce expenses and increase the firm's profitability, including seeking new clients instead of servicing existing clients, investing more aggressively or reducing expenses in a way that harms our ability to service clients.

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

Neither our firm nor our financial professionals have any legal or disciplinary history. Visit [www.investor.gov/CRS](http://www.investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

**Conversation Starter.** We encourage you to ask your financial professional:

- *As a financial professional, do you have any disciplinary history? For what type of conduct?*

**Additional Information**

If you would like additional, up-to-date information or a copy of this relationship summary or our Form ADV, Part 2A Brochure, please call 718-370-3464.

**Conversation Starter.** We encourage you to ask your financial professional:

- *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?*