

VENECREDIT SECURITIES, INC.

Member SIPC / FINRA

Form ADV, Part 3: Client Relationship Summary (CRS)

May 11, 2023

Introduction

Venecredit Securities, Inc. (VSI) is a fully disclosed introducing broker dealer registered with the Securities and Exchange Commission (SEC) and is an investment adviser registered with the State of Florida (FLOFR) and is a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC). VSI is incorporated in the State of Florida and a wholly-owned company of VBT Holdings, Ltd. Our investment advisory services and fees can differ from those of a broker-dealer, and it is important for you to understand those differences (see your representative to receive the brokerage CRS form that explains services, accounts and investments available to retail investors). You can conduct research about advisory firms and financial professionals at www.investor.gov/CRS, which provides free and simple tools and educational materials for you. *Some of the services and descriptions below may not apply to all clients.*

What Investment services and advice can you provide me?

We offer investment adviser services to retail investors. You select a recommended model portfolio that will be invested in mutual funds, ETFs and other securities that match your investment goals. Under Regulation Best Interest your investment adviser is held to a fiduciary standard that covers all the relationship with you.

As a client, we will work with you to understand your personal financial situation and help you determine your investment goals and then select the products that meet your investment profile. Your adviser will not have discretionary authority over your account. You will select mutual funds and ETFs directed by managers who make investment decisions about securities within the guidelines of the funds. The ultimate decision regarding the purchase or sale of the fund or ETF is yours. We'll monitor your investments regularly and meet with you to discuss adjustments, if any, as the capital markets change. Should we forecast market conditions that warrant it, we may also recommend defensive strategies in an effort to minimize downside risk. We will also contact you regularly to discuss your portfolio and our capital markets views. Your portfolio will typically be invested in mutual funds that hold stocks, bonds and/or cash. However, depending on how you choose, the funds could also be invested in exchanged exchange-traded funds, exchange-traded notes, mutual funds, options, or other security types.

Regulation Best Interest Disclosures:

You can find more information about our business and services from our Firm Brochures (Form ADV, Part 2A, Part 2B), which will be provided to you and are also available at <https://adviserinfo.sec.gov/firm/114419>.

- We have one office located in Miami, on Brickell Ave, but your representative will also visit you in Venezuela.
- The minimum initial account funding is \$100,000. We may close accounts that are unfunded or dormant.
- Investment recommendations are made directly to you by our investment officer, and specific model portfolios and funds are chosen. *For additional information, also please see our Regulation Best Interest Disclosures and other applicable documents at our website link below as the SEC limits the length of this form to two pages:*

<https://venecreditsecurities.com/>

Conversation Starters. Ask your financial professional 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?

What fees will I pay?

You'll pay a fee based on the value of the assets we manage for you, which is calculated and charged quarterly. The annual fee for accounts is 1.5%, but could be lower if the assets under management (AUM) are greater. Please refer to the Letter of Agreement you signed when opening your account. Also see the fee schedule you received during the account opening and is posted on the website www.venecreditsecurities.com under the heading INFO on the top menu bar. Should we invest in exchange-traded funds or alike, you will pay fees—generally in the form of an expense ratio—to those issuers. 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. You can find more information about the business (Form ADV, Part 2A, 2B), available at <https://venecreditsecurities.com/en/adviser/brochure>.

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Conversation Starters. Ask your financial professional the following question:

- 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 make a recommendation, or 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.

Conflict of Interest

Employee selling most expensive products to customers.

Employee personal account managed by VSI or themselves

Incentive to increase assets

Examples of ways we make money and conflicts of interest

Description of Conflict of Interest

Employees are not compensated on a commission basis that is tied to the activity in a customer's account. Instead employees are paid on a fixed salary to avoid this conflict of interest.

When we manage an employee's personal account conflicts of interest can arise between trades we place for client and employee accounts. Procedures are in place so that at no time our staff of nine employees or affiliated firm benefit at the expense of a client.

The more assets there are in a *retail investor's* advisory account, the more a *retail investor* will pay in fees, and the firm may therefore have an incentive to encourage the *retail investor* to increase the assets in his or her account. The firm only makes unsolicited sales calls.

Sell proprietary products from our affiliates. Receiving payments from third parties when we recommend or sell their products. Share in revenues earned from third party products we sold. Buy or sell from a retail investor for our own investment account. None are done by VSI the adviser to avoid conflicts.

Conversation Starters. Ask your financial professional the following question:

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

How do your financial professionals make money?

The financial professionals responsible for the investment decisions regarding your account and those servicing your account receive a base salary. Compensation for them may increase on average between 3-5% per year based on their contribution together as a group and the firm's accomplishments. There is no other compensation paid to your financial adviser and other account representatives.

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

The individuals responsible for making investment decisions for your account and all other persons at VSI do not have any legal or disciplinary disclosures. For more information please visit <https://brokercheck.finra.org> For free and simple tools and educational materials visit www.investor.gov/CRS

Conversation Starters. Ask your financial professional the following question:

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

Additional Information

The retail investor can find additional information about the adviser and receive a copy of the **Client Relationship Summary (CRS) May 11, 2023** at our website www.venecreditsecurities.com or call in the United States between 8:30 am - 5:30 pm on Monday thru Friday at (305) 372-2446 or Venezuela (212) 771-7185 or after hours at (786) 547-0893.