

Introduction

Zanbato Securities LLC (“Zanbato”) is a broker-dealer; registered with the Securities and Exchange Commission (SEC); Member of the Financial Industry Regulatory Authority (FINRA); and the Securities Investor Protection Corporation (SIPC), which is described at www.sipc.org. Brokerage services and fees differ, and it is important for you to understand these differences. This Form CRS provides a summary of the types of services we provide and how you pay.

Free and simple tools are available to research firms and financial professionals at Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

What investment services and advice can you provide me?

We offer certain limited services to retail investors: specifically, the resale of private company securities and introductions to curated hedge funds (“HFs”). We do not carry any customer accounts or hold customer funds or securities. We only offer a limited range of investment products and services connected to those products. You will need to open accounts with other financial institutions to make investments in products not offered by us.

We can assist you as follows:




Zanbato provides the opportunity to buy and sell institutionally-sized blocks of private securities via ZX, an independent, SEC-registered Alternative Trading System (“ATS”) supporting institutional transactions in the resale of private company stock and/or debt offerings. ZX operates on an inter-broker basis, meaning buyers and sellers submit orders and trade directly with ZX participants (i.e., banks and brokers). ZX clients peruse the listings on the ATS, self-direct whether to buy or sell, and the quantity of, a particular security. Zanbato collects a commission for completed transactions.

Standards adopted by ZX for the resale of private company securities are designed to reduce transaction and settlement risk in the private company share transfer process.

Zanbato also has the ability to introduce retail investors to screened hedge funds (“HFs”) for consideration. Investors are introduced directly to the hedge fund to conduct their own due diligence. These investors will be vetted by the funds prior to accepting any investment dollars. Zanbato only receives a rebate fee on investments introduced by us and accepted by a particular hedge fund.

As a practice, Zanbato does not make recommendations, you make the ultimate decision. Once you have completed a transaction and we collect our commission; our involvement ends. We do not, and will not, provide any on-going or periodic review, follow-up, or monitoring of your account or make any recommendation to you on whether to hold, add to, or dispose of your investment(s).

CONVERSATION STARTERS Ask your financial professional—

-  Given my financial situation, should I choose to enter an “indication” or “firm” order via ZX?
Why or why not?
-  Of the funds discussed, which might be considered within the same sector?
-  What is your relevant experience, including your licenses, education and other qualifications?
What do these qualifications mean?

What are your legal obligations to me when providing recommendations? How else does your firm make money and what conflicts of interest do you have?

When we provide you with a recommendation, 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 we provide you. Here are some examples to help you understand what this means:

- ▶ As a practice, Zanbato does not make recommendations.
- ▶ We benefit any time you use our ATS and may favor products that allow us to earn higher commissions.
- ▶ We provide the ability for you to purchase or sell of products for which we have licenses, but these products may not necessarily be in your best interest because the products we offer are limited by our licenses.
- ▶ Zanbato enters into rebate arrangements with HFs for successful referrals. A portion of fee proceeds collected by HFs from investors we refer, are paid by the HFs directly to Zanbato, at no additional cost to the investor(s). Because of this, we may be influenced to guide investors to HFs with which we have rebate arrangements that have higher fee structures over others, which is an apparent conflict of interest.

This summary does not identify all of our conflicts of interest, or all material facts about the conflicts of interest listed.

CONVERSATION STARTERS Ask your financial professional—

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

For additional information, please review our disclaimers located at [Zanbato Disclaimers](#).


How do your financial professionals make money?

Zanbato's Associated Persons ("APs") are primarily compensated through salary, and a discretionary bonus, that is based on a number of factors, including: successful sign up of ZX subscribers, investors, participants, and / or obtaining ZX listings. It is in these APs' interests to raise the number of ZX subscribers, investors, participants, and completed ZX transactions, as it generally increases the AP's own compensation. APs involved in hedge fund introductions are compensated from the fees received from the hedge fund's rebate agreement. Certain products have higher transaction fees and service charges than other products.

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

Yes. Visit investor.gov/CRS for a free and simple search tool to research us and our financial professionals. Visit FINRA BrokerCheck to look up Zanbato and our Associated Persons: [Zanbato Securities LLC BrokerCheck](#).


CONVERSATION STARTERS Ask your financial professional—

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

Additional Information

For additional information about our services, please review our website at [Zanbato.com](https://zanbato.com). If you would like additional, up-to-date information or a copy of this disclosure, please call 866.926.2286.

CONVERSATION STARTERS 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?