

Pendulum Securities, LLC (“Pendulum Securities”, “we” or “us”) is registered with the U.S. Securities and Exchange Commission (“SEC”) as a broker-dealer and is a member of the Financial Industry Regulatory Authority, Inc. (“FINRA”). Brokerage and investment advisory services and fees differ and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at 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?

- Pendulum Securities offers brokerage services consisting of financial advisory services (i.e., investment banking services) to private companies in connection with potential transactions and provides placement agent services to issuers with respect to the private placement of their securities. Our placement agent services are provided to the issuers of the securities and not to the purchasers of the securities.
- We are not a full-service broker-dealer and can only provide recommendations to you to invest in private placement securities offerings. At any one point, there may be a limited number of private placement securities offerings and possibly only one offering available. As a result, we will not have alternative investments for you to consider purchasing. Other firms could provide a wider range of choices some of which may have lower costs.
- From time to time, we will recommend issuers’ private placement securities, but you ultimately decide whether to purchase the private placement securities as an investment. Because of the risks associated with private placements we only offer such investments to accredited investors and/or qualified purchasers who have the financial means to afford those risks. You should independently evaluate any investment opportunity offered to you and consider consulting with financial, tax, legal or accounting professionals of your choosing.
- We do not maintain customer accounts or handle your cash or securities. For any investment that you decide to purchase, you will send funds directly to the issuer. We also do not provide ongoing monitoring of or exercise discretion over your investments.

Additional Information: Please find additional information on our services in our Regulation Best Interest disclosure document which you can access using this link – [Regulation Best Interest Disclosures](#).

Key questions to ask us:

- Given my financial situation, should I choose a brokerage 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?

- Pendulum Securities does not charge you a transaction-fee (sometimes referred to as a “commission”) or any other fees when we facilitate an investment by you in private placement securities that we offer.
- As a placement agent for private securities offerings, the issuer of the securities will bear the fees associated with our services, not you, the investor. It is important that you read and understand the offering documents for the specific offering in which you may seek to invest to learn about any costs and fees the issuer may charge you, if any.
- We are generally paid a transaction-based fee for our placement agent services and such fees are paid by the issuer. Because such fees are usually based on a percentage of the amount of capital we are able to raise for an issuer, we have an incentive to encourage you to invest in the private placement securities offerings as our compensation will increase if you decide to make a purchase.

Additional Information: 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. Please find additional information on fees and costs in our Regulation Best Interest disclosure document which you can access using this link – [Regulation Best Interest Disclosures](#).

Key questions to ask us:

- 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 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 interests 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.
 - We may recommend that you invest in private placement securities offerings and are usually paid transaction-based compensation generally based on a percentage of the amount of capital we can raise for the issuer. As such we have an incentive to encourage investments in the private placement securities offerings as our compensation will increase if you decide to make a purchase. The transaction-based compensation we receive for placement agent services can vary based on our agreement with the issuer and so we may have an incentive to offer you the private placement securities that provide us with higher fees. The risks and conflicts of interest for each offering will be disclosed in the relevant offering documents.
 - Pendulum Securities provides merger and acquisition services and placement agent services to business owners and corporations that may be clients of an affiliate, Pendulum Sports & Entertainment LLC (“PSE”), which provides strategic consulting services. We may recommend that you invest in a private placement offering where the issuer is a PSE client. The risks and conflicts of interest for each offering will be disclosed in the relevant offering documents.

Key questions to ask us:

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

Additional Information: Please find additional information regarding conflicts of interest in our Regulation Best Interest disclosure document which is available using this link – [Regulation Best Interest Disclosures](#).

How do your financial professionals make money?

- All of our financial professionals are employees of our parent company, Pendulum Holdings, LLC (“Pendulum Holdings”), and earn a salary and a discretionary bonus based on the overall profitability of Pendulum Holdings. The amount of discretionary bonus is based on a variety of subjective and objective factors including the financial professional’s overall performance, the amount of fees received from our placement agent activities and general overall performance of Pendulum Holdings.
- Although your financial professional must make recommendations that are in your best interest, because their financial compensation may be tied to the overall performance of Pendulum Securities, they have an incentive to recommend investments to you. In addition, our financial professionals may receive certain types of non-cash compensation which are described more fully in our Regulation Best Interest disclosure document which you can access through this link – [Regulation Best Interest Disclosures](#).

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

- No. Visit www.investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

Key questions to ask us:

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

Additional Information: If you would like up-to-date or additional information about the brokerage services offered by Pendulum Securities or a copy of this relationship summary, please contact us via phone at (424) 421-6040 or via email at compliance@pendulumholdings.com. In addition, you may find additional information about our brokerage services in our Regulation Best Interest disclosure document which is available through this link – [Regulation Best Interest Disclosures](#).

Key questions to ask us:

- 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?

Summary of Material Changes since May 2024 Form CRS

Pendulum Securities Form CRS has been updated to make changes consistent with the instructions of Form CRS and to clarify the following:

- That Pendulum Securities does not charge retail investors a transaction-fee or any other fees when we facilitate an investment by you in private placement securities that we offer.
- That in addition to having an incentive to encourage you to invest in our private placement offerings because we receive from the issuer transaction-based compensation based on a percentage of the amount of capital raised, such compensation may vary based on our agreements with issuers and so we may have an incentive to offer you the private placement securities that provide us with higher fees.
- That additional information regarding our services, fees and costs, conflicts of interest and how our financial professionals are paid is available in our Regulation Best Interest disclosure document which is accessible through a link provided within Form CRS.