



Part 2A of Form ADV: Firm Brochure

VL Capital Management LLC
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Item 1. Cover Page.

- A. VL Capital Management LLC
P.O. Box 1494
Winter Park, FL 32790
Phone: (407) 412-6298

Effective Date: February 1, 2019

- B. This brochure provides information about the qualifications and business practices of VL Capital Management LLC ("VL Capital"). If you have any questions about the contents of this brochure, please contact us at (407) 412-6298. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about VL Capital Management LLC also is available on the SEC's website at:
www.adviserinfo.sec.gov.

- C. Registration does not imply a certain level of skill or training.

Item 2. Material Changes.

There are no material changes to report.

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Item 4. Advisory Business.

- A. VL Capital Management LLC ("VL Capital") is a limited liability company registered with the State of Florida since 2013. The principal owner of the firm is Daniel Lugasi.
- B. VL Capital specializes in making investments using fundamental analysis.
- C. VL Capital can tailor investments to clients. Clients may impose restrictions on investing in certain securities or types of securities.
- D. VL Capital does not participate in wrap fee programs.
- E. VL Capital has approximately \$3,500,000 of discretionary client assets under management as of February 1, 2019.

Item 5. Fees and Compensation.

- A. VL Capital charges an annual management fee of 1.00% of assets under management, prorated on a daily basis. Additionally, VL Capital charges an annual performance fee of 15.00% on capital appreciation of the assets of a client (only for clients with a net worth of \$2 million or with an account value of \$1 million or greater). Fees are negotiable.
- B. For fee paying accounts that are held at Interactive Brokers, management fees are calculated daily by the custodian, prorated, and deducted from the client account daily. Performance fees are calculated quarterly by the custodian and deducted from the client account quarterly.
- C. Accounts held at Interactive Brokers incur brokerage and other transaction costs. Clients that have an account at Interactive Brokers should review Item 12 on Brokerage practices.
- D. Client fees are not charged in advance.
- E. VL Capital does not receive commissions or markups on the client accounts.

Item 6. Performance-Based Fees and Side-By-Side Management.

VL Capital does accept performance-based fees on capital appreciation of the assets of a client (only for clients with a net worth of \$2 million or with an account value of \$1 million or greater). We do manage both accounts that are charged a performance-based fee and accounts that are charged an asset-based fee. Conflicts of interest are avoided by trading all accounts invested in a particular strategy simultaneously. Therefore no preference is given to one account type versus another.

Item 7. Types of Clients.

VL Capital generally provides investment services to individuals. VL Capital does not have any requirements for opening or maintaining an account, such as a minimum account size.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss.

- A. VL Capital currently offers proprietary investment strategies based on fundamental analysis. Investing in securities involves risk of loss that clients should be prepared to bear.

- B. For all investment strategies, material risks may include firm-specific risk, systematic risk, foreign exchange risk, liquidity risk, and interest rate risk. We make every attempt to limit transaction costs for clients.

- C. VL Capital does not recommend a particular type of security and has discretion to invest in all asset classes. Risks involved are listed in Item 8 (B).

Item 9. Disciplinary Information.

There are no legal or disciplinary events to disclose that are material to a client's or prospective client's evaluation of VL Capital or the integrity of our management.

Item 10. Other Financial Industry Activities and Affiliations.

- A. Neither VL capital nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

- B. Neither VL capital nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

- C. Neither VL capital nor any of its management persons has any relationship or arrangement that is material to our advisory business or to our clients with any related person listed below.
 - 1. broker-dealer, municipal securities dealer, or government securities dealer or broker
 - 2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment
 - 3. company, unit investment trust, private investment company or "hedge fund," and offshore fund)
 - 4. other investment adviser or financial planner
 - 5. futures commission merchant, commodity pool operator, or commodity trading advisor
 - 6. banking or thrift institution
 - 7. accountant or accounting firm
 - 8. lawyer or law firm
 - 9. insurance company or agency
 - 10. pension consultant
 - 11. real estate broker or dealer
 - 12. sponsor or syndicator of limited partnerships.

- D. VL Capital does not recommend or select other investment advisers for our clients and does not receive compensation directly or indirectly from those advisors that creates a material conflict of interest.

Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

- A. VL Capital has implemented a Code of Ethics that defines our fiduciary commitment to each client. The Code of Ethics was developed to provide general ethical guidelines and specific instructions regarding our duties to our clients. VL Capital owes a duty of loyalty, fairness and good faith towards each client. It is the obligation of VL Capital to adhere not only to the specific provisions of the Code but to the general principles that guide the Code. The Code of Ethics covers a range of topics that may include: general ethical principles, reporting personal securities trading, exceptions to reporting securities trading, reportable securities, initial public offerings and private placements, reporting ethical violations, distribution of the Code of Ethics, review and enforcement processes, amendments to Form ADV and supervisory procedures. VL Capital has written its Code of Ethics to meet and exceed regulatory standards. To request a copy of our Code of Ethics, please contact us at (407) 412-6298.

- B. VL Capital and its related persons do not recommend to clients, or buys or sells for client accounts, securities in which we or related persons have a material financial interest.

- C. The advisor and related persons have investment accounts that may make identical investments as the client accounts. There is no conflict of interest because all client account transactions are given priority and are processed prior to those in investment accounts held by the advisor and related persons.

- D. The advisor and related persons have investment accounts that may make identical investments as the client accounts. There is no conflict of interest because all client account transactions are given priority and are processed prior to those in investment accounts held by the advisor and related persons.

Item 12. Brokerage Practices.

- A. VL Capital does not have discretionary authority to select the broker-dealer/custodian for custodial and execution services. The client will select the broker-dealer or custodian to safeguard client assets and authorize VL Capital to direct trades to this custodian as agreed in the Investment Advisory Agreement. Further, VL Capital does not have the discretionary authority to negotiate commissions on behalf of our clients on a trade-by-trade basis. VL Capital may recommend a custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the client, services made available to the client, and procedures for order entry. VL Capital does not receive research services, other products, or compensation as a result of recommending a particular broker that may result in the client paying higher commissions than those obtainable through other brokers. VL Capital recommends to clients that they established their brokerage account[s] at Interactive Brokers.
1. Soft dollars are revenue programs offered by broker-dealers whereby an advisor enters into an agreement to place security trades with the broker in exchange for research and other services. VL Capital does not participate in soft dollar programs sponsored or offered by any broker-dealer.
 2. VL Capital does not receive any compensation from any entity in connection with the recommendation for establishing a brokerage account.
 3. All Clients are serviced on a "directed brokerage basis", where VL Capital will place trades within the established account[s] at the custodian designated by the client. Further all client accounts are traded within their respective brokerage account[s]. VL Capital will not engage in any principal transactions (i.e., trade of any security from or to VL Capital's own account) or cross transactions with other client accounts (i.e., purchase of a security into one client account from another client's account[s]). In selecting the custodian, VL Capital will not be obligated to select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the designated custodian.
- B. The primary objective in placing orders for the purchase and sale of securities for client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the broker. VL Capital will execute its transactions through an unaffiliated broker-dealer selected by the client. VL Capital may aggregate orders in a block trade or trades when securities are purchased or sold through the same broker-dealer for multiple (discretionary) accounts. If a block trade cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage particular client accounts.

Item 13. Review of Accounts.

- A. Accounts are monitored on an ongoing basis by VL Capital for adherence to investment strategy. Investment management and supervision over the securities contained in the client's portfolio are performed in an ongoing basis by VL Capital, as applicable. Daniel Lugasi, VL Capital's Managing Principal, is the supervised person that conducts the reviews.

- B. In addition to the investment monitoring noted in Item 13.A, each client account shall be reviewed at least quarterly. Reviews may be conducted more or less frequently at the client's request. Accounts may be reviewed as a result of major changes in economic conditions, known changes in the client's financial situation, and/or large deposits or withdrawals in the client's account. The client is encouraged to notify VL Capital if changes occur in his/her personal financial situation that might adversely affect his/her investment plan.

- C. The client will receive brokerage statements no less than quarterly from the trustee or custodian. These brokerage statements are sent directly from the custodian to the client. The client may also establish electronic access to the custodian's website so that the client may view these reports and their account activity. Client brokerage statements will include all positions, transactions and fees relating to the client's account[s].

Item 14. Client Referrals and Other Compensation.

- A. VL Capital does not receive economic benefits from anyone who is not a client and who provides investment advice or other advisory services to our clients.

- B. Neither VL Capital nor related persons directly or indirectly compensates any person who is not our supervised person for client referrals.

Item 15. Custody.

VL Capital does not maintain custody of client funds or securities. All client funds and securities are held in separately managed accounts with Interactive Brokers, who sends quarterly account statements directly to our clients which should be carefully reviewed. VL Capital also sends clients monthly statements based on information provided by Interactive Brokers. We urge clients to compare the account statements they receive from Interactive Brokers and from VL Capital on a regular basis.

Item 16. Investment Discretion.

VL Capital generally has discretion over the selection and amount of securities to be bought or sold in client accounts without obtaining prior consent or approval from the client. Discretionary authority will only be authorized upon full disclosure to the client. The granting of such authority will be evidenced by the client's execution of an Investment Advisory Contract containing all applicable limitations to such authority.

Item 17. Voting Client Securities.

- A. VL Capital does not and will not accept authority to vote client securities.

- B. Neither VL Capital nor related persons directly or indirectly compensates any person who is not our supervised person for client referrals. VL Capital does not and will not accept authority to vote client securities. Clients will receive their proxies or other solicitations directly from Interactive Brokers at the mailing address they specify when their account is opened. Electronic proxies can be received in lieu of paper proxies should clients elect. Clients can contact VL Capital by phone with any questions relating to proxies at (407) 412-6298.

Item 18. Financial Information.

- A. VL Capital does not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance and is not required to furnish a balance sheet.

- B. Neither VL Capital nor its management is subject to any financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients.

- C. Neither VL Capital nor its management has been the subject of a bankruptcy petition at any time during the past ten years.

Item 19. Requirements for State-Registered Advisers.

- A. The formal education and business background of VL Capital's principal executive, Daniel Lugasi, is presented in Form ADV Part 2B.
- B. Other business activities of VL Capital's principal executive, Daniel Lugasi, are presented in Form ADV Part 2B.
- C. VL Capital does accept performance-based fees on capital appreciation of the assets of a client (for qualifying clients under State Laws). The performance-based fees are calculated as a percentage of the capital appreciation of a client's account. The performance-based fees are based a high-watermark system and are calculated on a quarterly basis by the custodian and automatically deducted from the client account. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to clients.
- D. Neither VL Capital nor any of its management persons have been involved in any of the events listed below.
 - 1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
 - a) an investment or an investment-related business or activity;
 - b) fraud, false statement(s), or omissions;
 - c) theft, embezzlement, or other wrongful taking of property;
 - d) bribery, forgery, counterfeiting, or extortion; or
 - e) dishonest, unfair, or unethical practices.
 - 2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
 - a) an investment or an investment-related business or activity;
 - b) fraud, false statement(s), or omissions;
 - c) theft, embezzlement, or other wrongful taking of property;
 - d) bribery, forgery, counterfeiting, or extortion; or
 - e) dishonest, unfair, or unethical practices.
- E. Neither VL Capital nor any of its management persons has a relationship or arrangement with any issuer of securities that is not listed in Item 10. C. of Part 2A.