

Amerant Investments, Inc.

(A wholly owned subsidiary of Amerant Bank, N.A.)

Financial Statements and Supplementary Information December 31, 2023

This report is deemed CONFIDENTIAL in accordance with Rule 17a-5(e)(3) under the Securities Exchange Act of 1934. A statement of financial condition bound separately has been filed with the Securities and Exchange Commission simultaneously herewith as a PUBLIC document.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

ANNUAL REPORTS
FORM X-17A-5
PART III

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Information Required Pursuant to Rules 17a-5, 17a-12, and 18a-7 under the Securities Exchange Act of 1934

FILING FOR THE PERIOD BEGINNING 01/01/23 AND ENDING 12/31/23
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF FIRM: Amerant Investments, Inc.

TYPE OF REGISTRANT (check all applicable boxes):

- ☒ Broker-dealer ☐ Security-based swap dealer ☐ Major security-based swap participant
☐ Check here if respondent is also an OTC derivatives dealer

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use a P.O. box no.)

220 Alhambra Circle

(No. and Street)

Coral Gables

Florida

33134

(City)

(State)

(Zip Code)

PERSON TO CONTACT WITH REGARD TO THIS FILING

Sergio Guerrero

(305) 629-5881

sguerrero@amerantinvestments.com

(Name)

(Area Code – Telephone Number)

(Email Address)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose reports are contained in this filing*

RSM US LLP

(Name – if individual, state last, first, and middle name)

30 South Wacker Drive, Suite 3300 Chicago

Illinois

60606

(Address)

(City)

(State)

(Zip Code)

09/23/2003

49

(Date of Registration with PCAOB)(if applicable)

(PCAOB Registration Number, if applicable)

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* Claims for exemption from the requirement that the annual reports be covered by the reports of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis of the exemption. See 17 CFR 240.17a-5(e)(1)(ii), if applicable.

Persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

OATH OR AFFIRMATION

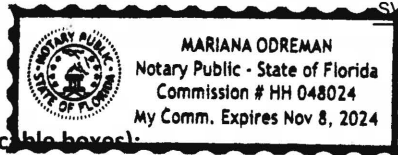
I, Sergio Guerrero, swear (or affirm) that, to the best of my knowledge and belief, the financial report pertaining to the firm of Amerant Investments, as of 12/31, 2023, is true and correct. I further swear (or affirm) that neither the company nor any partner, officer, director, or equivalent person, as the case may be, has any proprietary interest in any account classified solely as that of a customer.

Signature: _____

Title: _____

SVP, COO / FINOP

Mariana Odreman
Notary Public



This filing** contains (check all applicable boxes):

- ☒ (a) Statement of financial condition.
- ☐ (b) Notes to consolidated statement of financial condition.
- ☒ (c) Statement of income (loss) or, if there is other comprehensive income in the period(s) presented, a statement of comprehensive income (as defined in § 210.1-02 of Regulation S-X).
- ☒ (d) Statement of cash flows.
- ☒ (e) Statement of changes in stockholders' or partners' or sole proprietor's equity.
- ☐ (f) Statement of changes in liabilities subordinated to claims of creditors.
- ☒ (g) Notes to consolidated financial statements.
- ☒ (h) Computation of net capital under 17 CFR 240.15c3-1 or 17 CFR 240.18a-1, as applicable.
- ☐ (i) Computation of tangible net worth under 17 CFR 240.18a-2.
- ☒ (j) Computation for determination of customer reserve requirements pursuant to Exhibit A to 17 CFR 240.15c3-3.
- ☐ (k) Computation for determination of security-based swap reserve requirements pursuant to Exhibit B to 17 CFR 240.15c3-3 or Exhibit A to 17 CFR 240.18a-4, as applicable.
- ☐ (l) Computation for Determination of PAB Requirements under Exhibit A to § 240.15c3-3.
- ☒ (m) Information relating to possession or control requirements for customers under 17 CFR 240.15c3-3.
- ☐ (n) Information relating to possession or control requirements for security-based swap customers under 17 CFR 240.15c3-3(p)(2) or 17 CFR 240.18a-4, as applicable.
- ☒ (o) Reconciliations, including appropriate explanations, of the FOCUS Report with computation of net capital or tangible net worth under 17 CFR 240.15c3-1, 17 CFR 240.18a-1, or 17 CFR 240.18a-2, as applicable, and the reserve requirements under 17 CFR 240.15c3-3 or 17 CFR 240.18a-4, as applicable, if material differences exist, or a statement that no material differences exist.
- ☐ (p) Summary of financial data for subsidiaries not consolidated in the statement of financial condition.
- ☒ (q) Oath or affirmation in accordance with 17 CFR 240.17a-5, 17 CFR 240.17a-12, or 17 CFR 240.18a-7, as applicable.
- ☐ (r) Compliance report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☒ (s) Exemption report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☐ (t) Independent public accountant's report based on an examination of the statement of financial condition.
- ☒ (u) Independent public accountant's report based on an examination of the financial report or financial statements under 17 CFR 240.17a-5, 17 CFR 240.18a-7, or 17 CFR 240.17a-12, as applicable.
- ☐ (v) Independent public accountant's report based on an examination of certain statements in the compliance report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☒ (w) Independent public accountant's report based on a review of the exemption report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☐ (x) Supplemental reports on applying agreed-upon procedures, in accordance with 17 CFR 240.15c3-1e or 17 CFR 240.17a-12, as applicable.
- ☐ (y) Report describing any material inadequacies found to exist or found to have existed since the date of the previous audit, or a statement that no material inadequacies exist, under 17 CFR 240.17a-12(k).
- ☐ (z) Other: _____

****To request confidential treatment of certain portions of this filing, see 17 CFR 240.17a-5(e)(3) or 17 CFR 240.18a-7(d)(2), as applicable.**

Amerant Investments, Inc.
(A wholly owned subsidiary of Amerant Bank, N.A.)
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December 31, 2023

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RSM US LLP

Report of Independent Registered Public Accounting Firm

To the Stockholder and the Board of Directors of Amerant Investments, Inc.

Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of Amerant Investments, Inc. (the Company) as of December 31, 2023, the related statements of operations, changes in stockholder's equity, and cash flows for the year then ended, and the related notes to the financial statements (collectively, the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

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Supplemental Information

The supplementary information contained in Schedules I, II and III (the Supplemental Information) has been subjected to audit procedures performed in conjunction with the audit of the Company's financial statements. The Supplemental Information is the responsibility of the Company's management. Our audit procedures included determining whether the Supplemental Information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the Supplemental Information. In forming our opinion on the Supplemental Information, we evaluated whether the Supplemental Information, including its form and content, is presented in conformity with 17 C.F.R. § 240.17a-5. In our opinion, the supplementary information contained in Schedules I, II and III is fairly stated, in all material respects, in relation to the financial statements as a whole.

RSM US LLP

We have served as the Company's auditor since 2020.

Chicago, Illinois
February 19, 2024

Amerant Investments, Inc.
(A wholly owned subsidiary of Amerant Bank, N.A.)
Statement of Financial Condition
December 31, 2023

Assets

Cash	\$ 148,262
Cash due from clearing broker	5,882,132
Deposits with clearing broker	100,000
Other short-term investments, at fair value	6,080,022
Total cash and cash equivalents	<u>12,210,416</u>
Receivable from clearing broker	2,552,852
Other assets	592,500
Total assets	<u><u>\$ 15,355,768</u></u>

Liabilities and Stockholder's Equity

Accrued expenses and other liabilities	\$ 1,578,095
Total liabilities	<u>1,578,095</u>
Commitments and contingencies (Note 5)	
Stockholder's equity	
Common stock, \$0.01 par value, 10,000 shares authorized, 100 shares issued and outstanding	1
Additional paid in capital	9,510,112
Accumulated earnings	4,267,560
Total stockholder's equity	<u>13,777,673</u>
Total liabilities and stockholder's equity	<u><u>\$ 15,355,768</u></u>

The accompanying notes are an integral part of these financial statements.

Amerant Investments, Inc.
(A wholly owned subsidiary of Amerant Bank, N.A.)
Statement of Operations
Year Ended December 31, 2023

Revenues

Brokerage commissions	\$	8,438,528
Investment advisory fees		5,855,885
Other revenue		734,197
Total revenues		<u>15,028,610</u>

Expenses

Employee compensation and benefits		6,039,254
Fees and services		3,201,044
Occupancy		315,796
Other expenses		494,659
Total expenses		<u>10,050,753</u>
Income before income taxes		<u>4,977,857</u>
Income taxes		<u>(1,261,638)</u>
Net income	\$	<u><u>3,716,219</u></u>

The accompanying notes are an integral part of these financial statements.

Amerant Investments, Inc.
(A wholly owned subsidiary of Amerant Bank, N.A.)
Statement of Changes in Stockholder's Equity
Year Ended December 31, 2023

	<u>Common Stock Shares</u>	<u>Amount</u>	<u>Additional Paid in Capital</u>	<u>Accumulated Earnings</u>	<u>Total Stockholder's Equity</u>
Balances at January 1, 2023	100	\$ 1	\$3,356,999	\$ 551,341	\$ 3,908,341
Net income	—	—	—	3,716,219	3,716,219
Additional paid in capital contribution	—	—	6,000,000	—	6,000,000
Stock-based compensation	—	—	153,113	—	153,113
Balances at December 31, 2023	<u>100</u>	<u>\$ 1</u>	<u>\$9,510,112</u>	<u>\$ 4,267,560</u>	<u>\$ 13,777,673</u>

The accompanying notes are an integral part of these financial statements.

Amerant Investments, Inc.
(A wholly owned subsidiary of Amerant Bank, N.A.)
Statement of Cash Flows
Year Ended December 31, 2023

Cash flows from operating activities

Net income	\$ 3,716,219
Adjustments to reconcile net income to net cash provided by operating activities:	
Securities gains, net	(13,926)
Discount amortization on securities	(2,072)
Deferred tax expense	1,292
Stock-based compensation expense	139,039
Proceeds from sale of securities, net	15,998
Change in operating assets and liabilities -	
Receivable from clearing broker	(120,994)
Receivable from affiliate	21,516
Other assets	(28,417)
Accrued expenses and other liabilities	392,207
Net cash provided by operating activities	<u>4,120,862</u>

Cash flows from financing activities

Additional paid in capital contributions arising from stock-based compensation, net	14,074
Additional paid in capital contribution	<u>6,000,000</u>
Net cash provided by financing activities	<u>6,014,074</u>

Net increase in cash and cash equivalents 10,134,936

Cash and cash equivalents

Beginning of the year	<u>2,075,480</u>
End of the year	<u><u>\$ 12,210,416</u></u>

Supplemental disclosures of cash flow information

Income taxes paid	\$ 1,060,626
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The accompanying notes are an integral part of these financial statements.

Amerant Investments, Inc.
(A wholly owned subsidiary of Amerant Bank, N.A.)
Notes to the Financial Statements
December 31, 2023

1. Organization and Summary of Significant Accounting Policies

Amerant Investments, Inc. (the "Company"), organized in July 2001 and operating since May 2002, is a broker-dealer and an investment advisor registered with the Securities and Exchange Commission ("SEC") and is a member of the Financial Industry Regulatory Authority ("FINRA"). The Company's principal office is in the City of Coral Gables, Florida.

The Company is a wholly owned subsidiary of Amerant Bank, N.A. (the "Bank"). The Bank is the main operating subsidiary of Amerant Bancorp Inc. ("Amerant" or "the Holding Company") in the United States of America ("U.S."). Amerant is a bank holding company registered in the State of Florida and its principal office is in the City of Coral Gables. Amerant is registered with the U.S. Securities and Exchange Commission ("SEC") and its shares of common stock are listed and trade on the New York Stock Exchange ("NYSE") under the symbol "AMTB".

On August 3, 2023, Amerant provided written notice to The Nasdaq Stock Market LLC ("Nasdaq") of its determination to voluntarily withdraw the principal listing of Amerant's Class A common stock, \$0.10 par value per share (the "Common Stock"), from Nasdaq and transfer the listing of the Common Stock to the NYSE. The Holding Company's Common Stock listing and trading on Nasdaq ended at market close on August 28, 2023, and trading commenced on the NYSE at market open on August 29, 2023 where it continues to trade under the stock symbol "AMTB".

The Company provides introductory brokerage and investment services primarily for customers of the Bank. The Company also provides its customers with transaction services. All security transactions are settled through a third party clearing broker on a fully disclosed basis. Revenues derived from these services are recognized in the accompanying statement of operations. Custody of securities owned by customers of the Company is maintained by third parties.

Subsequent events have been evaluated for potential recognition and/or disclosure through the date these financial statements were issued.

The following is a description of the significant accounting policies and practices followed by the Company in the preparation of the accompanying financial statements. These policies conform with generally accepted accounting principles in the United States of America ("U.S. GAAP").

Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management believes that these estimates are appropriate. Actual results could differ from those estimates.

Amerant Investments, Inc.
(A wholly owned subsidiary of Amerant Bank, N.A.)
Notes to the Financial Statements
December 31, 2023

Revenue Recognition

Brokerage commissions

The Company buys and sells securities on behalf of its customers. Each time a customer enters into a buy or sell transaction, the Company charges a commission or markup/markdown fee. Commissions and markup/markdown fees and related clearing expenses are recorded on the trade date. The Company believes that the performance obligation is satisfied on the trade date because that is when the underlying financial instrument has been transferred to/from the customer. The Company also receives periodic service fees or trailers from mutual fund companies typically based on a percentage of net asset value. Trailer revenue is recorded over time, usually monthly or quarterly, as net asset value is determined.

Investment Advisory and administration fees

Fees are derived from investment advisory and account administrative services. The Company believes the performance obligation for providing advisory services is satisfied over time because the customer is receiving and consuming benefits as they are provided by the Company. Investment advisory fees are recorded as earned on a pro rata basis over the term of the contracts, based on a percentage of the average value of assets managed during the period. Account administrative fees are charged to customers for the maintenance of their accounts and are earned and collected on a quarterly basis. These fees are assessed and collected once per quarter and recognized as revenue at that time as they relate specifically to the services provided in that period.

Other Revenue

Other revenue includes net interest revenue and service fees. Net interest revenue is the difference between interest generated on interest earning assets and interest paid on funding sources, if any. The Company's primary interest earning assets include cash and cash equivalents, and customer margin loans. Service fees include wire transfer and other service fees. Service fees are largely transactional based, and therefore, the Company's performance obligation is satisfied, and related revenue recognized, at a point in time.

Expected Credit Losses

Under accounting standard codification ("ASC") Topic 326, entities must record lifetime expected credit losses for financial instruments within the scope of the current expected credit losses ("CECL") model. The Company has determined that ASC 326 had no impact on its financial instruments, including receivables, at December 31, 2023. The Company considers there are not current expected credit losses on its receivables based on their short-term duration and creditworthiness of the counterparties,

Stock-based Compensation

The Holding Company may grant share-based compensation and other related awards to its subsidiaries' non-employee directors, officers, employees and certain consultants. Compensation cost is measured based on the estimated fair value of the award at the grant date and recognized in earnings and as an increase in additional paid in capital on a straight-line basis over the requisite service period or vesting period. The fair value of the unvested shares of restricted stock is based on the market price of the Holding Company's Class A common stock at the date of the grant.

Amerant Investments, Inc.
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Notes to the Financial Statements
December 31, 2023

The Company also offers an employee stock purchase plan ("ESPP"). The ESPP allows eligible employees to purchase common stock of the Holding Company at a 15% discount applied to the stock price at the beginning or end of the offering period, whichever is lower. Each offering period is six months in length with a purchase limit of 5,000 shares per eligible employee per offering and a \$25,000 per eligible employee contribution limit per year. Each offering period begins the first trading day on or after June 1 and December 1 of each year. The fair value of the ESPP at the beginning of the offering period is based on an estimated fair value using an option pricing model. The Company recognizes compensation expense in an amount equal to the estimated fair value of the 15% discount plus the fair value of the look-back option, over the offering period.

Cash and Cash Equivalents

The Company classifies as cash equivalents highly liquid financial instruments purchased with original maturities of three months or less. Cash and cash equivalents include primarily US Treasury Bills, with maturities of 90 days or less, which are classified as other short-term investments in the statement of financial condition. In addition, cash and cash equivalents include cash deposits held in firm accounts at the clearing broker and cash held at the Bank, including amounts generally considered as restricted. Also, cash deposits held at the broker are considered cash and cash equivalents.

Leases

The Company leases office space from the Bank under a short-term operating lease. The Company determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are changed. The Company has made an accounting policy election not to recognize right-of-use assets and lease liabilities that arise from short-term leases, or leases that have a lease term of 12 months or less at commencement date. As a result, the Company recognizes lease expense as it is incurred under the term of the short-term leases.

Income Taxes

Deferred income tax assets and liabilities are determined using the balance sheet method. Under this method, the resulting net deferred tax asset is determined based on the future tax consequences attributable to differences between the financial statement carrying amount of existing assets and liabilities and their respective tax basis. The effect of changes in tax laws or rates is recognized in results in the period that includes the legislation enactment date. A valuation allowance is established against the deferred tax asset to the extent that management believes that it is more likely than not that any tax benefit will not be realized. Income tax expense is recognized on the periodic change in deferred tax assets and liabilities at the current statutory rates.

The results of operations of the Company are included in the consolidated income tax return of the Holding Company and its subsidiaries as members of the same consolidated tax group. Under the intercompany income tax allocation policy, the Company and the entities included in the consolidated tax group are allocated current and deferred taxes as if they were separate taxpayers. As a result, the Company and the entities included in the consolidated group, pay their allocation of income taxes to the Holding Company, or receive payments from the Holding Company to the extent that tax benefits are realized.

Amerant Investments, Inc.
(A wholly owned subsidiary of Amerant Bank, N.A.)
Notes to the Financial Statements
December 31, 2023

2. Recently Issued Accounting Pronouncements

In November 2023, the FASB issued ASU No. 2023-07 ("ASU 2023-07"), Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023 on a retrospective basis. Early adoption is permitted. The Company is currently evaluating the impact of this accounting standard update on its financial statements and related disclosures

3. Cash Segregated Under Federal Regulations

Rule 15c3-3 under the Securities and Exchange Act of 1934 (the "Rule") specifies certain conditions under which brokers and dealers carrying customer accounts are required to maintain cash or qualified securities in a special reserve bank account for the exclusive benefit of customers. Amounts to be maintained, if any, are computed in accordance with a formula defined in the Rule. The Company claims exemption from Rule 15c3-3 pursuant to the provisions of subparagraph k(2)(ii), and as such does not hold or carry any customer accounts.

4. Related Party Transactions

The Company's related parties include the Bank, which has a service agreement with the Company to provide certain administrative, operational, and accounting services to the Company for a fee.

Included in the statement of financial condition and statement of operations amounts with related parties are as follows:

	December 31, 2023
Assets	
Cash and cash equivalents	\$ 148,262
Other assets	12,473
	<u>160,735</u>
Liabilities	
Other liabilities	264,529
Net liability position	<u><u>\$ (103,794)</u></u>

Amerant Investments, Inc.
(A wholly owned subsidiary of Amerant Bank, N.A.)
Notes to the Financial Statements
December 31, 2023

	Year-Ended December 31, 2023
Expenses	
Fees and services:	
Administrative, operational and accounting services	\$ 1,029,360
Occupancy	315,796
	<u>\$ 1,345,156</u>

The Company maintains some of its cash deposited with the Bank for amounts that, at times, may be in excess of federally-insured limits mandated by the Federal Deposit Insurance Corporation.

In 2023, the Company paid to the Bank \$1,029,360 for administrative, operational and accounting services received from the Bank. These expenses are included as part of "fees and services" in the Company's statement of operations.

Effective January 1, 2023, the Company entered into a short-term operating lease with the Bank which expired on December 31, 2023, and was renewed on January 1, 2024 for another year. Total lease expense for the year ended December 31, 2023 amounted to \$315,796.

Amerant Investments, Inc.
(A wholly owned subsidiary of Amerant Bank, N.A.)
Notes to the Financial Statements
December 31, 2023

5. Revenue Recognition

The following table provides the disaggregation of the Company's revenue by major source:

	December 31, 2023
Brokerage commissions	
Commissions earned	\$ 3,676,832
Trailer fees	4,761,696
Brokerage commissions	<u>8,438,528</u>
Investment advisory fees	
Advisory fees	4,823,928
Administrative fees	1,031,957
Investment advisory fees	<u>5,855,885</u>
Other revenue	
Net interest revenue	619,777
Other service fees	114,420
Other revenue	<u>734,197</u>
Total net revenues	<u><u>\$ 15,028,610</u></u>

The Company had receivables related to revenue from contracts with customers of \$1,309,600 at January 1, 2023 and \$2,552,852 at December 31, 2023.

6. Commitments and Contingencies

Effective January 1, 2023, the Company entered into a short-term operating lease agreement with the Bank which expired on December 31, 2023, and was renewed in January 1, 2024 for another year. The term of the short-term operating lease does not contain renewal options or variable payment requirements. Fixed lease payments under the terms of the short-term operating lease agreement in 2023 totaled \$296,755 payable monthly. The lease payments under the short-term operating lease covers rent, common area maintenance, and real estate taxes. The Company had a total lease expense of \$315,796 during the year ended December 31, 2023.

In the normal course of business, the Company enters into transactions involving financial instruments with off-balance sheet risk. These financial instruments include elements of market risk in excess of the amounts recognized in the statement of financial condition. In addition, risks arise from the possible inability of counter parties to meet the terms of their contracts.

Amerant Investments, Inc.
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Notes to the Financial Statements
December 31, 2023

The Company's customer securities activities are transacted on either a cash or margin basis. In margin transactions, the Company extends collateralized credit to its customers, subject to various regulatory and internal margin requirements. Such transactions may expose the Company to off-balance-sheet risk in the event margin requirements are not sufficient to fully cover losses that customers may incur. The Company seeks to control the risks associated with its customer activities by requiring customers to maintain margin collateral in compliance with various regulatory and internal guidelines. The Company regularly monitors margin levels and, pursuant to such guidelines, requires the customer to deposit additional collateral or to reduce positions when necessary.

The Company may be required, in the event of the nondelivery of customers' securities owed to the Company by other broker-dealers or by its customers, to purchase the securities in the open market to correct a failed settlement. These correction transactions to buy and sell may result in losses that are not reflected in the accompanying financial statements.

From time to time, the Company may be exposed to loss contingencies. In the ordinary course of business, those contingencies may include, known but unasserted claims, and legal / regulatory inquiries or examinations. The Company records these loss contingencies as a liability when the likelihood of loss is probable and an amount or range of loss can be reasonably estimated. In the opinion of management, the Company maintains a liability that is in an estimated amount sufficient to cover said loss contingencies, if any, at the reporting date.

Amerant Investments, Inc.
(A wholly owned subsidiary of Amerant Bank, N.A.)
Notes to the Financial Statements
December 31, 2023

7. Fair Value of Financial Instruments

The Company's financial instruments at December 31, 2023 consisted of cash and cash equivalents, deposits with clearing broker, and receivables from and payables to third parties and affiliates. The carrying amounts of the Company's financial instruments approximate fair value because of the short maturity of the instruments.

Fair Value Measurement

The Company uses the following to measure fair value for its investments:

- Level 1 Inputs to the valuation methodology are quoted prices in active markets for identical assets or liabilities.
- Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets and liabilities.
- Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The Company did not recognize any transfers between levels during the year.

Financial assets measured at fair value on a recurring basis are summarized below:

December 31, 2023				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Third-Party Models with Observable Market Inputs (Level 2)	Internal Models with Unobservab le Market Inputs (Level 3)	Total Carrying Value in the Consolidate d Balance Sheet
Assets				
Cash and Cash equivalents				
Other short-term investments ⁽¹⁾	\$ —	6,080,022	—	6,080,022

⁽¹⁾ Consists of U.S. Treasury Bills with maturities of three months or less.

The Company's other short-term investments are valued based on quoted prices for similar assets in secondary markets and are included in Level 2 of the valuation hierarchy.

Amerant Investments, Inc.
(A wholly owned subsidiary of Amerant Bank, N.A.)
Notes to the Financial Statements
December 31, 2023

8. Incentive Compensation and Benefit Plans

a) Employee Benefit Plans

The Amerant Bank, N.A. Retirement Benefit Plan (the "401(k) Plan") is a 401(k) benefit plan covering substantially all employees of the Company.

The Company matches 100% of each participant's contribution up to a maximum of 5% of their annual salary. Contributions by the Company to the 401(k) Plan are based upon a fixed percentage of participants' salaries as defined by the 401(k) Plan. The Plan enables Highly Compensated employees to contribute up to the maximum allowed without further restrictions. All contributions made by the Company to the participants' accounts are vested immediately. In addition, employees with at least three months of service and who have reached a certain age may contribute a percentage of their salaries to the 401(k) Plan as elected by each participant.

The Company's matching contributions to the 401(k) Plan amounted to \$177,613 in 2023. This amount is included within employee compensation and benefits in the statement of operations.

The Bank maintains a non-qualified deferred compensation plan for eligible highly compensated employees (the "Deferred Compensation Plan"). The Deferred Compensation Plan permits deferrals of compensation above the amounts that can be contributed for retirement under the 401(k) Plan. Under the Deferred Compensation Plan, eligible employees may elect to defer all or a portion of their annual salary and cash incentive awards. Effective January 1, 2022, there were no matching contributions from the Company under the Deferred Compensation Plan. All deferrals, employer contributions, earnings, and gains on each participant's account in the Deferred Compensation Plan are vested immediately.

b) Stock-based Incentive Compensation Plan

The Holding Company sponsors the 2018 Equity and Incentive Plan (the "2018 Equity Plan"). Under the 2018 Equity Plan, certain number of common shares of the Holding Company are reserved for issuance pursuant to the grant of options rights, appreciation rights, restricted stock, restricted stock units, performance shares, performance units, cash incentive awards or other share-based awards. On February 11, 2021, the Holding Company adopted a new form of performance based restricted stock unit agreement ("PSU Agreement"), and a new form of restricted stock unit agreement (the "RSU Agreement") that will be used in connection with a Long-Term Incentive Plan (the "LTI Plan"), a sub-plan under the 2018 Equity Plan.

In 2023, the Company employees were granted an aggregate of 12,089 restricted stock units ("RSUs") of the Holding Company's Class A common shares under the LTI plan. These RSUs will vest in three substantially equal amounts on the first, second and third anniversaries of the date of grant. The fair values of the RSUs granted were based on the market price of the Holding Company's common stock class A at the grant date. The weighted average fair value of these RSUs was \$22.29 per RSU.

On February 16, 2022, certain Company employees were granted 3,750 restricted Class A common shares of the Holding Company under the LTI plan. These shares of restricted stock will vest in three substantially equal amounts on the first, second and third anniversaries of the date of grant. The fair value of the restricted stock granted was based on the market price of the Holding Company's common stock class A at the grant date which was \$33.98.

Amerant Investments, Inc.
(A wholly owned subsidiary of Amerant Bank, N.A.)
Notes to the Financial Statements
December 31, 2023

On February 16, 2021, certain Company employees were granted 7,772 restricted Class A common shares of the Holding Company under the LTI plan. These shares of restricted stock will vest in three substantially equal amounts on the first, second and third anniversaries of the date of grant. The fair value of the restricted stock granted was based on the market price of the Holding Company's common stock class A at the grant date which was \$16.65.

In 2023, the Company recorded \$129,665 of compensation expense related to restricted stock awards. The total unearned deferred compensation expense of \$105,266 for all unvested restricted stock outstanding as of December 31, 2023 will be recognized over a weighted average period of 1.5 years.

C) Employee Stock Purchase Plan

On June 8, 2022, the shareholders of the Holding Company approved the Amerant Bancorp Inc. 2021 Employee Stock Purchase Plan ("ESPP"). The purpose of the Plan is to provide eligible employees of Amerant and its designated subsidiaries with the opportunity to acquire a stock ownership interest in the Holding Company on favorable terms and to pay for such acquisitions through payroll deductions. The Plan became effective on February 14, 2022, subject to shareholder approval, which was obtained on June 8, 2022. In 2023, the Company recognized compensation expense of \$9,374 in connection with the ESPP.

9. Income Taxes

The components of the income tax expense for the year ended December 31, 2023 is as follows:

Current provision:		
Federal	\$	989,475
State		270,872
Deferred tax expense		1,291
	\$	<u>1,261,638</u>

The following table shows a reconciliation of the income tax expense at the statutory federal income tax rate to the Company's effective income tax rate for the year ended December 31, 2023:

	<u>Amount</u>	<u>%</u>
Tax expense calculated at the statutory federal income tax rate	\$ 1,045,350	21.00 %
Increases resulting from:		
State and city income taxes, net of federal income tax benefit	213,989	4.30 %
Other, net	2,299	0.05 %
Total income tax expense	<u>\$ 1,261,638</u>	<u>25.35 %</u>

Amerant Investments, Inc.
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December 31, 2023

The composition of the net deferred tax asset, included in other assets on the Statement of Financial Condition at December 31, 2023, is as follows:

Tax effect of temporary differences:		
Deferred compensation expense	\$	233,496
Other		42,504
	\$	<u>276,000</u>

The Company evaluates the deferred tax asset for recoverability using a consistent approach which considers the relative impact of negative and positive evidence, including historical financial performance and projections of future taxable income. This evaluation involves significant judgment by management about assumptions that are subject to change from period to period. Management believes that the weight of all the positive evidence currently available exceeds the negative evidence in support of the realization of the future tax benefits associated with the federal net deferred tax asset. As a result, management has concluded that the federal net deferred tax asset in its entirety will more likely than not be realized. Therefore, a valuation allowance is not considered necessary. If future results differ significantly from the Company's current projections, a valuation allowance against the net deferred tax asset may be required.

The Company is part of a consolidated filing for federal income tax and a separate standalone entity filing for state tax income tax. The federal and state tax returns for years 2020 through 2023 remain subject to examination by the corresponding tax jurisdictions.

10. Net Capital Requirements

The Company is subject to the Uniform Net Capital Rule 15c3-1 under the Securities and Exchange Act of 1934, which requires the maintenance of minimum net capital as defined under such rule. At December 31, 2023, the Company had net capital of \$11,853,222, which was \$11,748,016, in excess of its required net capital of \$105,206. At December 31, 2023, the Company's percentage of aggregate indebtedness to net capital was 13.31%.

Amerant Investment Services, Inc.**(A wholly owned subsidiary of Amerant Bank, N.A.)****Schedule I - Computation of Net Capital Under SEC Rule 15c3-1****December 31, 2023**

Computation of net capital

Total stockholder's equity	<u>\$ 13,777,673</u>
Deductions and/or charges	
Nonallowable assets	
Receivable from clearing broker	\$ 1,331,951
Other assets	<u>592,500</u>
Total deductions and/or charges	<u>1,924,451</u>
Net capital	<u>11,853,222</u>

Computation of basic net capital requirement

Minimum net capital required	<u>105,206</u>
Excess of net capital	<u><u>\$ 11,748,016</u></u>

Computation of aggregate indebtedness

Total aggregate indebtedness	
Accrued expenses and other liabilities	<u>\$ 1,578,095</u>
Ratio of aggregate indebtedness to net capital	<u><u>13.31 %</u></u>

No material differences exist between the above computation and the computation prepared by the Company and included in the Company's December 31, 2023 amended unaudited FOCUS Report filing dated February 5, 2024.

Amerant Investment Services, Inc.

(A wholly owned subsidiary of Amerant Bank, N.A.)

**Schedule II and III: Computation for Determination of Reserve
Requirements and Information Relating to Possession or Control
Requirements for Broker Dealers Under SEC Rule 15c3-3**

December 31, 2023

The Company clears all transactions with and for customers on a fully disclosed basis and the Company does not otherwise hold funds or owe money to customers. Therefore, the Company claims exemption from Rule 15c3-3 pursuant to the provisions of subparagraph (k)(2)(ii).

Amerant Investments, Inc. Exemption Report

Amerant Investments, Inc. (the "Company") is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (17 C.F.R. §240.17a-5, "Reports to be made by certain brokers and dealers"). This Exemption Report was prepared as required by 17 C.F.R. § 240.17a-5(d) (1) and (4). To the best of its knowledge and belief, the Company states the following:

(1) The Company claimed an exemption from 17 C.F.R. § 240.15c3-3 under the following provision of 17 C.F.R. § 240.15c3-3 (k) (2) (ii);

(2) The Company met the identified exemption provision in 17 C.F.R. § 240.15c3-3(k) throughout the most recent fiscal year, without exception.

Amerant Investments, Inc.

I, Sergio Guerrero, swear (or affirm) that, to my best knowledge and belief, this Exemption Report is true and correct.

By: 

Title: SVP, Chief Operating Officer and FINOP.

February 15, 2024



RSM US LLP

Report of Independent Registered Public Accounting Firm

To the Board of Directors and the Stockholder of Amerant Investments, Inc.

We have reviewed management's statements, included in the accompanying Exemption Report, in which (a) Amerant Investments, Inc. identified the following provisions of 17 C.F.R. § 240.15c3-3(k) under which Amerant Investments, Inc. claimed an exemption from 17 C.F.R. § 240.15c3-3: Paragraph (k)(2)(ii) (the exemption provisions) and (b) Amerant Investments, Inc. stated that Amerant Investments, Inc. met the identified exemption provisions throughout the most recent fiscal year without exception. Amerant Investments, Inc.'s management is responsible for compliance with the exemption provisions and its statements.

Our review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, accordingly, included inquiries and other required procedures to obtain evidence about Amerant Investments, Inc.'s compliance with the exemption provisions. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's statements. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to management's statements referred to above for them to be fairly stated, in all material respects, based on the provisions set forth in paragraph (k)(2)(ii) of 17 C.F.R. § 240.15c3-3.

RSM US LLP

Chicago, Illinois
February 19, 2024

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RSM US LLP

**Report of Independent Registered Public Accounting
Firm on Applying Agreed-Upon Procedures**

Board of Directors
Stockholder
Amerant Investments, Inc.

We have performed the procedures included in Rule 17a-5(e)(4) under the Securities Exchange Act of 1934 and in the Securities Investor Protection Corporation (SIPC) Series 600 Rules, which are enumerated below on the accompanying General Assessment Reconciliation (Form SIPC-7) for the year ended December 31, 2023. Management of Amerant Investments, Inc. (the Company) is responsible for its Form SIPC-7 and for its compliance with the applicable instructions on Form SIPC-7.

Management of the Company has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting you and SIPC in evaluating the Company's compliance with the applicable instructions on Form SIPC-7 for the year ended December 31, 2023. Additionally, SIPC has agreed to and acknowledged that the procedures performed are appropriate for their intended purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The appropriateness of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the appropriateness of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures we performed and our findings are as follows:

1. Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement record entries, noting no differences.
2. Compared the Total Revenue amounts reported on the Annual Audited Report Form X-17A-5 Part III for the year ended December 31, 2023, with the Total Revenue amounts reported in Form SIPC-7 for the year ended December 31, 2023, noting no differences.
3. Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting no differences.
4. Recalculated the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments, noting no differences.

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We were engaged by the Company to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and in accordance with the standards of the Public Company Accounting Oversight Board (United States). We were not engaged to, and did not, conduct an examination or a review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Company's Form SIPC-7 and for its compliance with the applicable instructions on Form SIPC-7 for the year ended December 31, 2023. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Company and SIPC and is not intended to be, and should not be, used by anyone other than these specified parties.

RSM US LLP

Chicago, Illinois
February 19, 2024

GENERAL ASSESSMENT FORM

For the fiscal year ended 12/31/2023

Determination of "SIPC NET Operating Revenues" and General Assessment for:

MEMBER NAME

SEC No.

AMERANT INVESTMENTS INC

8-53612

For the fiscal period beginning 1/1/2023 and ending 12/31/2023

- 1 Total Revenue (FOCUS Report – Statement of Income (Loss) – Code 4030) \$ 15,028,610.00
- 2 Additions:
- a Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above. _____
- b Net loss from principal transactions in securities in trading accounts. _____
- c Net loss from principal transactions in commodities in trading accounts. _____
- d Interest and dividend expense deducted in determining item 1. _____
- e Net loss from management of or participation in the underwriting or distribution of securities. _____
- f Expenses other than advertising, printing, registration fees and legal fees deducted in determining net profit management of or participation in underwriting or distribution of securities. _____
- g Net loss from securities in investment accounts. _____
- h Add lines 2a through 2g. This is your **total additions**. \$ 0.00
- 3 Add lines 1 and 2h \$ 15,028,610.00
- 4 Deductions:
- a Revenues from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts and from transactions in security futures products. \$ 4,574,480.00
- b Revenues from commodity transactions. _____
- c Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions. \$ 331,834.00
- d Reimbursements for postage in connection with proxy solicitations. _____
- e Net gain from securities in investment accounts. \$ 14,864.00
- f 100% commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers acceptances or commercial paper that mature nine months or less from issuance date. _____
- g Direct expenses of printing, advertising, and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 16(9)(L) of the Act). _____
- h Other revenue not related either directly or indirectly to the securities business. _____
- Deductions in excess of \$100,000 require documentation***
- 5 a Total interest and dividend expense (FOCUS Report - Statement of Income (Loss) - Code 4075 plus line 2d above) but not in excess of total interest and dividend income _____
- b 40% of margin interest earned on customers securities accounts (40% of FOCUS Report - Statement of Income (Loss) - Code 3960) \$ 201,952.00
- c Enter the greater of line 5a or 5b \$ 201,952.00
- 6 Add lines 4a through 4h and 5c. This is your **total deductions**. \$ 5,123,130.00

GENERAL ASSESSMENT FORMFor the fiscal year ended 12/31/2023

7	Subtract line 6 from line 3. This is your SIPC Net Operating Revenues .	\$ 9,905,480.00
8	Multiply line 7 by .0015. This is your General Assessment .	\$ 14,858.00
9	Current overpayment/credit balance, if any	\$ 0.00
10	General assessment from last filed <u>2023</u> SIPC-6 or 6A	\$ 7,148.00
11 a	Overpayment(s) applied on all <u>2023</u> SIPC-6 and 6A(s)	\$ 0.00
b	Any other overpayments applied	\$ 0.00
c	All payments applied for <u>2023</u> SIPC-6 and 6A(s)	\$ 7,148.00
d	Add lines 11a through 11c	\$ 7,148.00
12	LESSER of line 10 or 11d.	\$ 7,148.00
13 a	Amount from line 8	\$ 14,858.00
b	Amount from line 9	\$ 0.00
c	Amount from line 12	\$ 7,148.00
d	Subtract lines 13b and 13c from 13a. This is your assessment balance due .	\$ 7,710.00
14	Interest (see instructions) for <u>0</u> days late at 20% per annum	\$ 0.00
15	Amount you owe SIPC . Add lines 13d and 14.	\$ 7,710.00
16	Overpayment/credit carried forward (if applicable)	\$ 0.00

SEC No.	Designated Examining Authority	FYE	Month
8-53612	DEA: FINRA	2023	Dec
MEMBER NAME	AMERANT INVESTMENTS INC		
MAILING ADDRESS	220 ALHAMBRA CIRCLE 2ND FLOOR CORAL GABLES, FL 33134		

Subsidiaries (S) and predecessors (P) included in the form (give name and SEC number)



By checking this box, you certify that you have the authority of the SIPC member to sign this form; that all information in this form is true and complete; and that on behalf of the SIPC member, you are authorized, and do hereby consent, to the storage and handling by SIPC of the data in accordance with SIPC's Privacy Policy

AMERANT INVESTMENTS INC

(Name of SIPC Member)

Sergio Guerrero

(Authorized Signatory)

1/22/2024

(Date)

sguerrero@amerantinvestments.com

(e-mail address)

Completion of the "Authorized Signatory" line will be deemed a signature.

This form and the assessment payment are due 60 days after the end of the fiscal year.