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**ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III**

Mail Section  
FEB 22 2017

SEC FILE NUMBER
8-23305

Washington DC  
407

FACING PAGE  
Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING 01/01/2016 AND ENDING 12/31/2016  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: ALLIANT SECURITIES INC.

OFFICIAL USE ONLY
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

695 NORTH LEGACY RIDGE DR SUITE 300

(No. and Street)

LIBERTY LAKE

WA

99019

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

SALLY MANN

509 747-9144

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

EIDE BAILLY LLP

(Name - if individual, state last, first, middle name)

999 WEST RIVERSIDE AVE SUITE 200 SPOKANE

WA

99201

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

Certified Public Accountant

Public Accountant

Accountant not resident in United States or any of its possessions.

**FOR OFFICIAL USE ONLY**

\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

Potential 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, MICHAEL O NORD, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of ALLIANT SECURITIES INC. of DECEMBER 31, 2016, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

[Signature]  
Signature

PRESIDENT  
[Signature]  
Title

[Signature]  
Notary Public



- This report \*\* contains (check all applicable boxes):
- (a) Facing Page.
  - (b) Statement of Financial Condition.
  - (c) Statement of Income (Loss).
  - (d) Statement of Changes in Financial Condition.
  - (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
  - (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
  - (g) Computation of Net Capital.
  - (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
  - (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
  - (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
  - (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
  - (l) An Oath or Affirmation.
  - (m) A copy of the SIPC Supplemental Report.
  - (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

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**ALLIANT SECURITIES, INC.**  
**TURNER ♦ NORD ♦ KIENBAUM**

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FINANCIAL STATEMENTS

*for the years ended*

*December 31, 2016 and 2015*

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CPAs & BUSINESS ADVISORS

## Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders  
of Alliant Securities, Inc. Turner, Nord, Kienbaum  
Liberty Lake, Washington

We have audited the accompanying statements of financial condition of Alliant Securities, Inc. Turner, Nord, Kienbaum as of December 31, 2016 and 2015, and the related statements of income, changes in stockholder's equity, and cash flows for the years then ended. These financial statements are the responsibility of Alliant Securities, Inc. Turner, Nord, Kienbaum management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, 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. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial condition of Alliant Securities, Inc. Turner, Nord, Kienbaum as of December 31, 2016 and 2015, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

The supplemental information included in Schedules 1, 2, 3 and 4 required by rule 17a-5 of the Securities and Exchange Commission has been subjected to audit procedures performed in conjunction with the audit of Alliant Securities, Inc. Turner, Nord, Kienbaum's financial statements. The supplemental information is the responsibility of Alliant Securities, Inc. Turner, Nord, Kienbaum'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 included in Schedules 1, 2, 3 and 4 is fairly stated, in all material respects, in relation to the financial statements as a whole.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Spokane, Washington  
February 15, 2017

[www.eidebailly.com](http://www.eidebailly.com)

**ALLIANT SECURITIES, INC.**  
**TURNER ♦ NORD ♦ KIENBAUM**

STATEMENTS OF FINANCIAL CONDITION  
*December 31, 2016 and 2015*

<b>ASSETS</b>	<b><u>2016</u></b>	<b><u>2015</u></b>
Cash	\$ 137,104	\$ 119,466
Receivable from clearing broker	87,384	74,579
Concessions receivable	23,158	26,228
Officer receivable	7,769	11,040
Deposit and prepaid expense	600	600
Deposits with clearing brokers	260,000	260,000
Property and equipment, net	<u>-</u>	<u>958</u>
	<b><u>\$ 516,015</u></b>	<b><u>\$ 492,871</u></b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Accounts payable	\$ 24,786	15,786
Other liabilities	23,158	26,228
Accrued profit sharing plan contribution	70,255	87,212
Accrued payroll	72,588	38,701
Payroll and business taxes payable	<u>2,428</u>	<u>2,144</u>
	<b><u>193,215</u></b>	<b><u>170,071</u></b>
<b>Stockholders' equity:</b>		
Common stock, \$50 par value:		
Authorized 1,000 shares;		
Issued and outstanding, 667 shares	33,334	33,334
Additional paid-in capital	182,500	182,500
Retained earnings	<u>106,966</u>	<u>106,966</u>
	<b><u>322,800</u></b>	<b><u>322,800</u></b>
	<b><u>\$ 516,015</u></b>	<b><u>\$ 492,871</u></b>

*The accompanying notes are an integral  
part of the financial statements*

**ALLIANT SECURITIES, INC.**  
**TURNER ♦ NORD ♦ KIENBAUM**

STATEMENTS OF INCOME  
*for the years ended December 31, 2016 and 2015*

	<u>2016</u>	<u>2015</u>
<b>Revenues:</b>		
Commissions revenue	\$ 1,161,910	\$1,262,866
Investment advisory fees	\$ 273,639	\$240,078
Other income	100,271	74,891
	<u>1,535,820</u>	<u>1,577,835</u>
<b>Expenses:</b>		
Salesmen salaries and commissions	664,963	668,176
Office salaries	233,361	231,312
Payroll taxes	62,592	65,604
Profit sharing plan contribution	70,255	87,538
Medical insurance	50,041	46,181
Officers' life and disability insurance	2,071	2,070
Telephone and telequote	27,903	27,820
Rent	125,484	123,136
Office supplies and postage	13,494	18,611
Clearing costs	147,600	148,275
Regulatory fees	13,601	9,831
Business and property taxes	23,167	23,825
Dues, licenses and subscriptions	11,297	14,588
Depreciation	958	10,224
Equipment rental and maintenance	9,537	12,420
Professional services	32,740	27,778
Corporate insurance	6,227	5,000
Auto and travel expense	23,527	37,991
Meals and entertainment	7,560	8,384
Advertising and promotion	1,920	1,816
Bank and transfer fees	5,188	5,208
Interest expense	446	517
	<u>1,533,932</u>	<u>1,576,305</u>
<b>Income before federal income taxes</b>	<b>1,888</b>	<b>1,530</b>
<b>Federal income tax expense</b>	<u><b>1,888</b></u>	<u><b>1,530</b></u>
<b>Net income</b>	<u><u><b>\$ -0-</b></u></u>	<u><u><b>\$ -0-</b></u></u>

*The accompanying notes are an integral  
part of the financial statements.*

**ALLIANT SECURITIES, INC.**  
**TURNER ♦ NORD ♦ KIENBAUM**

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY  
*for the years ended December 31, 2016 and 2015*

	Shares	Common Stock	Additional Paid-in Capital	Retained Earnings	Total
Balances, January 1, 2015	667	\$ 33,334	\$ 182,500	\$ 236,966	\$ 452,800
Dividends paid	-	-	-	(130,000)	(130,000)
Balances, December 31, 2015	667	33,334	182,500	106,966	322,800
Dividends paid	-	-	-	-	-
Balances, December 31, 2016	<u>667</u>	<u>\$ 33,334</u>	<u>\$ 182,500</u>	<u>\$ 106,966</u>	<u>\$322,800</u>

*The accompanying notes are an integral  
part of the financial statements.*

**ALLIANT SECURITIES, INC.  
TURNER ♦ NORD ♦ KIENBAUM**

**STATEMENTS OF CASH FLOWS**  
*for the years ended December 31, 2016 and 2015*

	<u>2016</u>	<u>2015</u>
<b>Cash flows from operating activities:</b>		
Net income	\$ -	\$ -
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation	958	\$ 10,224
Changes in assets and liabilities:		
Net receivables from clearing broker	(12,805)	(6,690)
Concessions receivable	3,070	(1,456)
Accounts payable and other liabilities	5,930	(1,245)
Accrued profit sharing plan contribution	(16,957)	(9,461)
Accrued payroll	33,887	(41,063)
Payroll and business taxes payable	284	(433)
Net cash provided by (used in) operating activities	<u>14,367</u>	<u>(50,124)</u>
<b>Cash flows from financing activities:</b>		
Advances paid to officers	11,040	-
Advances received from officers	(7,769)	(11,040)
Deposits with clearing brokers	-	71,000
Net cash provided by investing activities	<u>3,271</u>	<u>59,960</u>
<b>Cash flows from financing activities:</b>		
Dividends paid	-	(130,000)
Net cash used in financing activities	<u>-</u>	<u>(130,000)</u>
<b>Net increase (decrease) in cash</b>	<b>17,638</b>	<b>(120,164)</b>
<b>Cash at beginning of year</b>	<b><u>119,466</u></b>	<b><u>239,630</u></b>
<b>Cash at end of year</b>	<b><u>137,104</u></b>	<b><u>\$ 119,466</u></b>
<b>Supplemental disclosure of cash paid for:</b>		
Interest	\$ 446	\$ 517
Income taxes	<u>\$ 1,888</u>	<u>\$ 1,530</u>

*The accompanying notes are an integral  
part of the financial statements*

**ALLIANT SECURITIES, INC.  
TURNER ♦ NORD ♦ KIENBAUM**

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FINANCIAL STATEMENTS  
*for the years ended  
December 31, 2016 and 2015*

**ALLIANT SECURITIES, INC.**  
**TURNER ♦ NORD ♦ KIENBAUM**

**NOTES TO FINANCIAL STATEMENTS**

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**1. The Company and Significant Accounting Policies:**

The Company was incorporated under the laws of the State of Washington on October 10, 1978 to operate as a broker/dealer in investment securities. The Company is a member of the Securities and Exchange Commission (SEC) and also a member of the Financial Industry Regulatory Authority (FINRA). The Company's office is located in Liberty Lake, Washington.

The Company is engaged in various trading and brokerage activities with counterparties that primarily include broker/dealers, banks, and other financial institutions. In the event counterparties do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on the creditworthiness of the counterparty or issuer of the instrument. It is the Company's policy to review, as necessary, the credit standing of all counterparties.

In the normal course of business, the Company's customer activities involve the execution of various customer securities transactions. These activities may expose the Company to off-balance-sheet risk in the event the customer or other broker is unable to fulfill its contracted obligations and the Company has to purchase or sell the financial instrument underlying the contract at a loss.

*Use of Estimates in the Preparation of Financial Statements* - The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Trade Settlement* - Customer's securities transactions are recorded on a trade date basis and the related commission revenues and expenses are also recorded on a trade date basis.

*Cash and Cash Equivalents* - The Company maintains its cash and cash equivalents with high quality financial institutions. At times, the amount may be in excess of the FDIC insured limits, however the Company does not consider this to be a significant credit risk.

*Receivable from Clearing Broker and Concessions Receivable* - The Company's accounts receivable consist of commissions due from our clearing broker/dealer, Wells Fargo, under contractual agreement. The Company has not experienced any losses related to this receivable and does not consider these amounts to be a significant risk.

**ALLIANT SECURITIES, INC.**  
**TURNER ♦ NORD ♦ KIENBAUM**

**NOTES TO FINANCIAL STATEMENTS**

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***Revenue Recognition Policies***

***Investment Advisory Fees and Commissions*** – Commission revenue consists of revenue generated through providing commission-based brokerage services to our customers. Investment advisory fees are earned in the months for the service provided. Advisory service fees billed prior to the delivery of the services are accounted for as deferred revenue. This is a reserve set up to pay back any quarterly fees that are to be refunded to the client for non use of the full quarter.

***Concession Receivable/Payable*** - Concessions receivable consists of an average of 12B-1 fees due over a three month period to the Company from various Mutual Fund Families. The Company's concession receivable as of December 31, 2016 and 2015 was \$23,158 and \$26,228, respectively. The concession is then payable upon receipt to the Company's Registered Representatives. The Company's concession payable as of December 31, 2016 and 2015 was \$23,158 and \$26,228.

***Advertising*** - The Company's policy is to expense advertising costs when incurred. Advertising expense as of December 31, 2016 and 2015 was \$1,920 and \$1,816.

***Property and Equipment*** - Property and equipment are recorded at cost. Depreciation is computed using straight-line and accelerated methods over estimated useful lives for equipment and the term of the related lease for leasehold improvements, which range from five to ten years.

***Reclassifications*** - Certain amounts in 2015 have been reclassified to be consistent with amounts presented in 2016. These reclassifications had no effect on net income or retained earnings as previously reported.

**2. Property and Equipment:**

A summary of property and equipment at December 31, 2016 and 2015 is as follows:

	<u>2016</u>	<u>2015</u>
Furniture and equipment	\$67,648	\$67,648
Leasehold improvements	<u>8,586</u>	<u>8,586</u>
	76,234	76,234
Less accumulated depreciation	<u>76,234</u>	<u>75,276</u>
	\$0	\$958

**ALLIANT SECURITIES, INC.**  
**TURNER ♦ NORD ♦ KIENBAUM**

**NOTES TO FINANCIAL STATEMENTS**

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**3. Net Capital Requirements:**

The Company is subject to the SEC Uniform Net Capital Rule (SEC Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. Net capital and the related net capital ratio will fluctuate on a daily basis. At December 31, 2016 and 2015, the Company had net capital of \$304,431 and \$300,201, which was \$204,431 and \$200,201 in excess of its required net capital of \$100,000 and \$100,000, respectively. The Company's net capital ratio was .63 to 1 and .57 to 1 at December 31, 2016 and 2015, respectively.

**4. Operating Line of Credit:**

The Company has a \$250,000 unsecured line of credit with U.S. Bank of Washington guaranteed by the stockholders due July 5, 2017. Interest is due monthly at the bank's prime rate. There were no balances due under the line of credit agreement at December 31, 2016 and 2015.

**5. Profit Sharing Plan:**

The Company has established a profit sharing plan with 401(k) features available to all eligible employees. Contributions to the plan are determined annually by the Company. Profit sharing plan contributions for the years ended December 31, 2016 and 2015 were \$70,255 and \$87,538, respectively.

**6. Lease Commitments:**

The Company leases its offices in a building which is owned 27% by two of the stockholders of the Company. The building is leased on a month to month basis with average monthly rent payments of \$9,790. Rent expense was \$125,484 and \$123,136 for the years ended December 31, 2016 and 2015, respectively.

**ALLIANT SECURITIES, INC.**  
**TURNER ♦ NORD ♦ KIENBAUM**

**NOTES TO FINANCIAL STATEMENTS**

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**7. Federal Income Taxes:**

Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes related primarily to differences between financial and income tax reporting. The amount of current and deferred taxes payable or refundable is recognized as of the date of the financial statements, utilizing currently enacted tax laws and rates. At the end of the year management reviews the Company's income and accrues bonuses in order to minimize taxable income. Deferred tax expenses or benefits, if material, are recognized in the financial statements for the changes in deferred tax liabilities or assets between years. As of December 31, 2016 and 2015, \$0 and \$0 was accrued for the provision for current or deferred federal taxes. The provision for tax expense was \$1,888 and \$1,530 at December 31, 2016 and 2015, respectively. The Company has no operating loss carry forward at December 31, 2016 and 2015, respectively.

The Company's effective income tax rate is different than what would be expected if the federal statutory rate were applied to income from continuing operations. As discussed in the previous paragraph, management reviews taxable income to minimize tax expense. As a result, income tax expense is related to permanent differences between items included as an expense for financial statement purposes that are not deductible for income tax purposes. Those items include meals and entertainment and other expenses.

The Company evaluates its tax positions that have been taken or are expected to be taken on income tax returns to determine if an accrual is necessary for uncertain tax positions. As of December 31<sup>st</sup>, 2016 the unrecognized tax benefit accrual was zero. The Company will recognize future accrued interest and penalties related to unrecognized tax benefits in income tax expense if incurred.

As of December 31, 2016, the tax years that remain subject to examination by the Internal Revenue Service are 2013 through 2016.

**8. Related Party Transactions**

The financial statements of the Company includes a receivable for advances made to an officer. This receivable was paid in full by taking a deduction out of the officer's paycheck during January 2017.

**ALLIANT SECURITIES, INC.  
TURNER ♦ NORD ♦ KIENBAUM**

**NOTES TO FINANCIAL STATEMENTS**

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**9. Stock Redemption Agreement:**

In accordance with the Company's stock control agreement, the Company shall purchase all the shares of stock held by a stockholder in accordance with the terms and conditions as set forth in the agreement if any of the following events have occurred: (a) death of the stockholder; (b) long term disability; or (c) voluntary or involuntary termination of an employed stockholder. The purchase price is determined as the lesser of \$415 per share or the book value of the stock as of the effective date of the termination.

**10. Subsequent Events:**

The Company evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through February 15, 2017, the date the financial statements were available to be issued, and has determined there are not subsequent events that require disclosure.

ALLIANT SECURITIES, INC.  
TURNER ♦ NORD ♦ KIENBAUM

SCHEDULE 1  
COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1 OF THE  
SECURITIES AND EXCHANGE COMMISSION  
*December 31, 2016*

<b>Net capital:</b>		
Stockholders' equity:		
Common stock	\$ 33,334	
Additional paid-in capital	182,500	
Retained earnings	<u>106,966</u>	
Total stockholders' equity		\$ 322,800
Deductions:		
Non-allowable assets:		
Officer receivable	7,769	
Deposit and prepaid expense	600	
DTCC deposit	<u>10,000</u>	
		<u>18,369</u>
<b>Net capital</b>		<b>304,431</b>
<b>Minimum net capital required</b>		<b><u>100,000</u></b>
<b>Excess net capital</b>		<b><u>\$ 204,431</u></b>
<b>Aggregate indebtedness:</b>		
Accounts payable	\$ 24,786	
Other liabilities	23,158	
Accrued profit sharing plan contribution	70,255	
Accrued payroll	72,588	
Payroll and business taxes payable	<u>2,428</u>	
Total aggregate indebtedness		<u>\$ 193,215</u>
<b>Ratio: Aggregate indebtedness to net capital</b>		<b><u>.63 to 1</u></b>

**ALLIANT SECURITIES, INC.  
TURNER ♦ NORD ♦ KIENBAUM**

**SCHEDULE 2  
COMPUTATION FOR DETERMINATION OF RESERVE  
REQUIREMENTS UNDER RULE 15c3-3 OF THE SECURITIES  
AND EXCHANGE COMMISSION**

*December 31, 2016*

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Alliant Securities, Inc. Turner ♦ Nord ♦ Kienbaum acts strictly as an introducing broker-dealer, clearing all transactions with and for customers on a fully disclosed basis with the clearing broker, which carries all of the accounts of such customers and maintains and preserves such books and records pertaining thereto. Therefore, Alliant Securities, Inc. Turner ♦ Nord ♦ Kienbaum is not required to carry a "Special Reserve Bank Account for the Exclusive Benefit of Customers", as stated under Exemption Rule 15c3-3.

**ALLIANT SECURITIES, INC.  
TURNER ♦ NORD ♦ KIENBAUM**

**SCHEDULE 3  
RECONCILIATION WITH COMPANY'S COMPUTATION OF NET CAPITAL  
INCLUDED IN PART II OF FORM X-17A-5  
*December 31, 2016***

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**Net capital:**

Net capital as reported on FOCUS REPORT **\$304,431**

Net capital as computed on page 11 **\$304,431**

**Aggregate indebtedness:**

Aggregate indebtedness as reported on FOCUS REPORT **\$193,215**

Aggregated indebtedness as computed on page 11 **\$193,215**

**ALLIANT SECURITIES, INC.  
TURNER ♦ NORD ♦ KIENBAUM**

**SCHEDULE 4  
INFORMATION RELATING TO POSSESSION OR CONTROL  
REQUIREMENTS UNDER RULE 15c3-3 OF THE  
SECURITIES AND EXCHANGE COMMISSION**

*December 31, 2016*

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Alliant Securities, Inc. Turner ♦ Nord ♦ Kienbaum acts strictly as an introducing broker-dealer, clearing all transaction with and for customers on a fully disclosed basis with the clearing broker, which carries all of the accounts of such customers and maintains and preserves such books and records pertaining thereto. Therefore, Alliant Securities, Inc. Turner ♦ Nord ♦ Kienbaum is exempt under Rule 15c3-3.



CPAs & BUSINESS ADVISORS

## Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders  
of Alliant Securities, Inc. Turner, Nord, Kienbaum  
Liberty Lake, Washington

We have reviewed management's statements, included in the accompanying Management's Statement Regarding Compliance with Certain Exemption Provisions Under Rule 15c3-3 of the Securities Exchange Act of 1934, in which (1) Alliant Securities, Inc. Turner, Nord, Kienbaum identified the following provisions of 17 C.F.R. §15c3-3(k) under which Alliant Securities, Inc. Turner, Nord, Kienbaum claimed an exemption from 17 C.F.R. §240.15c3-3: (2)(ii) (the "exemption provisions") and (2) Alliant Securities, Inc. Turner, Nord, Kienbaum stated that Alliant Securities, Inc. Turner, Nord, Kienbaum met the identified exemption provisions throughout the most recent fiscal year without exception. Alliant Securities, Inc. Turner, Nord, Kienbaum'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 Alliant Securities, Inc. Turner, Nord, Kienbaum'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 Rule 15c3-3 under the Securities Exchange Act of 1934.

*Eide Bailly LLP*

Spokane, Washington  
February 15, 2017

[www.eidebailly.com](http://www.eidebailly.com)

999 W. Riverside Ave., Ste. 200 | Spokane, WA 99201-1006 | T 509.747.6154 | F 509.838.0508 | EOE

**Exhibit H**

**Customer Protection Rule  
Custody of Customer Assets**

**Exemption Report**

**Rule 15c3-3(k)(2)(ii)**

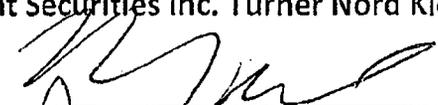
**Alliant Securities Inc. who acts as an Introducing broker or dealer, clears all transactions with and for customers on a fully disclose basis with a clearing broker or dealer, and who promptly transmits all customer funds and securities to the clearing broker or dealer which carries all the of the accounts of such customers and maintains and preserves such books and records pertaining thereto pursuant to the requirements made and kept by a clearing broker or dealer.**

**MANAGEMENT STATEMENT REGARDING COMPLIANCE WITH  
EXEMPTION PROVISIONS UNDER RULE 15c3-3 OF THE SECURITIES  
EXCHANGE OF 1934**

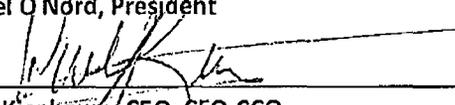
We, as members of management of Alliant Securities Inc. Turner Nord Kienbaum, (Company) are responsible for complying with the requirements of 17 C.F.R. §240.15c3-3, "The Customer Protection Rule", of the Securities Exchange Act of 1934 (Act). We have performed an evaluation of the Company's compliance with the Customer Protection Rule as of December 31, 2016, and during the period from January 1, 2016, through December 31, 2016. Based on this evaluation we assert that the Company was in compliance with the Act as described below:

- 1) The Company is exempt from the Customer Protection Rule under Paragraph (k)(2)(ii) as the Company is an introducing broker dealer who clears all transactions with and for customers on a fully disclosed basis with another clearing broker. The Company promptly transmits all customer funds and securities to the clearing broker which carries all of the accounts of such customers.
- 2) The Company met the identified exemption provisions throughout the most recent year without exception.

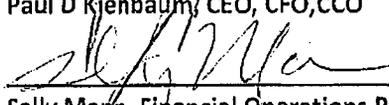
Alliant Securities Inc. Turner Nord Kienbaum

  
\_\_\_\_\_  
Michael O'Nord, President

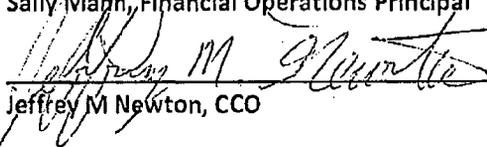
1/19/17  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Paul D Kienbaum, CEO, CFO, CCO

1/18/17  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Sally Mann, Financial Operations Principal

1/18/17  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Jeffrey M Newton, CCO

1/18/17  
\_\_\_\_\_  
Date



CPAs & BUSINESS ADVISORS

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

Board of Directors of  
Alliant Securities, Inc. Turner, Nord, Kienbaum  
Liberty Lake, Washington

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934 and with the SIPC Series 600 Rules, we have performed the procedures enumerated below with respect to the accompanying General Assessment Reconciliation (Form SIPC-7) to the Securities Investor Protection Corporation (SIPC) for the year ended December 31, 2016, which were agreed to by Alliant Securities, Inc. Turner, Nord, Kienbaum and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc., and SIPC, solely to assist you and the other specified parties in evaluating Alliant Securities, Inc. Turner, Nord, Kienbaum's compliance with the applicable instructions of Form SIPC-7. Alliant Securities, Inc. Turner, Nord, Kienbaum's management is responsible for Alliant Securities, Inc. Turner, Nord, Kienbaum's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the Public Company Accounting Oversight Board (United States). The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency 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 records entries, noting no differences;
- 2) Compared the amounts reported on the audited Form X-17A-5 (FOCUS Report) for the year ended December 31, 2016 with the amounts reported in Form SIPC-7 for the year ended December 31, 2016, noting no differences;
- 3) Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting no differences;
- 4) Proved 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

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

*Eide Bailly LLP*

Spokane, WA  
February 15, 2017

[www.eidebailly.com](http://www.eidebailly.com)

SIPC-7

(33-REV 7/10)

SECURITIES INVESTOR PROTECTION CORPORATION

P.O. Box 92185 Washington, D.C. 20090-2185  
202-371-8300

General Assessment Reconciliation

For the fiscal year ended 12/31/2016

(Read carefully the instructions in your Working Copy before completing this Form)

TO BE FILED BY ALL SIPC MEMBERS WITH FISCAL YEAR ENDINGS

SIPC-7

(33-REV 7/10)

1. Name of Member, address, Designated Examining Authority, 1934 Act registration no. and month in which fiscal year ends for purposes of the audit requirement of SEC Rule 17a-5:

22\*24\*\*\*\*\*3265\*\*\*\*\*MIXED AADC 220  
23305 FINRA DEC  
ALLIANT SECURITIES INC TURNER  
NORD, KIENBAUM  
695 N LEGACY RIDGE DR STE 300  
LIBERTY LAKE WA 99019-7725

Note: If any of the information shown on the mailing label requires correction, please e-mail any corrections to form@sipc.org and so indicate on the form filed.

Name and telephone number of person to contact respecting this form:

Sally Mann

- 2. A. General Assessment (item 2e from page 2) \$2,395.56
- B. Less payment made with SIPC-6 filed (exclude interest) (1,138.89)
- \_\_\_\_\_ Date Paid
- C. Less prior overpayment applied ( )
- D. Assessment balance due or (overpayment) \_\_\_\_\_
- E. Interest computed on late payment (see instruction E) for \_\_\_\_\_ days at 20% per annum \_\_\_\_\_
- F. Total assessment balance and interest due (or overpayment carried forward) \$1,256.67
- G. PAYMENT:  the box  
 Check mailed to F.O. Box  Funds Wired   
Total (must be same as F above) \$ 1,256.67
- H. Overpayment carried forward \$( )

*pd 1/6/17  
CAF 38348*

3. Subsidiaries (S) and predecessors (P) included in this form (give name and 1934 Act registration number):

The SIPC member submitting this form and the person by whom it is executed represent thereby that all information contained herein is true, correct and complete.

Alliant Securities Inc.

(Name of Corporation, Partnership or other organization)

*[Signature]*

(Authorized Signature)

Dated the 5th day of January, 2017.

President

(Title)

This form and the assessment payment is due 60 days after the end of the fiscal year. Retain the Working Copy of this form for a period of not less than 6 years, the latest 2 years in an easily accessible place.

SIPC REVIEWER

Dates: \_\_\_\_\_ Postmarked \_\_\_\_\_ Received \_\_\_\_\_ Reviewed \_\_\_\_\_

Calculations \_\_\_\_\_ Documentation \_\_\_\_\_ Forward Copy \_\_\_\_\_

Exceptions: \_\_\_\_\_

Disposition of exceptions: \_\_\_\_\_

**DETERMINATION OF "SIPC NET OPERATING REVENUES"  
AND GENERAL ASSESSMENT**

Amounts for the fiscal period  
beginning 1/1/2016  
and ending 12/31/2016

Item No.	Estimate cents
2a. Total revenue (FOCUS Line 12/Fart IIA Line 3, Code 4030)	\$ 1,535,819
2b. Additions:	
(1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above.	_____
(2) Net loss from principal transactions in securities in trading accounts.	_____
(3) Net loss from principal transactions in commodities in trading accounts.	_____
(4) Interest and dividend expense deducted in determining item 2a.	_____
(5) Net loss from management of or participation in the underwriting or distribution of securities.	_____
(6) Expenses other than advertising, printing, registration fees and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities.	_____
(7) Net loss from securities in investment accounts.	_____
Total additions	<u>1,535,819</u>
2c. Deductions:	
(1) 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.	<u>415,898 (fully Disclose</u>
(2) Revenues from commodity transactions.	_____
(3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.	<u>161,696</u>
(4) Reimbursements for postage in connection with proxy solicitation.	_____
(5) Net gain from securities in investment accounts.	_____
(6) 100% of 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.	_____
(7) 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).	_____
(8) Other revenue not related either directly or indirectly to the securities business. (See Instruction C):	_____
<u>(Deductions in excess of \$100,000 require documentation)</u>	
(9) (i) Total interest and dividend expense (FOCUS Line 22/FART IIA Line 13, Code 4075 plus line 2b(4) above) but not in excess of total interest and dividend income.	\$ _____
(ii) 40% of margin interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960).	\$ _____
Enter the greater of line (i) or (ii)	_____
Total deductions	<u>577,594</u>
SIPC Net Operating Revenues	\$ <u>958,225</u>
General Assessment @ .0025	\$ <u>2,395.56</u>

(to page 1, line 2.A.)