

**Part 2A of Form ADV: *Firm Brochure***

**Aliier LLC**

875 N Michigan Avenue Suite 3100  
Chicago, IL 60611-1962

Telephone: (312) 646-0070  
Email: [daniel.allen@aliier.com](mailto:daniel.allen@aliier.com)  
Web Address: [www.aliier.com](http://www.aliier.com)

July 26, 2013

This brochure provides information about the qualifications and business practices of Aliier LLC. If you have any questions about the contents of this brochure, please contact us at (312) 646-0070 or [daniel.allen@aliier.com](mailto:daniel.allen@aliier.com). 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 Aliier LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 166906.

## **Item 2      Material Changes**

The SEC adopted "Amendments to Form ADV" in July, 2010. This Firm Brochure, dated 03/01/2013, is our new disclosure document prepared according to the SEC's new requirements and rules. As you will see, this document is a narrative that is substantially different in form and content, and includes some new information that we were not previously required to disclose.

After our initial filing of this Brochure, this Item will be used to provide our clients with a summary of new and/or updated information. We will inform you of the revision(s) based on the nature of the updated information.

Consistent with the new rules, we will ensure that you receive a summary of any

material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

# Item 3 Table of Contents

Item 1	Cover	Page
Item 2	Material	Changes
Item 3	Table	of Contents
Item 4	Advisory	Business
Item 5	Fees	and Compensation
Item 6	Performance-Based	Fees and Side-By-Side Management
Item 7	Types	of Clients
Item 8	Methods of Analysis,	Investment Strategies and Risk of Loss
Item 9	Disciplinary	Information
Item 10	Other	Financial Industry Activities and Affiliations
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	
Item 12	Brokerage	Practices
Item 13	Review	of Accounts
Item 14	Client	Referrals and Other Compensation
Item 15	Custody	
Item 16	Investment	Discretion
Item 17	Voting	Client Securities
Item 18	Financial	Information

## **Item 4      Advisory Business**

Aliier is an investment advisor that specializes in domestic and cross-border investment advisory services. It provides clients with access to non-US investment advisors that are otherwise unavailable due to regulatory, administrative or operational issues.

Aliier's name (old French) reflects our commitment "to partner together to become something greater."

Aliier is registered with the Securities and Exchange Commission ("SEC") under the Investment Advisors Act of 1940, as amended (Advisors Act). Aliier was founded in 2012 and is located in Illinois. The principal owners are Daniel T. Allen and Regal Investment Advisors, LLC (CRD 125004) each of whom own more than 25% of the company.

### **Manager of Managers Portfolio Management**

Aliier LLC provides manager of manager's advisory services for institutional clients through the establishment and management of single or multi-manager portfolios that are offered in a separate account format or as an investment fund. As a manager of managers, Aliier selects and monitors other independent investment advisors ("Portfolio Managers") who purchase and sell securities for each client's account or for the Portfolio Manager's investment fund. The Portfolio Managers selected may be US domestic managers or non-domestic managers and are generally retained through a contractual sub-advisory relationship with Aliier.

Portfolios managed by Aliier are customized in accordance with client guidelines and risk parameters and Portfolio Managers are selected based on their ability to fill specific roles towards achieving the portfolio's overall investment objectives. Clients may also designate the benchmark against which their account will be measured for the purpose of determining investment skill and may place reasonable restrictions on the securities to be held in their account in accordance with each client's investment guidelines.

Aliier may establish or assist its clients in establishing one or more trust or custodial accounts with an unrelated financial institution, and may also monitor brokerage transactions executed on behalf of multi-manager portfolios. The extent to which Aliier provides these services and the amount of discretion given Aliier with respect to these services is determined by mutual agreement between Aliier and each client.

### **Amount of Assets Managed**

As of July 12, 2013 we had no assets under management, but are a related adviser under rule 203A-2(b). Assets under management are client assets for which Aliier has full discretion to hire and terminate managers. Assets under advisement are client assets for which Aliier does not have discretion to hire or terminate managers, but we provide manager recommendations and continuously monitor and report performance regarding the client's portfolio of managers.

## **Item 5 Fees and Compensation**

Aliier generally charges fees based upon a percentage of assets under management for its portfolios where fees are subject to negotiation. A number of factors are considered in establishing a fee schedule including the amount of assets to be placed under management, asset class mandate, complexity of the client relationship, and performance reporting requirements and pre-existing Portfolio Manager contractual agreements. Due to the complex nature of each relationship Aliier does not utilize most favored nation's provisions. The specific fees that are charged by Aliier are set forth in each client's contract with Aliier and are typically inclusive of the fees charged by the Portfolio Managers. In addition to Aliier fees, clients are also responsible for the fees and expenses charged by custodians and brokers. Please refer to Item 12 – Brokerage Practices for additional information.

Advisory fees are charged in one of two ways as agreed upon with the client.

1. In advance: Advisory fees are billed in advance based upon the asset value (market or fair market value in the absence of market value, plus any credit balance or minus any debit balance), of the client's account equity at the end of the previous period.
2. In arrears: Advisory fees are billed in arrears based upon the asset value (market or fair market value in the absence of market value), of the client's account at the end of the period.

We will also accommodate client requests for performance-based fee structures. For more information regarding performance-based fees, please refer to Item 6 - Performance-Based Fees and Side-by-Side Management below.

Either party may generally terminate an advisory at any time by giving written notice of termination to the other party unless otherwise stated in the client agreement. In the event of such termination, the fees for the calendar quarter in which such termination occurred are pro-rated accordingly.

## **Item 6 Performance-Based Fees and Side-By-Side Management**

Aliier may enter into performance-based fee arrangements at a client's request. Performance-based fees are subject to individualized client negotiation. Performance-based fees are calculated based upon portfolio target returns which are compared to a benchmark return calculated pursuant to a client's performance fee formula.

In general, side-by-side management of performance-based fee accounts and asset-based fee accounts may create an incentive to favor higher fee paying accounts in the allocation of investment opportunities. Aliier does not believe this is a material risk for its clients because all accounts are measured against the same benchmark using the same investment strategy subject to client imposed restrictions. Our portfolio management process is designed and implemented so as to ensure that clients are treated fairly and equally and includes monitoring of Portfolio Manager's portfolios where side-by-side portfolios exist.

## **Item 7      Types of Clients**

Aliier provides portfolio management services to US-domestic and international institutional clients which may include pension and profit sharing plans (other than participants), charitable organizations, trusts and endowments, corporations and other businesses.

Generally, a minimum of \$10 million is required from each relationship. Minimum allocation requirements may be waived by Aliier's Chief Investment Officer. In addition, the Portfolio Managers retained by Aliier may have minimum account sizes.

## **Item 8      Methods of Analysis, Investment Strategies and Risk of Loss**

### **Methods of Analysis**

Aliier's services focus on the selection and monitoring of Portfolio Managers to meet client investment guidelines. These Portfolio Managers invest in securities including domestic and international securities. Such selection is made in accordance with investment criteria established by or in collaboration with each client.

Aliier does not directly engage in securities analysis. Rather, Aliier selects Portfolio Managers who may employ a variety of securities analysis methods including fundamental, quantitative, technical and cyclical analysis. Aliier conducts appropriate due diligence reviews of the portfolio characteristics, methodologies and operational risks associated with a particular manager and the offered strategies.

A risk of investing with a Portfolio Manager who has been successful in the past is that comparable success may not be achieved in the future. In addition, as we do not control the underlying investments in a Portfolio Manager's portfolio, there is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the Portfolio Manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies. While we have implemented due diligence processes that are designed to provide indications that information may be incorrect there is always a risk that the portfolio and manager analysis may be compromised by inaccurate or misleading information.

### **Investment Strategies**

Aliier's approach begins with the identification and selection of Portfolio Managers who have demonstrated an ability to not only provide suitable investment performance, but have created a robust professional business organization that has identified and addressed the firm's business and operational risks. In utilizing these investment managers, Aliier begins with the client's guidelines to identify and select suitable portfolio managers who singly or as part of a comprehensive portfolio construction methodology address the client's requirements. Aliier's Chief Investment Officer as supported by its investment staff is responsible for final investment decisions.

## **Risk of Loss**

Investments in securities involve risks, including the loss of principal invested. Stock markets, bond markets and other financial markets fluctuate substantially over time. Investing in international markets entails greater risks than those normally associated with domestic markets, such as political, currency and economic risks. These risks are further magnified in countries with emerging markets because these countries tend to have less stable governments and less established markets and economies.

Regardless of the financial market the performance of any investment is not guaranteed and past performance cannot be used to predict future results or success.

## **Item 9 Disciplinary Information**

As a registered investment advisor Aliier is required to disclose information regarding any legal or disciplinary events that would be material to a client's evaluation of Aliier or the integrity of its management. Aliier and its management personnel have no reportable information applicable to this item.

## **Item 10 Other Financial Industry Activities and Affiliations**

Regal Investment Advisors, LLC., a SEC Registered Investment Advisor (CRD 125004), owns 25% of Aliier LLC.

No client is obligated in any way to use the services of these firms as it is the advisor's fiduciary duty to provide services to the client based solely in the client's best financial interests.

Aliier LLC endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser and we take the following steps to address any conflict:

1. we disclose to clients the existence of all material conflicts of interest, including should the potential develop for our firm and/or our employees to earn compensation from advisory clients in addition to our firm's advisory fees;
2. we disclose to clients that they are not obligated to purchase recommended investment products;
3. we periodically monitor outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and
4. we educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

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

Aliier has adopted a Code of Ethics which sets forth the high standards of business

conduct expected of our employees and individuals associated with our firm including compliance with applicable federal securities laws. Our Code of Ethics also governs a number of potential conflicts of interest we may have when providing advisory services to our clients. As explained in the Code of Ethics, Aliier and its employees owe a duty of loyalty, good faith and fairness to our clients, and have an obligation to adhere to both the specific terms and general principles that guide the Code.

Our Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and provisions for reporting certain gifts and business entertainment items. Our Code also includes policies and procedures for the review of initial securities holdings reports, quarterly securities transactions reports and duplicate brokerage statements. The Code does not require the pre-clearance of personal securities transactions. Because the Code of Ethics would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a Portfolio Manager in a security held by a client. Aliier is not a broker-dealer and does not have broker-dealer affiliates. Therefore, Aliier does not have the capacity to engage in any principal or agency cross securities transactions.

Aliier LLC's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

While the Code of Ethics does not address every possible situation that might arise, each person is responsible for exercising good judgment, applying ethical principles, and bringing potential violations of the Code of Ethics to the attention of Aliier's Chief Compliance Officer. Sanctions imposed for infractions of Aliier's Code of Ethics can vary from reprimand to termination, as appropriate. The Code of Ethics is distributed to each employee at the time of hire and thereafter as changes are made. On an annual basis, Aliier requires all employees to re-certify adherence to the Code of Ethics.

Clients and prospective clients of Aliier may request a copy of our Code of Ethics by contacting our Chief Compliance Officer at the mailing address, telephone number or email address on the cover page of this Brochure.

## **Item 12 Brokerage Practices**

Aliier does not directly purchase or sell securities for its clients and does not have any broker-dealer affiliates. In instances where a client has delegated brokerage discretion to Aliier, Aliier will delegate the full responsibility to the Portfolio Managers retained for that client's account. The Portfolio Managers retained by Aliier have full discretion with respect to the purchase and sale of securities and the selection of broker-dealers subject to their fiduciary duty to obtain best execution. Clients who specify that brokerage transactions be executed by a specific broker-dealer or participate in a commission recapture program may not receive the lowest cost or best execution.

In connection with the funding of a new account or the rebalancing of a portfolio, Aliier may retain the services of a transition broker-dealer to manage the account's transition



or may recommend a transition broker-dealer for that purpose. The criteria for the recommendation and retention of such firms typically include project management expertise, trading capabilities, and the quality of pre-trade and post-trade analytics.

Aliier does not have any soft dollar arrangements and does not receive any soft dollar benefits. Portfolio Managers may have soft dollar arrangements.

### **Item 13 Review of Accounts**

The Chief Investment Officer has overall responsibility for conducting manager and client account reviews. Aliier conducts reviews of the Portfolio Managers and institutional accounts on an annual and quarterly basis as well as when circumstances warrant. Aliier staff assists the Chief Investment Officer in these reviews.

Clients receive written quarterly performance reports which include the market value of the portfolio, rates of return for specified time periods and comparison to appropriate investment performance benchmarks. Clients may receive more frequent reports and/or additional reports as agreed.

### **Item 14 Client Referrals and Other Compensation**

Aliier receives compensation for providing advisory services solely from its clients and Aliier may obtain platform access fees from Portfolio Managers.

Certain employees of Aliier may receive incentive compensation based on a percentage of the fees received from new clients or Portfolio Managers and additional allocations from existing clients attributable to such employee's marketing efforts. As a matter of practice, when employees receive incentive compensation for client referrals the fees to be paid by the clients of Aliier will be the same as fees paid to by clients of Aliier when no such incentive compensation is applicable.

In addition, Aliier may pay referral fees to unaffiliated persons or firms ("Solicitors") who introduce clients to Aliier. Such Solicitors may be paid a retainer fee and/or a percentage of the net profits derived from client accounts they have referred ("Referral Fee"), the specific amount is subject to negotiation. As such, Solicitors may have a conflict of interest in advising prospective clients to retain Aliier. Whenever Aliier retains a Solicitor, Aliier requires that the Solicitor provide the prospective client a copy of this Brochure and a separate disclosure statement that includes the following information:

1. The Solicitor's name and relationship with Aliier,
2. The fact that the Solicitor is being paid a Referral Fee,
3. The amount of the Referral Fee, and
4. Whether the fee paid to us by the client will be increased above Aliier's normal fees in order to compensate the Solicitor.

It is Aliier's policy that the fees paid by clients who are referred to Aliier through a Solicitor are not to be increased as a result of such referral.

It is Aliier LLC's policy not to accept or allow related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

## **Item 15 Custody**

Aliier does not have actual custody of client assets or the authority to debit advisory fees from custodial accounts. Clients should receive at least quarterly a statement from their custodian. Client's should carefully review such statements and compare such official statements with account information Aliier may provide. This would include a careful review of Aliier's invoices to confirm the accuracy of the fee calculation.

## **Item 16 Investment Discretion**

Clients who retain Aliier to provide portfolio management services typically do so on a discretionary basis. The Portfolio Managers that Aliier retains are delegated both investment discretion and brokerage discretion. The Portfolio Managers' discretion may be limited by the terms of the applicable investment management agreement and/or client investment guidelines.

The amount of discretion delegated to Aliier is stated in a written investment management agreement at the outset of the advisory relationship. In all cases, such discretion is to be exercised in a manner consistent with the written investment guidelines for a particular account. When selecting Portfolio Managers, Aliier observes the investment policies, limitations and restrictions of the client. Clients may change the level of investment discretion delegated to Aliier or their investment guidelines by amending the investment management agreement or providing other written instructions.

## **Item 17 Voting Client Securities**

Aliier does not purchase or sell securities and does not vote proxies for clients or advise clients on how to vote proxies. In instances where a client has delegated proxy voting authority to Aliier, Aliier will delegate the full responsibility to the Portfolio Managers retained for that client's account. Clients may provide instruction to vote proxies according to certain criteria. These requests must be made in writing and can be included in the investment management agreement or in a separate document.

Clients and prospective clients may obtain a copy of Aliier's complete proxy voting policies and procedures or that of any Portfolio Manager by contacting Aliier's Chief Compliance Officer at the mailing address, telephone number or email address on the cover page of this Brochure. Clients may also obtain the proxy voting policies and procedures of the Portfolio Managers retained for their account as well as information about how a particular Portfolio Manager voted on behalf of their account.

## **Item 18 Financial Information**

We do not require or solicit payment of fees in excess of \$1,200 per client or more than six month in advance of services rendered. Therefore, we are not required to include a

financial statement.

Aliier is not aware of any financial conditions that would impair its ability to meet contractual and fiduciary commitments to its clients and has not been the subject of a bankruptcy proceeding.