



**Wrap Fee Program Brochure**

**Form ADV 2A - Appendix 1**

**Item 1 - Cover Page**

**Allred Capital Management, LLC**

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This Wrap Fee Program Brochure ("Wrap Brochure") provides information about the qualifications and business practices of Allred Capital Management, LLC (the "Adviser"). If you have any questions about the contents of this Brochure, please contact the Adviser at 844-965-7695 or [jon@allredcapitalmanagement.com](mailto:jon@allredcapitalmanagement.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state authority.

Additional information about The Adviser is also available on the SEC's website at [www.AdviserInfo.sec.gov](http://www.AdviserInfo.sec.gov).

## Item 2 Material Changes

This Wrap Brochure is a document that the Adviser provides to clients of a Wrap Program as required by SEC rules. The purpose of Item 2 of the Wrap Brochure is to provide clients with a summary of new and/or updated information that is contained in the remainder of the Wrap Brochure.

Since the filing of our last annual updating amendment, dated March 20, 2023, we have no material changes to report.

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## Item 4 Services, Fees and Compensation

The Adviser, a Texas limited liability company, was formed in May 2018. The Adviser provides portfolio management and financial planning services to individuals, trusts, foundations, endowments and corporate entities. Discretionary portfolio management services are offered through the "Adviser Wrap Program," sponsored by the Adviser, or through the "RJ Wrap Program", sponsored by Raymond James Financial Services, Inc. ("Raymond James") (together with the Adviser Wrap Program, the "Wrap Programs"), each of which has been designed to simplify the payment of management fees and brokerage expenses.

Jonathan L. Allred is the sole principal owner of the Adviser. Please see the Part 2B Brochure for more information on Mr. Allred.

### Portfolio Management Services

At the outset of each client relationship, the Adviser spends time with the client, asking questions, discussing the client's investment experience and financial circumstances, and broadly identifying major goals of the client. Based on its review of the information provided by the client, the Adviser generally develops with each client:

- a financial outline for the client based on the client's financial circumstances, goals and risk tolerance level (the "Financial Profile"); and
- the client's investment objectives and guidelines (the "Investment Plan").

The Financial Profile is a reflection of the client's current financial situation and a look to the future goals of the client. The Investment Plan outlines the types of investments the Adviser will make on behalf of the client based on the Adviser's own research and analysis in order to meet those goals. The elements of the Financial Profile and the Investment Plan are discussed periodically with each client, but are not necessarily written documents.

To implement the client's Investment Plan, the Adviser typically will manage the client's investment portfolio on a discretionary basis pursuant to an investment advisory agreement with the Client. In certain limited cases, the Adviser may manage the client's investment portfolio on a non-discretionary basis. As a discretionary investment adviser, the Adviser will have the authority to supervise and direct the portfolio without prior consultation with the client. Clients who choose a non-discretionary arrangement must be contacted prior to the execution of any trade in the account(s) under management. This may result in a delay in executing recommended trades, which could adversely affect the performance of the portfolio. This delay also normally means the affected account(s) will not be able to participate in block trades, a practice designed to enhance the execution quality, timing and/or cost for all accounts included in the block. In a non-discretionary arrangement, the client retains the responsibility for the final decision on all actions taken with respect to the portfolio.

Notwithstanding the foregoing, clients may impose certain written restrictions on the Adviser in the management of their investment portfolios, such as prohibiting the inclusion of certain types of investments in an investment portfolio or prohibiting the sale of certain investments held in an investment portfolio at the commencement of the relationship. Each client should note, however, that restrictions imposed by a client may adversely affect the composition and performance of the client's investment portfolio. Each client should also note that his or her investment portfolio is treated individually by giving consideration to each purchase or sale for the client's account. For these and other reasons, performance of client investment portfolios within the same investment objectives, goals and/or risk tolerance may differ and clients should not expect that the composition or performance of their investment portfolios would necessarily be consistent with similar clients of the Adviser.

The Adviser provides portfolio management services through three different platforms offered by Raymond James: (1) the Investment Advisors Division platform ("IAD"); (2) the Asset Management Services platform ("AMS"); and (3) the Raymond James Consulting Services platform ("RJCS"). IAD accounts utilize the Adviser Wrap Program and AMS and RJCS accounts utilize the RJ Wrap Program.

#### Separate Account Managers

For AMS and RJCS accounts, the Adviser may recommend or select one or more Separate Account Managers (each, a "Manager") for a particular client. The Adviser's access to various Managers allows the Adviser to offer a wide variety of manager styles, and provides the opportunity to utilize more than one Manager.

The Manager(s) generally will be granted discretionary trading authority to provide investment supervisory services for the portfolio. In most cases, the Adviser retains the authority to terminate the Manager's relationship or to add new Managers without specific client consent. In other cases, the client will ultimately select one or more Managers recommended by the Adviser.

The Adviser will monitor the investment approach and performance of the Manager(s).

#### General Fee Information

The Wrap Program fee structure includes the brokerage expenses (e.g., commissions, ticket charges, etc.) of the account, charges for custody services, the management fee paid to the Adviser and the fees of any Managers. Under the all-inclusive billing arrangement, the Adviser will assess one client fee that captures the management, brokerage, custody and administrative portions collectively. Any portion of the Wrap Program fees that the Adviser does not pay to third parties in connection with transaction and execution expenses and/or to Managers is retained by the Adviser. Because of this, the Adviser may have a disincentive to trade securities in client accounts.

Fees paid to the Adviser are exclusive of and distinct from the fees and expenses charged by mutual funds, exchange-traded funds ("ETFs") or other investment pools to their shareholders (generally including a management fee and fund expenses, as described in each fund's prospectus or offering materials), mark-ups and mark-downs, spreads paid to market makers, fees for trades executed away from the custodian, wire transfer fees and other fees and taxes on brokerage accounts and securities transactions.

The client should review all fees charged by funds, the Adviser and others to fully understand the total amount of fees paid by the client for investment and financial-related services. Clients participating in a Wrap Program may pay higher or lower fees than clients purchasing such services separately, depending on the cost of services if provided separately and the level of trading in a particular client's account.

#### *Wrap Program Fee Information*

Portfolio management fees are individually negotiated with each client, are based on a percentage of assets under management, and are generally subject to the following maximum fees, based on the account type:

Account Type	Fee Rate
IAD	1.50%
AMS	1.75%
RJCS	1.75%

Factors considered in determining the fees charged generally include, but are not limited to: the complexity of the client's portfolio; assets to be placed under management; anticipated future assets; related accounts; portfolio style; account composition; or other special circumstances or requirements. The specific fee schedule will be identified in the investment advisory agreement between the client and the Adviser. The Adviser may, at its discretion, make exceptions to the foregoing or negotiate special fee arrangements where the Adviser deems it appropriate under the circumstances.

Portfolio management fees are generally payable quarterly, in advance, based on the value of the managed portfolio on the last business day of the previous calendar quarter. If management begins after the start of a quarter, fees will be prorated accordingly. Fees are normally debited directly from client account(s), unless other arrangements are made.

Either the Adviser or the client may terminate their investment advisory agreement at any time, subject to any written notice requirements in the investment advisory agreement. In the event of termination, any paid but unearned fees will be promptly refunded to the client based on the number of days that the account was managed, and any fees due to the Adviser from the client will be invoiced or deducted from the client's account prior to termination. Please see **Item 5 - Fees and Compensation** of ADV Part 2A for more information regarding the Wrap Program fees.

#### *Separate Account Manager Fees*

When one or more Managers are utilized, the Manager(s)' fees will be included in the Adviser's fee charged to the client account through the applicable Wrap Program.

## **Item 5 Account Requirements and Types of Clients**

The Adviser serves individuals, trusts, foundations, endowments, and corporate entities. The Adviser does not have a minimum portfolio asset value size requirement for participating in the Adviser Wrap Program, but, in its discretion, may establish one in the future. There are minimum portfolio asset value size requirements for participating in the RJ Wrap Program, which are established by Raymond James in its sole discretion from time to time.

## **Item 6 Portfolio Manager Selection and Evaluation**

For AMS and RJCS accounts, the Adviser may recommend or select one or more Managers for a particular client. For IAD accounts, the Adviser serves as the Portfolio Manager. The Adviser's access to various Managers allows the Adviser to offer a wide variety of manager styles, and provides the opportunity to utilize more than one Manager. The Adviser generally monitors the investment approach and performance of the Manager(s).

Factors that the Adviser considers in recommending/selecting Managers generally include the client's stated investment objective(s), management style, performance, risk level, reputation, financial strength, reporting, pricing, and research. The Adviser works closely with Raymond James in performing due diligence on the Managers who may be used and generally considers the investment performance of any Managers; however, the Adviser does not calculate their performance. The Adviser generally works with Raymond James to assure the accuracy of the underlying investments made by the Managers and their respective performance.

Please refer to additional information found in the following Items of ADV Part 2A, which accompanies this Wrap Brochure: **Item 4 – Advisory Business; Item 6 – Performance-Based Fees and Side-By-Side Management; Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss; and Item 17 – Voting Client Securities.**

## Item 7 Client Information Provided to Portfolio Managers

The Adviser provides information about a client's investment objectives to the applicable Manager(s) under the Wrap Programs on a periodic basis. The Adviser will update such information from time to time to the extent it materially changes.

## Item 8 Client Contact with Portfolio Managers

The Adviser is the only direct portfolio manager under the Wrap Programs. No restrictions are placed on client's ability to contact or consult with the Adviser.

## Item 9 Additional Information

### IRA Rollover Recommendations

Effective December 20, 2021 (or such later date as the US Department of Labor ("DOL") Field Assistance Bulletin 2018-02 ceases to be in effect), for purposes of complying with the DOL's Prohibited Transaction Exemption 2020-02 ("PTE 2020-02") where applicable, we are providing the following acknowledgment to you.

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

We benefit financially from the rollover of your assets from a retirement account to an account that we manage or provide investment advice, because the assets increase our assets under management and, in turn, our advisory fees. As a fiduciary, we only recommend a rollover when we believe it is in your best interest.

Neither the Adviser nor its management persons have any disciplinary disclosure required.

Allred Capital Management, LLC is required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual commitments to our clients. On May 1, 2020, Allred Capital Management, LLC received a Paycheck Protection Program ("PPP") loan in the amount of \$75,672 through the U.S. Small Business Administration, which was part of the economic relief provided under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Due to the economic uncertainties surrounding the current COVID-19 pandemic, we believed it was necessary and prudent for us to apply for, and accept, the Paycheck Protection Program loan offered by the Small Business Administration in order to support our ongoing operations. The firm used the PPP funds to continue payroll for the firm's employees,

and make other permissible payments. This loan is forgivable if the specific terms of the loan are met. This loan was forgiven by the U.S. Government on March 15, 2021.

Please see ADV Part 2A for more information in the following areas: ***Item 10 - Other Financial Industry Activities and Affiliations, Item 11 - Code of Ethics, Item 13 - Review of Accounts, Item 14 - Client Referrals and Other Compensation, and Item 18 - Financial Information.***