

## Item 1 Cover Page

# **Allen Capital Group, LLC**

**A Registered Investment Adviser Firm**

**IARD/CRD Number: 135879**  
**SEC Number: 801-64514**

## **Wrap Fee Program Brochure**

March 26, 2019

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This Wrap Fee Program Brochure provides information about **Allen Capital Group, LLC's** qualifications and Wrap Fee Program business practices. If you have any questions about the contents of this brochure, please contact us at: Phone: 308-385-1500 or E-mail: [info@allencapgroup.com](mailto:info@allencapgroup.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

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

Additional information about **Allen Capital Group, LLC** also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 Material Changes**

Allen Capital Group, LLC's last annual Wrap Fee Program Brochure amendment was in March 2018. The following are the material changes to Allen Capital Group, LLC's Wrap Fee Program Brochure:

ACG Solutions, Inc., was established by ACG for administrative, marketing and client relations purposes in January 2019. ACG Solutions, Inc. is solely owned by ACG. See – Item 4. Item 4 Services, Fees and Compensation on page 3.

ACG has revised its Broker-Dealer/Custodian relationships disclosures regarding Charles Schwab & Co. and TD Ameritrade, Inc. See - Item 4. Services, Fees and Compensation, A. Wrap Fee Program Services, Broker-Dealer/Custodian on page 4.

In August 2018, ACG started using SP Financial Group (SPFG) of Arkadios Capital for bond portfolio management in ACG managed accounts. See - Item 6 Portfolio Manager Selection and Evaluation on page 7.

Randal R. Korth, CPA has been added as a member to ACG's investment committee. See - Item 6 Portfolio Manager Selection and Evaluation on page 6.

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#### **Item 4 Services, Fees and Compensation**

**Allen Capital Group, LLC** (ACG) is registered as an investment adviser with the Securities and Exchange Commission since July 2005. ACG is notice filed in all states where it conducts business and is required to be notice filed. ACG is a limited liability corporation. Eric "Rick" Allen and Mark Allen are the principal owners and managing members of ACG. Investment Adviser Representatives (IAR) of ACG that are responsible for giving investment advice must have a FINRA Series 7 License and NASAA Series 66, NASAA Series 65 License or an investment adviser representative's licensing equivalent, such as a CFP designation.

**ACG Fiduciary Statement** - ACG is a "fiduciary" under ERISA or section 4975 of the Code (to the extent applicable) with respect to any investment advice that ACG provides in connection with Retirement Accounts and holdings. When providing any such fiduciary advice to a client ACG adheres to the standards of care of "Impartial Conduct Standards". ACG also provides investment advice that is in the client's "Best Interest." Advice meeting the "Best Interest" standard is advice that reflects the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, based on your investment objectives, risk tolerance, financial circumstances, and needs, without regard to the financial or other interests of ACG. The compensation that ACG receives for their services is not excessive or unreasonable within the meaning of ERISA section 408(b)(2) or section 4975(d)(2). Statements by ACG to you about services subject to this Disclosure will not be materially misleading at the time they are made.

ACG offers a number of other investment advisory and financial industry services in addition to this Wrap Fee Program. For information on these other investment advisory and financial industry services please review ACG's Form ADV Part 2A Disclosure Brochure.

ACG now utilizes the back-office, portfolio management platform and client account services of Orion Advisor Services LLC, a leading securities industry back office and technology service provider. ACG Solutions, Inc., was established by ACG for administrative, marketing and client relations purposes in January 2019. ACG Solutions, Inc. is solely owned by ACG.

ACG has \$ 510,240,807.85 of assets under discretionary management in its Investment Management Program as of December 31, 2018. ACG does not manage assets on a non-discretionary basis in its Wrap Fee Program.

##### **A. Wrap Fee Program Services**

**Investment Management Programs** - ACG provides investment management program services, defined as giving continuous advice to clients based on their individual needs through ACG's Investment Management Program accounts. ACG obtains financial information on the ACG Client Investment Profile Questionnaire and other new account documents from prospective clients to determine the suitability of establishing Investment Management Program accounts and to determine the appropriate investment management strategies that are specific for each client account that is established with ACG. Clients may impose restrictions on the type of investments that may be included in their Investment Management Program accounts.

**Flat Fee- Outside Account Advice** – Clients that are being provided Investment Management Services under an ACG Investment Management agreement may also have ACG provide them Flat Fee- Outside Account Advice on other accounts. These outside accounts may or may not be ERISA accounts. ACG may have the ability to trade these accounts on a discretionary basis.

**Selection of Other Advisors** - In some instances, the management of client accounts are delegated to other investment advisors that have sub-advisor agreements with ACG or separate agreements with clients. In such instances, the other investment advisors will have discretionary authority to manage client accounts. A complete description of each of these other investment advisor's' services is described in their Form ADV Part 2A Disclosure Brochures. When another investment advisor is used in a client account the client will be provided the other investment advisor's Form ADV Part 2A Disclosure Brochure. A client may always place limitations on the use of other investment advisors by ACG.

**Broker-Dealer/Custodian** - ACG has Wrap Fee Program Broker-Dealer/Custodian arrangements with Charles Schwab & Co., (Schwab) a SEC registered broker/dealer, member FINRA and SIPC and TD Ameritrade, Inc., (TDA) a SEC registered broker/dealer, member FINRA, SIPC...

ACG considers a number of factors including, without limitation, best execution, the overall direct net economic impact on account assets (including commissions/fees which may not be the lowest available, but which will not be higher than the generally prevailing competitive range), the financial stability of Schwab and TDA, the efficiency with which the transaction is effected, the ability to effect the transaction where complicating factors are involved, the availability of Schwab and TDA to stand ready to execute possible difficult transactions in the future, and other matters involved in the receipt of brokerage and research services.

There is no direct link between ACG, Schwab, TDA and the investment advice ACG gives to our clients. However, ACG receives economic benefits through its participation in these Wrap Fee accounts that are typically not available to retail investors. These benefits include the following products and services (provided without cost or at a discount):

- Duplicate client statements and confirmations;
- Research related products and tools;
- Planning services;
- Access to a trading desk serving advisor participants;
- Access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts);
- The ability to have advisory fees deducted directly from client accounts;
- Access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to ACG by third party vendors; and
- Other client account and marketing services.

ACG has an agreement with Schwab that allows for the reimbursement of transfer of account exit fees for client accounts that transfer to Schwab accounts. These funds will be used towards the fees clients' accounts bear if the assets of those accounts are transferred to Schwab. ACG also has an agreement with Schwab for compensation for specific services that are paid directly to third party vendors by Schwab. ACG generally utilized this compensation for client marketing.

TDA has an agreement with Orion where TDA will offset Orion administrative fees for new clients for one year.

Some of the products and services made available by Schwab and TDA may benefit ACG but may not directly benefit client accounts. These products or services may assist ACG in managing and administering client accounts, including accounts not maintained at Schwab or TDA. Other services made available by Schwab and TDA are intended to help ACG manage and further develop its business enterprise. Clients should be aware, however, that the receipt of economic benefits by ACG or its IARs creates a potential conflict of interest and may indirectly influence ACG's choice or recommendation of Schwab and TDA for custody and brokerage services.

**Trading** – ACG allocates trades to clients in a fair and equitable manner that will be applied consistently to all clients. Personal accounts of ACG, its IARs and family members will not be treated more favorably than any other client account. ACG will make every attempt to completely fill all block order trades.

**Discretionary Trading Authority** - ACG uses discretionary trading authority to buy, sell and direct investments within the client accounts, including reinvestment of proceeds from assets sold and income attributable to client accounts in cash, cash equivalents, bonds, shares of common or preferred stock, unit investment trusts, ETF's, mutual funds, options, or other alternative securities selected by ACG for client accounts.

**Trading Error Corrections** - It is ACG's policy to ensure clients are made whole following a trade error. Specifically, when a trade error occurs in a client account that results in a loss, ACG will reimburse the client. If the trade error was made in a client account resulting in a gain, the client will keep the gain unless the Custodian/Broker-Dealer keeps the gain. If the trade error was made in a block trading account and client funds were not at risk and the trade results in a gain, the Broker-Dealer/Custodian keeps the gain.

**Reports and Statements**- Clients may receive periodic performance reports from ACG describing account performance and holdings. Clients will receive a monthly account statement from the Custodian/Broker-Dealer showing the account activity as well as positions held in the account at month's end, when there is activity in the account. No less than on a quarterly basis, client will receive a statement from the Custodian/Broker-Dealer for transactions and holdings.

**Wrap Fee** - Clients compensate ACG for all services furnished under the Investment Management Program by the payment of fees (Wrap Fees) that is based on a percentage of the assets under management. ACG charges an annualized Wrap Fee that ranges up to 1.75%, depending on a number of factors including the size and complexity of

the client account. ACG may receive up to 100% of the Management Fee paid by the Client within the Wrap Fee. Wrap Fees are negotiable.

Wrap Fees will be calculated at the beginning of each month and be based on the Period Ending Balance of the Client's Account assets under management at the end of the previous month. Management Fees may be charged in arrears or in advance depending on the client agreement. Wrap Fees do not take into account securities that are not priced. Wrap Fees will be deducted from the account. A client account that is opened mid-period will be charged an initial Management Fee that includes a portion of the fee that is pro-rated for the number of days that the account is open in the first month. Wrap Fees will be noted on client's monthly Custodian/Broker-Dealer statements.

ACG's Wrap Fee covers both ACG's investment management program service fees and Schwab's and TDA's brokerage services. Clients authorize ACG to pay Schwab and TDA for the brokerage services provided to the client accounts, ACG pays Schwab and TDA commissions and other transaction-based fees or asset-based fees in lieu of commissions and other transaction based fees, and in either case, certain other fees, including prime broker and trade away fees, exchange process fees, and certain mutual fund short-term redemption fees.

Clients that are being provided Investment Management Services under an ACG Investment Management agreement and have ACG provide them Flat Fee- Outside Account Advice on other accounts may have ACG assess their client Investment Management Services accounts an annual flat fee of \$150 per outside account.

In instances where the management of client accounts are delegated to other investment advisors that have sub-advisor agreements with ACG or separate agreements with clients the fees for these services will range up to 100 basis points (bps). Some of these other investment advisors are paid from ACG's Management Fees. Other investment advisors may charge their fees separately from ACG's Management Fees. If other investment advisor fees are deducted separately from ACG Management Fees those other fees will be noted separately from ACG Management Fees. The use of other investment advisors in the management of a client account may increase the fees that the client pays for their advisory services. A complete description of these other investment advisors' fees is described in their Form ADV Part 2A Disclosure Brochures.

ACG's Wrap Fee does not cover certain fees and costs which may apply to client account, including those listed below or others that are listed in the Schwab and TDA Pricing Guides.

- Other Broker-Dealers' Fees.
- Mutual Fund Fees.
- Markups and Markdown, Bid-Ask Spreads, Markups and markdowns, bid-ask spreads, selling concessions
- Margin Interest.
- Account Activity Fees
- Alternative Investment Fees.

A complete list of the Schwab and TDA charges and fees are contained in their Pricing Guides.

**Custody** - ACG does not act as a qualified custodian. All ACG Wrap Fee client accounts are maintained at Schwab and TDA, which are qualified custodians. However, under SEC rules ACG has custody of client assets due to our ability to deduct fees from client accounts. Schwab and TDA send account statements directly to clients. Clients should carefully review those statements.

Investment adviser representatives of ACG are trustees and contingent trustees on certain client accounts. ACG may be deemed to have custody of client securities due to the possible receipt of securities certificates. In addition, ACG may be deemed to have custody of client funds and securities due to ACG's online access to certain client qualified retirement plan accounts. Consequently, ACG is subject to an annual surprise examination conducted by an independent certified public accountant.

**Account Termination** - Investment Management Program accounts may be terminated by ACG or client effective upon receipt of written notice to the other party. Upon termination, client shall receive a refund of any Wrap Fee not already earned by the ACG. ACG will advise Schwab or TDA to deliver securities and funds they hold as instructed by client unless client requests that the securities and funds be liquidated. If an account is liquidated, proceeds will be payable to client upon settlement of all transactions in the account. Termination of an Investment Management Program account will not affect the liabilities or obligations of the parties arising out of transactions initiated prior to termination.

## **B. General Advisory Fee Disclosure**

Fees paid by clients in ACG's Wrap Fee Program may be more than or less the cost of purchasing the same services through ACG's other Investment Management Programs, separately or similar services elsewhere. ACG's Wrap Fees are negotiable.

### **C. Other Fees, Expenses and Charges**

Clients may incur certain charges imposed by third parties other than ACG in connection with investments placed in the account, including but not limited to:

- IRA and Qualified Retirement Plan Fees, and other custodial fees; and
- Mutual fund internal expenses, commissions, sales loads, 12(b)-1 fees, trail fees and some surrender charges.
- Broker-Dealer and Custodian fees, expenses, and commission charges are separate and distinct from the fee charged by ACG.

### **D. Referral Advisor Relationships**

ACG may enter into Referral Advisor Agreements with outside Referral Advisors who refer clients to ACG. If a referred client enters into an investment advisory agreement with ACG, a cash referral fee will be paid to the Referring Advisor, which will be based on a percentage of the advisory fees that are paid by the client to ACG. The Referral Advisor Agreement entered into between ACG and Referral Advisor will at all times be in compliance with the rules and regulations under 17 CFR Section 275.206(4)-3 and corresponding state rules and regulations on investment adviser referral activities. If a client account is referred from a Referral Advisor, the Referral Advisor may receive up to 50% of ACG's Wrap Fee. Therefore, a Referral Advisor may have an incentive to recommend ACG Investment Management Programs over other programs and services. This Referral Fee may increase the Wrap Fee a client is charged by ACG. All Referral Fees paid by a client to a Referral Advisor will be fully disclosed to the client.

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

ACG generally provides Wrap Fee Program advice to the following:

- Individuals
- Profit sharing plans and participants
- Pensions and other retirement plans
- Corporations or other business entities
- Trust, estates, or other charitable organizations

Account Minimums - ACG's recommended minimum investment amount for establishing and maintaining an Investment Management Program account with ACG is \$50,000. Exceptions may be granted to this minimum at the discretion of ACG.

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

### **A. Selection and Review of Portfolio Managers**

ACG IARs may be investment management program portfolio managers. Mark Allen, CFP®, Eric Allen, CFP®, Randal R. Korth, CPA, and Travis Portwood, CFP®, CFA ®are the members of ACG's investment committee for all ACG Investment Management Programs. ACG uses the performance and position reporting systems provided by Portfolio Center to review client holdings, performance and to calculate fees. ACG may also use investment and position reports from Morningstar. ACG's performance reports are calculated using Time Weighted Returns (TWR) and Internal Rate of Return (IRR). ACG does not currently generate performance reports that are systematically sent out to clients on a quarterly basis. Clients may be given copies of the performance reports when they meet with their IARs.

Mark Allen, Chief Compliance Officer (CCO) of ACG and his designees are responsible for supervising ACG Investment Management Program accounts and planning activities. The main reports and documents the CCO reviews to supervise/review these activities are Client Investment Profile Questionnaire, new account documents, trade tickets, confirmations, brokerage statements, performance reports, daily activity reports and planning documents. The CCO may delegate certain advisory compliance responsibilities to a designee that will report to him.

**Methods of Analysis** - ACG will obtain financial information from prospective clients on a Client Investment Profile Questionnaire and other new account documents to determine the suitability of ACG's Investment Management Program and to determine the appropriate investment objectives that are specific for each client account which is established with ACG.

We implement an investment strategy which we believe is appropriate and suitable for each client's unique investment objectives and tolerance for risk. Generally, we take a long-term approach (over a year) when providing and implementing our investment advice. However, there are times when a short-term considerations and needs are warranted for a client. At such time, we will utilize a short-term strategy, with some investments being held for less than a year.

We will use what we determine to be the most effective investment vehicle for the client's situation, whether it be individual stocks & bonds, actively managed mutual funds or passively managed exchange traded funds (ETF's).

When evaluating individual positions, we primarily rely on fundamental analysis in determining which securities to include in your portfolio. Fundamental analysis involves a detailed investigation into a company's business operations and its financial statements in order to assess its future prospects, understand the risks that may be embodied in its securities, and estimate the return potential that may be possible given its future prospects and its current valuation in the market.

When evaluating mutual funds and ETF's we look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in other fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

In August 2018, ACG started using SP Financial Group (SPFG) of Arkadios Capital for bond portfolio management in ACG managed accounts. SPFG provides registered investment advisors with comprehensive fixed income support – from personalized advice and analytics to portfolio construction, implementation, and ongoing monitoring of accounts and holdings, with primary focuses on individual bond portfolios and closed-end funds.

Where appropriate, we will use options for clients. We use "covered calls", in which we sell an option on security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed upon price. We will also use put options to "hedge" or in other words, to help limit the potential downside of a security we have purchased for your portfolio.

Reviews are conducted for all accounts on an ongoing basis. We review investment performance, suitability, appropriate asset allocation, and monitor each account for any changes or updates that are needed (among other things). Clients establishing and maintaining discretionary investment accounts may receive periodic performance reports from ACG showing the investment performance of their accounts.

**Risk of Loss** - Investing in securities involves a risk of loss that you should be prepared to bear, including loss of your original principal. Past performance is not indicative of future results and you should not assume that future performance of any specific investment or investment strategy will be profitable. We do not provide guarantee that your goals will be achieved. There are varying degrees of risk, depending on your investment.

- **Market Risk** – Either the market as a whole, or the value of an individual company, goes down, resulting in a decrease in the value of client investments. This is referred to as systematic risk.
- **Equity Risk** – Stocks are susceptible to market fluctuations and to volatility which results in increases and decreases in value depending on the markets confidence in or perceptions of the market change. Investors holding common stock of any issuer are generally exposed to greater risk than if they hold preferred stock or debt obligations of the issuer.
- **Company Risk** – There is generally a level of company or industry specific risk when investing in stock positions. This is referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that a company will perform poorly or that its value will be reduced based on factors specific to it or its industry.

- **Options Risk** – Options on securities can be subject to greater fluctuations in value than investing in the underlying securities. Purchasing and writing put or call options are highly specialized activities and involve greater investment risk. Puts and calls are the right to sell or buy a specified amount of an underlying asset at a set price within a set time.
- **Fixed Income Risk** – Investing in bonds involves the risk that the issuer will default on the bond and be unable to make payments. In addition, individuals depending on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- **ETF and Mutual Fund Risk** – ETF and mutual fund investments bear additional expenses based on a pro-rata share of operating expenses, including potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities held by the ETF or mutual fund. Clients also incur brokerage costs when purchasing ETFs.
- **Alternative Investment Risk** – Alternative investments encompass a broad array of investment strategies. These investments are susceptible to many of the same risks as other securities while also having their own unique return and risk characteristics that must be considered on a case-specific basis.
- **Management Risk** – Investments also vary with the success and failure of the investment strategies, research, analysis and determination of portfolio securities. If our strategies do not produce the expected returns, the value of your investments will decrease.

**Selection of other Advisors** - The management of client accounts that are delegated to other investment advisors that implement investment strategies that are different from ACG's investment strategies may create different investment risks. A complete description of each sub-advisor's investment strategies and risks are described in the sub-advisor's Form ADV Part 2A Disclosure Brochure.

**Voting Client Securities** - ACG will not exercise proxy-voting authority over the securities held in client accounts where ACG provides investment management services. The obligation to vote client proxies shall at all times rest with the clients. However, clients may contact ACG for advice or information about a particular proxy vote. ACG shall not be deemed to have proxy-voting authority solely as a result of providing such advice to a client. Should ACG inadvertently receive proxy information for a security held in an account, such information shall be immediately forwarded to client.

**Risk of Loss** - There are risks inherent in all financial decisions and transactions. ACG and ACG IARs cannot guarantee the current or future performance of client accounts, or the success of any investment decision or strategy that ACG may use with client accounts.

## **Item 7 Client Information Provided to Portfolio Managers**

ACG will obtain financial information from prospective clients on a Client Investment Profile Questionnaire and other new account documents to determine the suitability of ACG's Investment Management Program and to determine the appropriate investment objectives that are specific for each client account which is established with ACG. Clients may impose restrictions on investing in certain securities or types of securities.

## **Item 8 Client Contact with Portfolio Managers**

ACG Portfolio Managers, IARs and support staff are available to talk to and meet with Clients during regular business hours.

## **Item 9 Additional Information**

### **Disciplinary Information**

ACG has no current disciplinary information to report to the public, clients or prospective clients. ACG Advisers have no current disciplinary information to report to the public, clients or prospective clients.



## **Broker-Dealer and other Financial Industry Activities and Affiliations**

ACG is not registered as a broker-dealer, futures commission merchant, commodity pool operator or commodity trading advisor and will not become registered in any of these capacities. ACG's IARs are not associates of a futures commission merchant, commodity pool operator or commodity trading advisor. ACG's IARs will not become registered or associated in any of these capacities.

However, Mark Allen is licensed as registered representative of Purshe Kaplan Sterling Investments (PKS), a registered broker-dealer with the SEC and the FINRA, and a member of the SIPC. Mark Allen encourages clients to use not only the ACG investment advisory services, but the PKS broker-dealer services as well. PKS offers a full range of investment products and services. PKS broker-dealer commissions are comparable to other full services brokers. Some advice offered by the Mark Allen in his capacity as a registered representative of PKS may involve investments in mutual funds and variable annuity products which pay 12b-1 trail fees. He may receive a portion of these 12b-1 trail fees in his separate capacity as registered representative. Clients should be aware that the payment and receipt of these commissions and fees could represent an incentive to recommend mutual funds or variable annuities that pay 12b-1 trail fees or pay higher 12b-1 trail fees over funds with no 12b-1 fees or lower fees, thus creating a potential conflict of interest.

Commissions may be higher or lower at PKS than at other broker/dealers. Mark Allen in his capacity as a registered representative of PKS may have a conflict of interest in having clients purchase securities and/or insurance related products through PKS in that the higher his production with PKS the greater potential for obtaining a higher pay-out on commissions earned. Further, registered representatives of PKS are restricted to only offering those brokerage products and services that have been reviewed and approved for offering to the public by PKS.

## **Insurance Activities and Affiliations**

ACG is now a licensed insurance agency as of February 2016. IARs may also be licensed as insurance agents and can provide insurance products and services to clients. As insurance agents they will earn insurance commissions and fees while selling and servicing insurance products and services.

## **Tax Planning and Accounting Services**

Mark Allen is now a 20% owner-member of Veritas Professional Group, LLC, (Veritas), an accounting firm. Veritas provides tax planning, accounting and bookkeeping services. These tax planning, accounting and bookkeeping services are non-advisory services that are separate and distinct from the Investment Management Programs and Financial Planning Services offered under Allen Capital Group, LLC and have a separate and distinct fee structure.

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

ACG has established a Code of Ethics to comply with the requirements of Section 204A-1 of the Investment Advisers Act of 1940 that reflects ACG's fiduciary obligations and those of its supervised persons and requires compliance with federal securities laws. ACG's Code of Ethics covers all individuals that are classified as "supervised persons." All ACG owners and IARs are classified as supervised persons. ACG requires its supervised persons to consistently act in the ACG clients' best interest in all advisory activities. ACG imposes certain requirements on supervised persons to ensure that they meet ACG's fiduciary responsibilities to ACG clients. This standard of conduct requirement is higher than what is ordinarily required and encountered in business.

- ACG and ACG's supervised persons may buy, sell and hold securities for their personal accounts, which ACG may also recommend to clients, or buy and sell on a discretionary basis for clients. As these situations may present a potential conflict of interest, it is the policy of ACG that no supervised person shall prefer their own interest over the interest of ACG clients.
- No supervised person employed by ACG may buy or sell any security prior to a transaction being implemented for an advisory account.
- No supervised person employed by ACG may buy or sell securities for their personal accounts where their decision is derived from information obtained through their employment with ACG unless the information is also available to the investing public upon reasonable inquiry.
- ACG maintains a list of all securities holdings for all supervised persons, which is reviewed on a regular basis by a principal of the Adviser.

**Conflicts of Interest** – ACG must disclose any potential or actual conflicts of interest when dealing with clients.

**ACG Obligations** – ACG and its IARs are subject to the following specific obligations when dealing with clients:

- The duty to have a reasonable, independent basis for its investment advice;
- The duty to ensure that investment advice is suitable to meeting the client's individual objectives, needs, and circumstances; and
- A duty to be loyal to clients.

This Code of Ethics response is only intended to provide clients and potential clients with a summary description of ACG's Code of Ethics. If current clients or potential clients want to review ACG's entire Code of Ethics, they may obtain a copy of it by calling ACG at 308-385-1500, or writing to Mark Allen at 3032 West Stolley Park Road, Suite E, Grand Island NE, 68801

#### **Broker-Dealer and Insurance Compensation**

Mark Allen in this capacity as registered representative of PKS will be paid commissions for the sale of securities or other investment products, including service (trail) fees from the sale of mutual funds and variable annuities. This presents a conflict of interest as it gives him an incentive to recommend investment products based on the compensation received, rather than on your needs. To address this conflict Mark Allen will only receive commissions for the sale of securities or other investment products when selling securities through PKS, and not for accounts advised through the ACG. You always have the option to purchase broker-dealer securities or other investment products that Mark Allen recommends through other unaffiliated brokers-dealers.

IARs of ACG may also be licensed as insurance agents. In this capacity the IARs will be paid commission for the sales of fixed insurance products. This presents a conflict of interest as it gives the IARs an incentive to recommend insurance products based on the compensation received, rather than on your needs. You always have the option to purchase insurance products that IAR recommends through other unaffiliated insurance agencies or companies.

#### **Financial Information**

ACG has no financial information to report at this time and has no financial situations which may impair our ability to conduct business.

## **Allen Capital Group, LLC**

March 26, 2019

### **PRIVACY POLICY NOTICE Our Promise to You**

As a client of ACG, you share both personal and financial information with us. Your privacy is important to us, and we are dedicated to safeguarding your personal and financial information.

**Information Provided by Clients**

In the normal course of doing business, we typically obtain the following non-public personal information about our clients:

- Personal information regarding our clients' identity such as name, address and social security number;
- Information regarding securities transactions effected by us; and
- Client financial information such as net-worth, assets, income, bank account information and account balances.

**How We Manage and Protect Your Personal Information**

We do not sell information about current or former clients to third parties, nor is it our practice to disclose such information to third parties unless requested to do so by a client or client representative or, if necessary, in order to process a transaction, service an account or as permitted by law. Additionally, we may share information with outside companies that perform administrative services for us. However, our contractual arrangements with these service providers require them to treat your information as confidential.

In order to protect your personal information, we maintain physical, electronic and procedural safeguards to protect your personal information. Our Privacy Policy restricts the use of client information and requires that it be held in strict confidence.

**Client Notifications**

We are required by law to annually provide a notice describing our privacy policy. In addition, we will inform you promptly if there are changes to our policy. Please do not hesitate to contact us with questions about this notice by calling ACG at 308-385-1500, e-mailing ACG at: [info@allencapgroup.com](mailto:info@allencapgroup.com), or writing to Mark Allen at 3032 West Stolley Park Road, Suite E, Grand Island NE, 68801.