

**Item 1 Cover Page**

**Allen Capital Group, LLC**

**A Registered Investment Adviser Firm**

**IARD/CRD Number: 135879**

**SEC Number: 801-64514**

**ADV Part 2 Disclosure Brochure**

**September 29, 2015**

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This brochure provides information about the qualifications and business practices of **Allen Capital Group, LLC**. If you have any questions about the contents of this brochure, please contact us at Phone: 308-385-1500 or [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 Form ADV Part 2A Disclosure Brochure amendments were dated March 10, 2014 and March 20, 2015. There are four material changes to Allen Capital Group, LLC's Form ADV Part 2A Disclosure Brochure.

ACG now has an additional Broker-Dealer/Custodian arrangement with TDAmeritrade, Inc., a SEC registered broker/dealer, member FINRA, SIPC. See Item 4 Advisory Business on page 3, and Item 12 Brokerage Practices on page 8.

Mark Allen, CFP® and Matt Thury CFA® are now ACG's managing investment committee members. See Item 8 Methods of Analysis, Investment Strategies and Risk of Loss on page 6.

ACG now provides a Retirement Plan Advisory and Review Program for Plan Sponsors and their Qualified Retirement Plans. See Item 4 Advisory Business on page 4 and Item 5 Fees and Compensation on page 5.

Mark Allen is now a 20% owner-member of Veritas Professional Group, LLC, a CPA firm. See Item 10 Other Financial Industry Activities and Affiliations on page 8.

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#### **Item 4 Advisory Business**

**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 or CFA designation.

#### **Investment Management Program**

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.

ACG has Broker-Dealer/Custodian arrangements with Charles Schwab & Co. (Schwab), a SEC registered broker/dealer, member FINRA, SIPC and TD Ameritrade, Inc., a SEC registered broker/dealer, member FINRA, SIPC. All variable annuities managed within Investment Management Program accounts are held at the corresponding insurance company’s custodian of record and will have their variable annuity sub-account transactions processed through the Custodians of record for the variable annuities.

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, variable annuity sub-accounts, or other alternative securities selected by ACG for client accounts.

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 ADVISER inadvertently receive proxy information for a security held in account, such information shall be immediately forwarded to client.

Clients may receive quarterly performance reports from ACG describing account performance and holdings. Clients will receive a monthly account statement from the Custodian showing the account activity as well as positions held in the account at month’s end. No less than on a quarterly basis, clients will receive a statement from the Custodian for transactions and holdings.

ACG may now 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.

ACG has \$232,000,000 of assets under discretionary management in its Investment Management Program as of December 31, 2014. ACG does not manage assets on a non-discretionary basis.

#### **Financial Planning Services**

ACG provides Financial Planning Services to clients. Financial Planning Services include investment related planning and non-investment related planning services. When providing financial planning services, ACG will obtain financial information and documents from clients to determine the appropriate advice to be provided to them. ACG provides the following Financial Planning Services:

- Current Plan Results Reviews
- What If Planning Scenario Comparisons
- Monte Carlo Investment Analysis Simulations
- Life Insurance/Disability Needs Analysis
- Long-Term Care Needs Analysis
- Trust and Estate Planning reviews

ACG's Financial Planning Services are tailored to the individual needs of each client. ACG obtains financial information from prospective clients to determine the suitability of ACG's Financial Planning Services. Each client may impose limits on the type of Financial Planning Services provided to them by ACG.

The Financial Planning Services being provided by ACG do not include investment management services, nor do they include the regular review of client's investment assets. If client wants to have ACG manage their investment assets, a separate Investment Management Program agreement must be entered into with ACG for separate and additional fees.

If a Financial Planning Service client chooses to implement the advice of an ACG IAR, the client may do so through the IAR in their separate capacity as an ACG IAR, registered representative of PKS and/or an independent insurance agent. When implementing transactions in these separate capacities, the IAR may earn fees or commissions. If fees or commissions are earned, the IAR may waive or reduce the financial planning or consultation fee by the amount of the fees or commissions actually received by the IAR.

#### **Retirement Plan Advisory and Review Program**

ACG provides a Retirement Plan Advisory and Review Program which may include a Second Opinion Survey for Plan Sponsors and their Qualified Retirement Plans. The covered qualified retirement plans include 401(k) Plans, Defined Contribution Plans, Profit Sharing Plans, and Defined Benefit Plans and other qualified retirement plans(collectively referred to as Qualified Retirement Plans). The following are the services that are provided:

- Review for Investment Policy Statements and verify compliance.
- Develop new Investment Policy Statements (a) where none exist or (b) are out of date.
- Review selection of Investment options and allocations.
- Conduct meetings and reviews with Investment Committee.
- Conduct a review to improve participation within the plan by plan participants.
- Review plan fee costs and disclosures to meet with current Department of Labor regulations.
- Assist plan participants in selecting and implementing their investment allocations from the investment options available to them.
- Other services may also be provided by ACG to Plans.

ACG is not an ERISA Section 3(38) Investment Manager Fiduciary that makes investment management decisions and has discretionary authority for Qualified Retirement Plan assets. However, ACG is an ERISA Section 3(21) Limited Services Fiduciary that only makes recommendations to Qualified Retirement Plans.

#### **ACG Wrap Fee Program Disclosures**

ACG currently sponsors a Wrap Fee Program. ACG and ACG IARs also act as portfolio managers in the ACG Wrap Fee Program. For a more detailed description of the Wrap Fee Program please review the ACG Wrap Fee Program Brochure.

### **Item 5 Fees and Compensation**

#### **Investment Management Program**

Clients compensate ACG for all services furnished under the Investment Management Program by the payment of fees (Management Fees) in accordance with the following Management Fee Schedule:

#### **Management Fee Schedule**

Clients compensate ACG for all services furnished under the Investment Management Program by the payment of fees (Management Fees) that is based on a percentage of the assets under management. ACG charges an

annualized Management Fee that ranges up to 1.75%, depending on a number of factors including the size and complexity of the client account.

If a client account is referred from a Referral Advisor and Referral Advisor Representative to ACG, the Referral Advisor and Referral Advisor Representative may receive up to 50% of ACG's Management Fee.

Management Fees will be calculated at the beginning of each month. Management Fees will be prorated 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 do not take into account securities that are not priced. Management Fees will be deducted from 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. Management Fees will be noted on Client's monthly Custodian/Broker-Dealer statements.

Client may have Management Fees paid from other accounts or custodians, or be billed directly by invoice; in such cases Management Fee deductions will be noted as zero on the client's monthly Custodian statements.

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 and variable annuity internal expenses, commissions, sales loads, 12(b)-1 fees, trail fees and surrender charges. The purchase of mutual fund shares in client's account can result in certain processing and mailing charges that are not incurred when shares are purchased directly from the mutual fund company.

Broker-Dealer and Custodian fees, expenses, and commission charges are separate and distinct from the fee charged by ACG.

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 Management Fee not already earned by the ACG. ACG will advise the Broker-Dealer and Custodian to deliver securities and funds held at the Custodian 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.

### **Financial Planning Services**

Clients will compensate ACG for all Financial Planning Services furnished to them by the payment of fees ("Financial Planning Fees"), which are due and payable upon completion of the financial planning services provided by ACG. The Financial Planning Fees for the services being rendered do not include payment for other professional services, which may be required by clients to implement the recommendations made by ACG. Clients will be billed at a fixed fee rate of up to \$5,000 or an hourly rate of up to \$ 200 per hour. ACG's minimum financial planning fee is \$ 100. However, the minimum Financial Planning Fees are negotiable. Financial Planning Fees will be determined by the IAR based upon the complexity of the client's financial situation and the services being provided and will be disclosed to the client prior to the services being provided. Certain managing members, employees, investment advisor representatives ("IARs") or agents of ACG, may maintain various business relationships which may result in these persons receiving compensation other than Financial Planning Fees. The receipt of such compensation may be considered to represent a conflict of interest.

ACG's Financial Planning Services may be terminated by either ACG or the client effective upon receipt of written notice to the other party. Upon termination, client will receive a refund of any Financial Planning Fees not already earned by the ACG. Any Financial Planning Fees owed by client are immediately due and payable at the termination of the Financial Planning Agreement.

### **Retirement Plan Advisory and Review Program**

ACG's Investment Advisory Fee is based on a maximum of 1.0% of Plan assets, with a minimum fee of \$10,000. However, the Investment Advisory minimum is negotiable at the discretion of ACG.

ACG's Investment Advisory Fees are paid quarterly in arrears based upon previous quarter's ending balance of the assets invested in the Plan.

ACG's Retirement Plan Advisory and Review Program is best suited to employers of 50 or more employees or plans with \$1,000,000 or more of assets. For Qualified Plans with fewer employees or assets of less than \$1,000,000 a negotiated fee will be considered for the scope of work to be performed.

ACG's Retirement Plan Advisory and Review Program may be terminated by ACG or Qualified Plan by giving to other party written notice. The agreement will then be terminated upon the receipt of the termination notice by the other party. Any prepaid, unearned fees will be refunded to the Qualified Plan. ACG doesn't charge a termination fee.

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

Mark Allen in this capacity as registered representative of Purshe Kaplan Sterling Investments (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.

ACG IARs receive less than 5% of their income from these other Broker-Dealer and Insurance activities.

ACG addresses these Compensation conflicts through the following **Compliance Oversight Policies**:

- **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.

Mark Allen, the Chief Compliance Officer (CCO) of ACG or his designees are responsible for supervising ACG advisory 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.

Clients always have the option of purchasing recommended investment and insurance products through other broker-dealers and insurance agents that are not affiliated with ACG or PKS.

### **General ACG Fee Disclosure**

Management Fees, Financial Planning Fees and other charges related to ACG's advisory programs and services may be more than the cost of purchasing the same services separately or similar services elsewhere.

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

ACG does not conduct any Performance-Based Fees advisory business.

## **Item 7 Types of Clients**

ACG generally provides investment 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.

Planning Fee Minimum - ACG charges a minimum fee of \$100 for Financial Planning Services. Exceptions may be granted to this minimum at the discretion of ACG.

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

### **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 that is established with ACG. Mark Allen and Matt Thury are the managing members of ACG's investment committee. They provide investment advice to their clients based on what is suitable for each client. Reviews are conducted for all accounts on an ongoing basis. They 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 Investment Management Program accounts may receive periodic performance reports from ACG showing the investment performance of their accounts. Investing in securities involves risk that clients should be prepared to bear.

### **Investment Strategies**

The core of ACG's investment committee philosophy is to manage risk by using tactical allocations. We seek to provide capital appreciation through capital preservation. We hold and rebalance a variety of assets that maintain a healthy balance throughout all market environments. The rebalancing process allows us to shift assets into areas we feel will provide the greatest return without taking on excess risk. The majority of the mutual funds we hold are actively managed; we constantly evaluate the performance of the funds as well as monitor any changes in management that may have an impact on future performance. Alongside our mutual funds we invest in exchange traded funds that follow the overall direction of specific indices. These exchange traded funds are passively managed.

We structure our investment models based on risk, asset class exposure and income purposes. Five of our models are primarily weighted on a risk exposure basis. As a model takes on more risk it holds less cash and asset class weightings shift from bonds to more equity related mutual funds and ETFs. Two of our models are focused on income, one having more conservative investments than the other.

ACG uses both long term (over a year) purchases and short term (under a year) purchases in their investment strategies. The primary investment research tools used by ACG are the internet, financial research material prepared by others, corporate rating services, annual corporate reports, prospectuses, and company press releases.

### **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 and ACG IARs may use with client accounts.

## **Item 9 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.

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

### **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 representatives of 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 representatives 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**

IARs are also licensed as an insurance agent, 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**

ACG provides tax planning and accounting services under ACG Enhanced Services, a DBA of ACG. 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.

Mark Allen is now a 20% owner-member of Veritas Professional Group, LLC, (Veritas), a Certified Public Accounting (CPA) 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.

### **Conflicts Regarding Other Financial Industry Activities and Affiliations**

ACG addresses these conflicts through the following **Compliance Oversight Policies**:

- **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.

Mark Allen, Chief Compliance Officer (CCO) of ACG and his designees are responsible for supervising ACG advisory accounts, planning activities and referrals to other investment advisers. 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 Broker-Dealer and advisory compliance responsibilities to a designee that will report to him.

## **Item 11 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 ADVISER'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

## **Item 12 Brokerage Practices**

### **ACG Brokerage and Custodian Relationships**

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

ACG has Broker-Dealer/Custodian arrangements with Charles Schwab & Co. a SEC registered broker/dealer, member FINRA, SIPC and TD Ameritrade, Inc., a SEC registered broker/dealer, member FINRA, SIPC.

All variable annuities managed within Investment Management Program accounts are held at the corresponding insurance company's custodian of record.

ACG will recommend these Broker-Dealer/Custodians to clients for custody and brokerage services. There is no direct link between ACG, these Broker-Dealer/Custodians and the investment advice ACG gives to our clients, although ACG receives economic benefits through its participation in these Broker-Dealer/Custodians' advisory accounts, custody and brokerage services 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.

Some of the products and services made available by these Broker-Dealer/Custodians 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 these Broker-Dealer/Custodians. Other services made available by these Broker-Dealer/Custodians 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 these Broker-Dealer/Custodians 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. All variable annuities managed within the Investment Management Program by ACG will have their variable annuity sub-account transactions processed through the Custodian of record for the variable annuity.

**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.

#### **Additional Information on ACG's Relationship with PKS**

If clients wish to have ACG's Mark Allen implement advice in his capacities as registered representative, his broker/dealer, PKS, will be used. Mark Allen is required to use the services of PKS when acting in his capacities as registered representatives.

PKS has a wide range of approved securities products for which PKS performs due diligence prior to selection. PKS's registered representatives are required to adhere to these products when implementing securities transactions through PKS. Commissions charged for these products may be higher or lower than commissions clients may be able to obtain if transactions were implemented through another broker/dealer. PKS also provides Mark Allen, and therefore ACG, with back-office operations, technology, and other administrative support services. Other services may include planning, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing. Such services are intended to help ACG manage and further develop its business enterprise.

PKS also makes available to ACG other products and services that benefit ACG but may not directly benefit its clients' accounts. Some of these other products and services assist ACG in managing and administering client accounts. These include:

- Software and other technology that provide access to client account data (such as trade confirmations and account statements);
- Facilitate trade execution;
- Provide research, pricing information and other market data;
- Facilitate payment of ACG's fees from its clients' accounts; and
- Assist with back-office functions; recordkeeping and client reporting.

Many of these services may be used to service ACG's accounts, including accounts not held through PKS.

Broker-Dealer and Custodian fees, expenses, and commission charges are separate and distinct from the fee charged by ACG.

#### **General Brokerage Disclosures**

ACG does not permit clients to direct ACG to use other broker-dealers than the broker-dealers selected and used by ACG for Investment Management Program accounts.

## **Item 13      Review of Accounts**

### **Investment Management Program**

ACG will obtain financial information from prospective clients to determine the suitability of ACG's Investment Management Program and to determine the appropriate investment objectives that are specific for each client account that is established with ACG. ACG's investment committee and IARs give investment advice to their clients based on what is suitable for each client. Clients may impose restrictions on investing in certain securities or types of securities.

Reviews are conducted for all models and accounts on an ongoing basis. ACG's investment committee and IARs review investment performance, suitability, appropriate asset allocation, and monitor accounts and models for any changes or updates that are needed.

Clients may request periodic performance reports from ACG describing account performance and holdings. Clients will receive a monthly account statement from the Custodian showing the account activity as well as positions held in the account at month's end. No less than on a quarterly basis, client will receive a statement from the Custodian for transactions and holdings.

### **Financial Planning Services**

As a general rule, clients utilizing ACG's Financial Planning Services do not receive statement or reports from ACG. In addition, ACG does not conduct follow up reviews of Financial Planning Services without a client's request.

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

### **Referrals to Other Investment Advisers**

Neither ACG nor ACG IARs directly or indirectly receive any compensation from any persons or entities for client referrals to other investment advisers.

### **Referrals from Other Investment Advisers**

**Referral Advisors-** 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 and Referral Advisor Representative to ACG, the Referral Advisor and Referral Advisor Representative may receive up to 50% of ACG's Fee. Therefore, a Referral Advisor and Referral Advisor Representative may have an incentive to recommend ACG Investment Management Programs over other programs and services. This Referral Fee may increase the Fee a client is charged by ACG. All Referral Fees paid by a client to a Referral Advisor and Referral Advisor Representative will be fully disclosed to the client.

Referral Advisors and their Referral Advisor Representatives are responsible for providing client with ACG's Form ADV Part 2, and assisting clients in accurately completing ACG's Asset Management Agreement documents. Referral Advisors and Referral Advisor Representatives will be the primary communication contacts with clients on behalf of ACG. Such communication may include face to face meetings, telephone communications, e-mail communications, and mailings. Referral Advisors and Referral Advisor Representatives shall be responsible for the initial review and suitability determinations on the account(s) that their referred clients establishes with ACG.

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

Mark Allen is licensed as registered representatives of PKS, a registered broker-dealer with the SEC and the FINRA, and a member of the SIPC. PKS broker-dealer commissions are comparable to other full services brokers. Some advice offered by the Mark Allen in his capacity as a registered representatives 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 capacities as registered representatives. 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.

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.

#### **Item 15 Custody**

ACG has custody of client assets due to our ability to deduct fees from client accounts. The Broker-Dealer/Custodian of client assets sends account statements directly to clients. Clients receive account statements from the Broker-Dealer/Custodian. 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. ACG may also be deemed to have custody of client funds when its affiliated bookkeeping and accounting service provider, ACG Enhanced Services provides accounting, tax planning, bookkeeping, bill paying and payroll services for clients who are also ACG advisory clients. 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.

#### **Item 16 Investment Discretion**

ACG uses discretionary trading authority in its Investment Management Program 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, variable annuity sub-accounts, or other alternative securities selected by ACG for client accounts.

#### **Item 17 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.

#### **Item 18 Financial Information**

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

## DBS Item 1 Cover Page

### Disclosure Brochure Supplement (DBS) September 1, 2015

**Mark J. Allen, CFP**  
**Investment Adviser Representative**  
**Managing Member, Chief Compliance Officer**

**CRD Number:** 4581548

**Phone:** 308-385-1500

**E-mail:** [mark@allencapgroup.com](mailto:mark@allencapgroup.com)

**Office:** 3032 West Stolley Park Road, Suite E, Grand Island NE, 68801

This Disclosure Brochure Supplement provides information about Mark Allen that supplements the ACG's Disclosure Brochure referenced above. If you have any questions about the contents of the ACG Disclosure Brochure and Disclosure Brochure Supplement, please contact ACG by phone at 308-385-1500 or e-mail at [info@allencapgroup.com](mailto:info@allencapgroup.com). Additional information about Mark Allen and ACG is available on the SEC's website at: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## DBS Item 2 Educational Background and Business Experience

### Education

- Texas Tech University, Lubbock TX, MS in Family Financial Planning, 8/00 to 5/02
- Doane College, Crete NE, BA in Business Administration, 1/96 to 12/99
- University of Nebraska, Lincoln NE, General Studies, 8/95 to 12/95

### Business Background over the last five (5) years

- Allen Capital Group, LLC, Investment Adviser, Managing Member, Chief Compliance Officer, 7/2005 – Present
- Veritas Professional Group, LLC, CPA firm, LLC Member, 9/2015 - Present
- Purshe Kaplan Sterling Investment, Inc. Broker-Dealer, Registered Representative, 7/2005 – Present
- Longleaf, LLC, Real Estate Management Firm, Managing Member, 1/2011 - Present
- Parklane Apartments, LLC, Real Estate, Managing Member 06/2012-Present
- IPS, LLC, Real Estate, Managing Member 10/2012-Present

### Professional Designations

**Certified Financial Planner** - (CFP®) is a professional designation and a professional certification mark for financial planners conferred by the Certified Financial Planner Board of Standards, Inc.(CFP Board). A CFP® candidate must meet several requirements:

- Have a bachelor's degree or higher from an accredited U.S. college or university and master a list of nearly 100 topics on integrated financial planning.
- Complete a 10-hour multiple choice exam that is designed to assess the student's ability to apply his or her knowledge to the various areas of financial planning.
- Have three years of work experience in the financial planning field or related professions.

Once the CFP ® designation has been earned, each Certificant is required to adhere to the CFP Board Code of Ethics and Professional Responsibility and to the Financial Planning Practice Standards. The CFP Board has the right to enforce them through its Disciplinary Rules and Procedures. To maintain certification, each Certificant is also required to complete ongoing continuing education requirements and pay an ongoing licensing fee.

### **DBS Item 3 Disciplinary Information**

Mark Allen (IAR) has no disciplinary information history to disclose.

### **DBS Item 4 Other Business Activities**

#### **Broker-Dealer**

IAR is also a registered representative of Purshe Kaplan Sterling Investments, a registered broker-dealer (BD) with the SEC and the FINRA. In this capacity, IAR 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. If you elect to purchase securities through IAR in his role as a registered representative, this will not occur in advisory accounts of RIA but rather in brokerage accounts held at the BD. This presents a conflict of interest as it gives IAR an incentive to recommend investment products based on the compensation received, rather than on your needs. To address this conflict, IAR will only receive commissions for the sale of securities or other investment products when selling securities through the BD, and not for accounts advised through the RIA. You always have the option to purchase securities or other investment products that IAR recommends through other unaffiliated brokers-dealers. IAR currently spends less than 5% of his business time on these BD activities.

#### **Insurance**

IAR is licensed as an insurance agent. In this capacity IAR will be paid commission for the sales of fixed insurance products. This presents a conflict of interest as it gives IAR 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. IAR currently spends less than 5% of his business time on his insurance activities.

#### **Accounting**

IAR is a 20% owner-member of Veritas Professional Group, LLC, (Veritas), a CPA 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. IAR currently spends less than 5% of his business time on these activities.

#### **General Client Conflict Resolution**

IAR addresses conflicts with his/her other business activities by doing the following:

- IAR must disclose any potential or actual conflicts of interest when dealing with clients.
- IAR is subject to the following specific obligations when dealing with clients:
  - The duty to have a reasonable, independent basis for his investment and other financial advice;
  - The duty to ensure that all investment and financial advice is suitable to meeting the client's individual objectives, needs, and circumstances; and,
  - A duty to be loyal to clients.

### **DBS Item 5 Additional Compensation**

IAR has no additional financial industry compensation.

### **DBS Item 6 Supervision**

Mark Allen is supervised by the other Managing Member of ACG, Eric Allen regarding his investment adviser activities. Eric Allen's phone number is **308-385-1500**, his e-mail address is [ej@allencapgroup.com](mailto:ej@allencapgroup.com); and mailing address is **3032 West Stolley Park Road, Suite E, Grand Island NE, 68801**.

## **DBS Item 1 Cover Page**

### **Disclosure Brochure Supplement (DBS) March 1, 2014**

**Eric J. "Rick" Allen, CFP**  
**Investment Adviser Representative**  
**Managing Member**

**CRD:** 808930

**Phone:** 308-385-1500

**E-mail:** [ej@allencapgroup.com](mailto:ej@allencapgroup.com)

**Office:** 3032 West Stolley Park Road, Suite E, Grand Island NE, 68801.

This Disclosure Brochure Supplement provides information about Eric Allen that supplements ACG's Disclosure Brochure referenced above. If you have any questions about the contents of the ACG Disclosure Brochure and Disclosure Brochure Supplement, please contact ACG by phone at 308-385-1500 or e-mail at [info@allencapgroup.com](mailto:info@allencapgroup.com). Additional information about Eric Allen and ACG is available on the SEC's website at: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **DBS Item 2 Educational Background and Business Experience**

### **Education**

Kearney State College, Kearney NE, BA in Sociology, 1966 to 1970

### **Business Background over the last five (5) years**

- Allen Capital Group, LLC, Investment Adviser, Managing Member, 7/2005 - Present
- Purshe Kaplan Sterling Investment, Inc. Broker-Dealer, Registered Representative, 7/2005 – 12/31/2013

### **Professional Designations**

**Certified Financial Planner** - (CFP®) is a professional designation and a professional certification mark for financial planners conferred by the Certified Financial Planner Board of Standards, Inc. (CFP Board). A CFP® candidate must meet several requirements:

- Have a bachelor's degree or higher from an accredited U.S. college or university and master a list of nearly 100 topics on integrated financial planning.
- Complete a 10-hour multiple choice exam that is designed to assess the student's ability to apply his or her knowledge to the various areas of financial planning.
- Have three years of work experience in the financial planning field or related professions.

Once the CFP ® designation has been earned, each Certificant is required to adhere to the CFP Board Code of Ethics and Professional Responsibility and to the Financial Planning Practice Standards. The CFP Board has the right to enforce them through its Disciplinary Rules and Procedures. To maintain certification, each Certificant is also required to complete ongoing continuing education requirements and pay an ongoing licensing fee.

## **DBS Item 3 Disciplinary Information**

Eric "Rick" Allen (IAR) has no disciplinary information history to disclose.

## **DBS Item 4 Other Business Activities**

### **Insurance**

IAR is licensed as an insurance agent. In this capacity IAR will be paid commission for the sales of fixed insurance products. This presents a conflict of interest as it gives IAR 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. IAR currently spends less than 5% of his/her business time on his insurance activities.

**General Client Conflict Resolution**

IAR addresses conflicts with his other business activities by doing the following:

- IAR must disclose any potential or actual conflicts of interest when dealing with clients.
- IAR is subject to the following specific obligations when dealing with clients:
  - The duty to have a reasonable, independent basis for his investment and other financial advice;
  - The duty to ensure that all investment and financial advice is suitable to meeting the client's individual objectives, needs, and circumstances; and,
  - A duty to be loyal to clients.

**DBS Item 5 Additional Compensation**

IAR has no additional financial industry compensation.

**DBS Item 6 Supervision**

Eric Allen is supervised by the other Managing Member and CCO of ACG, Mark Allen regarding his investment adviser activities. Mark Allen's phone number is **308-385-1500**, his e-mail address is [mark@allencapgroup.com](mailto:mark@allencapgroup.com); and mailing address is **3032 West Stolley Park Road, Suite E, Grand Island NE, 68801**.



# **Allen Capital Group, LLC**

## **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, or writing to Mark Allen at 3032 West Stolley Park Road, Suite E, Grand Island NE, 68801.