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Allegheny Investments, LTD
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Pittsburgh, PA 15237
412-367-3880
1-800-899-3880
www.alleghenyinvestments.com
March 30, 2011

This Brochure provides information about the qualifications and business practices of Allegheny Investments, LTD. If you have any questions about the contents of this Brochure, please contact us at 412-367-3880 or comments@alleghenyfinancial.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Allegheny Investments, LTD, “Allegheny” is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Allegheny also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

On July 28, 2010, the United State Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated March 30, 2011, is a new document prepared according to the SEC’s new requirements and rules. As such, this Document is materially different in structure and requires certain new information that our previous brochure did not require.

In the future, this Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Compliance at 412-367-3880 or compliance@allegHENYfinancial.com. Our Brochure is also available on our web site www.allegHENYinvestments.com, also free of charge.

Additional information about Allegheny is also available via the SEC’s web site www.adviserinfo.sec.gov. The SEC’s web site also provides information about any persons affiliated with Allegheny who are registered, or are required to be registered, as investment adviser representatives of Allegheny.

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Item 4 – Advisory Business

Allegheny offers asset management and portfolio management services to clients and is a dually registered investment adviser and licensed broker dealer. Allegheny provides a full range of financial products to clients including mutual funds, bonds, stocks, private placements and direct investments. Allegheny is under common control with Allegheny Financial Group, LTD, a federally registered investment adviser. Certain, but not all, Allegheny registered representatives are investment adviser representatives.

Allegheny Financial Group, LTD was founded in 1976 by James D. Hohman and James J. Browne to provide comprehensive financial planning to clients in the Greater Pittsburgh area. Messrs. Browne and Hohman began attracting like-minded professionals intent on providing exceptional financial planning services to their clients. In 1977, Messrs. Hohman and Browne founded Allegheny Investments, LTD, “Allegheny” to provide brokerage services for Allegheny Financial Group clients. Allegheny grew into a network of independent financial advisors equipped to provide clients with access to investment and insurance products together with financial planning services.

Today, Allegheny is one of the oldest and largest independent broker dealers headquartered in Pittsburgh. Allegheny is a member of the Financial Industry Regulatory Authority “FINRA”, the Securities Investor Protection Corporation “SIPC”, and the Municipal Securities Rulemaking Board “MSRB”.

The majority of Allegheny advisory client brokerage accounts are opened with Allegheny serving as the introducing broker and National Financial Services (“NFS”) serving as the clearing broker dealer and qualified custodian. However, Allegheny advisory clients have the option of choosing to place transactions through a different broker dealer, and may choose to have their accounts held at a different qualified custodian. Unless instructed otherwise by our clients, Allegheny Advisors place all transactions through Allegheny.

Allegheny develops individualized investment plans for each client based upon an analysis of client objectives, risk tolerance, time frame and other data. Allegheny clients may impose restrictions on investments in certain securities, or certain types of investments.

Allegheny generates at least 98% of advisory billings from financial planning and asset management services. Less than 2% is generated through oversight of managed accounts or provision of other services.

Allegheny manages \$910,165,325.00 client assets on a non-discretionary basis and \$2,778,710.00 on a discretionary basis.

Allegheny’s business strategies and investment policies are determined by the following individuals who are shareholders and members of the board of directors of both corporations:

Ralph S. Boyd, Jr. Born 12/19/1968

- Robert Morris University, B.S
- Penn State University, A.S.
- 2002 to Present: financial planner, Allegheny Investments/Allegheny Financial Group
- 2007 to Present: Board member, AFG
- 2007 to Present: Board member, AI
- Certified Financial Planner ®

James J. Browne Born 01/19/1941

- St Mary's University, M.A.
- University of Pittsburgh, M.A.
- 1976 to Present: Director, AFG
- 1976 to Present: financial planner, Allegheny Financial Group
- 1978 to Present: Director, AI
- 1978 to Present: financial planner, Allegheny Investments
- 2006 to Present: Chairman of the Board, AFG
- 2006 to Present: President, Founder, Pittsburgh Chapter of the International Association for Financial Planning
- Certified Financial Planner ®

Brandon J. Haynes Born 01/03/1973

- Grove City College, B.S.
- 1996 to Present: financial planner, Allegheny Investments
- 1998 to Present: financial planner, Allegheny Financial Group
- 2007 to Present: Board member, AFG
- 2007 to Present: Board member, AI
- Certified Financial Planner ®

James D. Hohman Born 08/27/1937

- St. Vincent's College, B.A.
- St. Mary's University, M.A.
- 1976 to Present: Director, AFG
- 1976 to Present: financial planner, Allegheny Financial Group
- 1977 to Present: Director, AI
- 1978 to Present: financial planner, Allegheny Investments
- 2006 to Present: President, AI
- Certified Financial Planner ®

R. Steven Hurst Born 11/30/1971

- Grove City College, B.S.
- 1994 to Present: financial planner, Allegheny Investments/Allegheny Financial Group
- 2007 to Present: Board member, AFG
- 2007 to Present: Board member, AI
- Certified Financial Planner ®

Jonathan A. Kuhn Born 10/17/1971

- Grove City College, B.S.
- 1994 to Present: financial planner, Allegheny Investments/ Allegheny Financial Group
- 2007 to Present: Board member, AFG
- 2007 to Present: Board member, AI
- Certified Financial Planner ®

Michael A. Montileone Born 06/28/1963

- University of Maryland, B.S.
- 1992 to Present: financial planner, Allegheny Investments/ Allegheny Financial Group
- 2007 to Present: Board member, AFG
- 2007 to Present: Board member, AI
- Certified Financial Planner ®

Jennifer S. Schrauder Born 06/30/1970

- Robert Morris College, M.B.A.
- Westminster College, B.S.
- 1997 to Present: financial planner, Allegheny Investments/Allegheny Financial Group
- 2007 to Present: Board member, AFG
- 2007 to Present: Board member, AI
- Certified Financial Planner ®

Raymond L. Schutzman Born 05/11/1954

- Ohio University, M.B.A.
- La Salle University, B.S.
- 1990 to Present: financial planner, Allegheny Investments
- 1997 to Present: financial planner, Allegheny Financial Group
- 2007 to Present: Board member, AFG
- 2007 to Present: Board member, AI
- Certified Financial Planner ®

Karl G. Smrekar, Jr. Born 08/05/1954

- Indiana University of Pennsylvania, B.A.
- University of Pennsylvania, post graduate studies.
- 1984 to Present: financial planner, Allegheny Financial Group
- 1985 to Present: financial planner, Allegheny Investments
- 1997 To Present: Director, AFG
- 1997 To Present: Director, AI
- Certified Financial Planner ®

Deborah A. Turek Born 04/15/1958

- San Diego State University, B.S.
- 1991 to Present: financial planner, Allegheny Financial Group
- 1992 to Present: financial planner, Allegheny Investments
- 2007 To Present: Board member, AFG
- 2007 To Present: Board member, AI
- Certified Financial Planner ®

Item 5 – Fees and Compensation

Allegheny Advisors provide financial service advice in a number of ways:

- Asset Management Services
- Advised accounts
- Commissioned trades
- Hourly fees

Asset Management Services

Allegheny Advisors may utilize a sophisticated Asset Management Program administered by in house personnel. For more information on these services, please contact your Allegheny advisor.

Generally, fees are billed and collected at least semi-annually, in advance.

Advised Accounts

Allegheny Advisors have flexibility in their client dealings, and often provide advisory services outside of Allegheny's Asset Management Department. In these instances Allegheny clients have the option of working with Allegheny Advisors through one of the arrangements listed below:

- Managed account basis, similar to the fees charged by Asset Management;
- Contract retainer, where Allegheny clients are billed a flat fee, or on an hourly basis for planning services provided
- Commissioned trade, where Allegheny clients pay transactional fees only; or
- A combination thereof.

Fees/ Asset Management

On advised or managed accounts the following are the maximum permissible fees payable by the client to Allegheny:

- 1.50% of assets under management for pools less than \$100,000
- 1.25% of assets under management for pools from \$100,000 to \$300,000
- 1.00% of assets under management for pools from \$300,000 to \$2,500,000
- 0.75% of assets under management for pools from \$2,500,000 to \$5,000,000
- 0.50% of assets under management for amounts in excess of \$5,000,000

Allegheny may, in its sole discretion, deviate from this schedule. Clients may choose whether fees are deducted from the client's account or clients may receive a bill for services provided.

For the purpose of advisory fee calculations Allegheny will combine the advisory accounts of immediate family members. "Immediate family members" are defined as the client, the client's spouse (or equivalent if recognized under local law) and children under the age of 21 who are legal residents of client's household. Allegheny, in its discretion, may permit an Allegheny Advisor to include additional accounts.

The fees will be calculated at the combined rate, which may result in a lower cost to the client. Before accepting any advisory agreement, an Allegheny Supervising Principal shall verify that the funds in all household advisory accounts have been included in the calculation.

Fees assessed and collected by an outside manager or fund company are not included in this schedule. Please check with your advisor if you have any questions. In the unlikely event that the projected cost for advisory and financial services exceeds the amount reflected in this schedule, the Allegheny Advisor must first receive permission from an Allegheny Supervising Principal, and must provide specific justification as to what financial services are being provided in addition to asset management fees. The client must be provided with written notice of the enhanced charges, and must approve them in advance.

In addition to the fees charged by Allegheny, clients may incur brokerage, custodial or mutual fund fees and expenses. Some investments may have additional fees embedded within the product. Please discuss your individual account with your Allegheny Advisor.

In addition to these advisory fees, Allegheny Advisors may receive commission or fees from investment companies or private equity pools or other service fees as a result of transactions executed at the clients' direction. Allegheny clients will receive notification of these commissions.

Receipt of these commissions may present a conflict of interest in that it may give the Allegheny Adviser an incentive to recommend an investment product based on the compensation received. Allegheny addresses this conflict by regularly reviewing billing statements to ensure that commissions are credited against advisory fees or advisory fees are reduced to account for receipt of commissions.

Allegheny endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Allegheny in and of itself creates a potential conflict of interest and may indirectly influence Allegheny's choice for custody and brokerage services.

As a general practice in advisory accounts, Allegheny recommends "level" load funds, and credits the 12b1 fees received on these purchases against the negotiated advisory fee. In appropriate circumstances Allegheny will recommend "no load" funds.

The choice of share classes is a complex issue. Please discuss this with your Allegheny Advisor or Allegheny Compliance to ensure that you understand the choices involved. Additional information on this topic is available on websites maintained by the Securities and Exchange Commission (www.sec.gov) and the Financial Industry Regulatory Association (www.FINRA.org).

Fees for financial plans and other financial services may be negotiated on a flat, retainer, or hourly basis. Allegheny's maximum hourly fee is \$500.00. Fees are negotiated in advance between the Advisor and the Allegheny Client. The amount of the fee charged is determined by several factors including, but not limited to, the size and complexity of the portfolio, the Client's other assets and liabilities, the breadth of the issues explored and any other ancillary advice or services that the client may require. The ultimate plan created may be comprehensive in nature, or may address an individual issue. Typically, half of the fee is paid upon execution of the contract, and the remainder is due upon completion of the work. However, Allegheny clients and Advisors may make other arrangements that are mutually agreeable to all parties.

Once the financial or advisory plan is complete, the Allegheny Client may elect to have the plan executed by their Allegheny Advisor through Allegheny; they may execute the plan on their own; or they may choose to have another broker dealer execute the plan.

Allegheny clients may also contract with Allegheny Advisors for specific investment advice that is less comprehensive than a financial plan. Some Allegheny Advisors are qualified to provide advice, on a consultative basis, on various business and personal matters not involving securities. Fees for these services will be billed at a maximum rate of \$500.00 an hour. Payment of the fee is due upon completion of the work.

Allegheny provides investment advisory services to individuals, trusts, estates, charitable organizations, corporation and other business entities, pension plans, individual retirement account plans, and profit sharing plans.

Using a team approach and in conjunction with other professionals, Allegheny is qualified to provide assistance and advice concerning:

- Business purchase or disposition
- Business disposition
- Business continuation planning
- Succession planning and legacy planning
- Business valuations
- Business financing

Fees for these services are negotiated between the Allegheny Advisor and Allegheny Client, which will be payable as agreed to by the parties.

An Allegheny Client may terminate their advisory contract with Allegheny upon 30 (thirty) days written notice. Upon termination of an advisory contract, Finance shall examine the account and determine whether the Allegheny Client has prepaid any fees. If the Allegheny Client has prepaid fees, Finance shall prorate the fee paid over the applicable period of time and refund any unearned fees to the client.

Best Execution

Clients have the option of selecting a broker dealer to execute the advisory plan. Allegheny Investments may or may not provide the lower cost and better execution. The brokerage commissions for sale of securities charged by Allegheny may be higher or lower than those charged by other broker dealers. Allegheny may not be able to negotiate volume discounts or to obtain best execution in some transactions. Since Allegheny is under common control with Allegheny Financial Group, this may encourage the investment advisor representatives to place the transaction with Allegheny as opposed to a different broker dealer. Allegheny does not receive compensation for directing orders to particular brokerdealers or market centers for execution.

Item 6- Performance-Based Fees and Side by Side Management

Allegheny does not use performance fee arrangements with individual clients. Some Allegheny Advisors may enter into such arrangements with clients involved in pooled investments. These clients will be provided with detailed information prior to the investment.

Given the specialized nature of these arrangements any client considering such an investment will be given detailed information concerning the possible fee structures and risks of these investments.

Item 7-Types of Clients

Allegheny provides portfolio management services to individuals, high net worth individuals, trusts, corporate pension and profit-sharing plans, college savings plans, and charitable organizations. Allegheny has no minimum account requirements. Allegheny sets no minimum account limit for opening or maintaining an account.

Item 8- Methods of Analysis, Investment Strategies and Risk of Loss

Allegheny advisors place a strong emphasis on the financial planning process. During this process, Allegheny advisors:

- a. **DEFINE CLIENT OBJECTIVES** Our Allegheny Advisors ask questions and discover key client issues and concerns, based upon their extensive experience, to build a meaningful evaluation of our clients' finances. These questions include determining risk tolerance, education needs, retirement objectives, long and short-term goals and objectives.
- b. **DEVELOP A FINANCIAL PLAN** Allegheny Advisors analyze assets and liabilities and evaluate risk tolerances to develop a clear picture of our clients' financial status. This enables us to build a plan to meet each client's objectives. The financial plan may contain programs to enhance cash flow, decrease tax liabilities, enhance the funding educational goals or a comfortable retirement, or meet a business or organization's financial goals. Our planning tools enable Allegheny Advisors to chart detailed projections to account for factors that impact our clients' finances, and anticipate changing needs. At the end of the process, Allegheny Advisors provide a very specific set of recommendations. Clients then decide whether to implement these recommendations.
- c. **IMPLEMENT THE FINANCIAL PLAN** Allegheny Advisors work with a team of specialists to select the most appropriate fund managers, insurance providers, and risk managers to ensure consistent portfolio performance.
- d. **MONITOR AND REFINE THE FINANCIAL PLAN** Allegheny Advisors support our clients' portfolio with ongoing and original research to measure performance. Allegheny Advisors report to clients through detailed reports and updates and one-on-one meetings.

Allegheny Advisors primarily use mutual funds in their investment strategy. Risks associated with this include:

Market conditions- The prices of, and the income generated by, the common stocks, bonds and other securities held by the fund may decline due to market conditions and other factors, including those directly involving the issuers of securities held by the fund.

Investing in growth-oriented stocks- Growth-oriented stocks may involve larger price swings and greater potential for loss than other types of investments.

Investing in income-oriented stocks- Income provided by the fund may be reduced by changes in the dividend policies of, and the capital resources available at, the companies in which the fund invests.

Investing in bonds- Rising interest rates will generally cause the prices of bonds and other debt securities to fall. In addition, falling interest rates may cause an issuer to redeem, call or refinance a security before its stated maturity, which may result in the fund having to reinvest the proceeds in lower yielding securities. Longer maturity debt securities may be subject to greater price fluctuations than shorter maturity debt securities.

Bonds and other debt securities are subject to credit risk, which is the possibility that the credit strength of an issuer will weaken and/or an issuer of a debt security will fail to make timely payments of principal or interest and the security will go into default. Lower quality debt securities generally have higher rates of interest and may be subject to greater price fluctuations than higher quality debt securities.

Investing in securities backed by the U.S. government- Securities backed by the U.S. government are guaranteed by the U.S. Treasury or the full faith and credit of the U.S. government are guaranteed only as to the timely payment of interest and principal when held to maturity. Accordingly, the current market values for these securities will fluctuate with changes in interest rates. Securities

issued by government sponsored entities and federal agencies and instrumentalities are neither issued nor guaranteed by the U.S. government.

Investing in mortgage-backed and asset-backed securities- Many types of bonds and other debt securities, including mortgage-back securities, are subject to prepayment risk, as well as the risks associated with investing in debt securities in general. If interest rates fall and the loans underlying these securities are prepaid principal in lower yielding securities, thus reducing the fund's income. Conversely, if interest rates increase and the loans underlying the securities are prepaid more slowly than expected, the expected duration of the securities may be extended. This reduces the potential for the fund to invest the principal in higher yielding securities.

Thinly traded securities- There may be little trading in the secondary market for particular bonds or other debt securities, which may make them more difficult to value or sell.

Investing outside the United States- Securities of issuers domiciled outside the United States, or with significant operations outside the United States, may lose value because of political, social or economic developments in the country or region in which the issuer operates. These securities may also lose value due to changes in the exchange rate of currencies which are more volatile and/or less liquid than those in the United States. Investments outside the United States may also be subject to different settlement and accounting practices and different regulatory, legal and reporting standards than those in the United States. These risks may be heightened in connection with investments in developing countries.

Management- The investment adviser to the fund actively manages the fund's investments. Consequently, the fund is subject to the risk that the methods and analyses employed by the investment adviser may not produce the desired results. This could cause the fund to lose value or its results to lag relevant benchmarks or other funds with similar objectives.

Equity Market Risk- Overall stock market risks may affect the value of the investments in equity strategies. Factors such as U.S. economic growth and market conditions, interest rates, and political events affect the equity markets.

Investment Selection Risk- Our judgments about the attractiveness, value and potential appreciation of a particular asset class or individual security may be incorrect and there is no guarantee that individual securities will perform as anticipated. The value of an individual security can be more volatile than the market as a whole or our intrinsic value approach may fail to produce the intended results. Our estimate of intrinsic value may be wrong or even if our estimate of intrinsic value is correct, it may take a long period of time before the price and intrinsic value converge.

Investing in securities involves the risk of loss. Your investment in a fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency, entity or person. You should consider how this funds fits into your overall investment program.

Item 9-Disciplinary Information

Allegheny is a dually registered broker dealer and investment adviser. As a broker dealer, Allegheny has been involved in some regulatory and civil settlements. However, none of these matters involved any advisory clients, or Allegheny's activities as an investment adviser. For more information on these brokerage issues you may contact Compliance at Allegheny by email or telephone. Information is also available on the FINRA website at www.finra.org/brokercheck.

Item 10-Other Financial Industry Activities and Affiliations

Allegheny Investments' primary business is as a securities broker-dealer. As noted previously, Allegheny is under common control with Allegheny Financial Group, LTD, and the directors of Allegheny are also directors of Allegheny Financial Group. Allegheny also provides insurance products to Allegheny Clients. All outside business activities and any private securities transactions are reported to, and approved by Allegheny Supervising Principals

Allegheny Advisors are also registered representatives of Allegheny Investments and receive commissions on some trades. Some Allegheny Advisors may offer insurance, accounting, or legal services. In total, Allegheny Advisors spend less than 10% of their time on activities not related to the financial services industry.

Allegheny is a dually registered broker dealer and investment advisor. Allegheny has a material relationship with National Financial Services ("NFS"), Allegheny's clearing broker dealer. Allegheny also engages in business as an insurance broker. Many of the associated persons of Allegheny act as insurance agents for the insurance brokerage business. Several certified public accountants serve as Allegheny Advisors.

Individuals affiliated with Allegheny are shareholders and/or general partners or managing members of limited partnerships of limited liability corporations. Upon occasion, Allegheny Advisors may serve as general partners in limited partnerships, and may serve on boards of directors of closely held corporations.

Some Allegheny Advisors are involved in other business activities. Please see the supplement for information concerning your advisor.

Item 11- Code of Ethics

Allegheny has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts, the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Allegheny must acknowledge the terms of the Code of Ethics annually, or as amended.

Allegheny anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which Allegheny has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which Allegheny, its affiliates and/or clients, directly or indirectly, have a position of interest. Allegheny's employees and persons associated with Allegheny, are required to follow Allegheny's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Allegheny and its affiliates may trade for their own accounts in securities and investments which are recommended to and/or purchased for Allegheny's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Allegheny will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of Allegheny's clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually

monitored under the Code of Ethics to reasonably prevent conflicts of interest between Allegheny and its clients.

Allegheny's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Aimee A. Toth, Chief Compliance Officer.

It is Allegheny's policy that the firm will not effect any principal or agency cross securities transactions for client accounts, with the exception of a very limited number of bond transactions with pre-notification to the clients. Allegheny will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise since Allegheny is dually registered as a broker-dealer and investment adviser.

Item 12 – Brokerage Practices

To help the government fight the funding of terrorism and money laundering activities, federal law requires financial institutions, including Allegheny, to obtain, verify and record information that identifies each person who opens an account. Allegheny is required to collect the following information:

- Name
- Date of birth
- Address
- Identification number:
 - U.S. Citizen: taxpayer identification number (Social Security number or taxpayer identification number)
 - Non-U.S. Citizen: taxpayer identification number; passport number and country of issuance; alien identification card number; or government-issued identification showing nationality, residence and a photograph of you.
- Driver's license or other identifying documents

A corporation, partnership, trust or other legal entity will need to provide other information, such as its principal place of business, local office, employer identification number, certified articles of incorporation, government-issued business license, partnership agreement or a trust agreement.

U.S. Department of the Treasury, Securities and Exchange Commission, FINRA and New York Stock Exchange rules already require you to provide most of this information. Rules also may require you to provide additional information, such as your net worth, annual income, occupation, employment information, investment experience and objectives and risk tolerance.

Failure to provide the requested information to verify identity may result in Allegheny's inability to open an account or carry out transactions for you, or may lead to the account being closed.

Allegheny Advisors may be granted limited discretionary authority after meeting certain guidelines established by Allegheny, and obtaining discretionary authority, in writing, from the Allegheny Client. All discretionary accounts must be specifically approved by at least two principals, including a member of Allegheny's Board of Directors.

Allegheny Clients may execute our advice through a broker dealer of their choice. The client's choice of broker dealer will not impact the investment advice.

Allegheny and National Financial Services have entered into a revenue participation program, wherein Allegheny may receive reduced fees or enhanced compensation based upon a certain volume of transactions. The details of this arrangement vary. You may discuss this arrangement with your Allegheny Advisor, or contact Allegheny Compliance.

Item 13 – Review of Accounts

Allegheny Advisors contact their clients at least semi-annually, as well as schedule meetings with them at least annually to review the performance of Allegheny Clients' advisory accounts, and discuss any changes in the clients' finances, financial goals, or profile. An Allegheny supervising principal reviews every client transaction. Each financial plan or report is reviewed by at least one Allegheny Advisor in addition to the Advisor preparing the plan.

Allegheny Advisors monitor client portfolios on a constant basis. Allegheny supervising principals, in conjunction with Compliance, review client information on an ongoing basis. Allegheny relies in part on technology but also reviews and audits other information.

Allegheny Advisors and Allegheny home office personnel are available during normal business hours to answer questions or other inquiries from Allegheny Clients.

Item 14 – Client Referrals and Other Compensation

Allegheny does not compensate any entities for client referrals and does not use solicitors.

Item 15 – Custody

Clients receive statements at least quarterly from the qualified custodian that holds and maintains the client's investment assets. Allegheny urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Allegheny Advisors generally do not take custody of any client funds or securities. In the few instances where an Advisor does have custody, Allegheny closely monitors the account and obtains all required regulatory audits.

Item 16 – Discretion

Allegheny may receive limited discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, this discretion is exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, Allegheny observes the investment policies, limitations and restrictions of the client.

Investment guidelines and restrictions must be provided to Allegheny in writing.

Item 17 – Voting Client Securities

As a matter of firm policy and practice, Allegheny does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios.

Item 18 – Financial Information

Registered investment advisers are required to provide you with certain financial information or disclosures about Allegheny's financial condition. Allegheny has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

Item 19-Professional Designation Definitions

CFP - Certified Financial Planner

Awarded by the Certified Financial Planner Board of Standards, Inc.

CFP - Certified Financial Planner	
Designation	Certified Financial Planner
Designation Status	Currently offered and recognized by the issuing organization
Acronym	CFP
Issuing Organization	Certified Financial Planner Board of Standards, Inc.
Prerequisites/Experience Required	Candidate must meet the following requirements: <ul style="list-style-type: none">• A bachelor's degree (or higher) from an accredited college or university, and• Three years of full-time personal financial planning experience
Educational Requirements	Candidate must complete a CFP-board registered program , or hold <u>one</u> of the following: <ul style="list-style-type: none">• CPA• ChFC• Chartered Life Underwriter (CLU)• CFA• Ph.D. in business or economics• Doctor of Business Administration• Attorney's License
Examination Type	CFP Certification Examination
Continuing Education/Experience Requirements	30 hours every two years
Investor Complaint Process	Online at Submit a Complaint
Public Disciplinary Process	Online at Public Disciplinary Actions
Check Professional's Status Online	Online at Search for a Certified Financial Planner Professional
Accredited By	National Commission for Certifying Agencies (NCCA)

ChFC - Chartered Financial Consultant
 Awarded by the American College, Bryn Mawr, PA

ChFC - Chartered Financial Consultant	
Designation	Chartered Financial Consultant
Designation Status	Currently offered and recognized by the issuing organization
Acronym	ChFC
Issuing Organization	The American College
Prerequisites/Experience Required	Three years of full-time business experience within the five years preceding the awarding of the designation
Educational Requirements	Six core and two elective courses
Examination Type	Final proctored exam for each course
Continuing Education/Experience Requirements	30 CE credits every two years
Investor Complaint Process	Online at Submit a Customer/Consumer Complaint
Public Disciplinary Process	None
Check Professional's Status Online	None
Accredited By	None

CFA - Chartered Financial Analyst

Awarded by the Association for Investment Management Research

CFA - Chartered Financial Analyst	
Designation	Chartered Financial Analyst
Designation Status	Currently offered and recognized by the issuing organization
Acronym	CFA
Issuing Organization	CFA Institute
Prerequisites/Experience Required	Candidate must meet <u>one</u> of the following requirements: <ul style="list-style-type: none">• Undergraduate degree and four years of professional experience involving investment decision-making, or• Four years qualified work experience (full time, but not necessarily investment related)
Educational Requirements	Self-study program (250 hours of study for each of the three levels)
Examination Type	Three course exams
Continuing Education/Experience Requirements	None
Investor Complaint Process	Online at Professional Conduct Program
Public Disciplinary Process	Online at Sanctions and Statistics
Check Professional's Status Online	None
Accredited By	None

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	February 28, 2010
Estimated average burden hours per response.....	12.00

SEC FILE NUMBER
8-

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

REPORT FOR THE PERIOD BEGINNING January 1, 2010 AND ENDING December 31, 2010
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Allegheny Investments, Ltd.

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

811 Camp Horne Road, Suite 100

(No. and Street)

Pittsburgh

PA

15237

(City)

(State)

(Zip Code)

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

James D. Hohman, President

412-536-8048

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

S.R. Snodgrass, A.C.

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

2100 Corporate Drive Suite 400 Wexford,

PA

15090

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

☒ Certified Public Accountant

☐ Public Accountant

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

FOR OFFICIAL USE ONLY

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

OATH OR AFFIRMATION

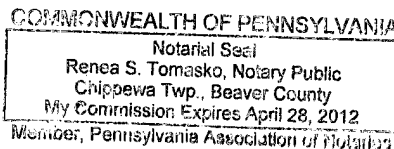
I, Karl G. Smrekar, Jr., swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Allegheny Investments, Ltd., as of December 31, 2010, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

Renea S. Tomasko 2125711
Signature

Secretary/Treasurer

Title

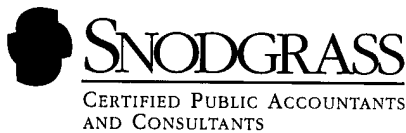
Renea S. Tomasko
Notary Public



This report ** contains (check all applicable boxes):

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

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



INDEPENDENT AUDITORS' REPORT

Board of Directors
Allegheny Investment, Ltd.

We have audited the accompanying statement of financial condition of Allegheny Investments, Ltd. (the "Company") as of December 31, 2010, and the related statements of income, changes in stockholders' equity, and cash flows for the year then ended that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Allegheny Investments, Ltd. as of December 31, 2010, and the results of its operations and its cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion of the basic financial statements taken as a whole. The information contained in Schedules I, II, and III is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

S. R. Snodgrass, A.C.

Wexford, PA
February 25, 2011

ALLEGHENY INVESTMENTS, LTD.
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2010

ASSETS

Cash and cash equivalents	\$ 469,239
Broker deposit	50,000
Receivables	1,012,056
Furniture and fixtures - at cost, net of accumulated depreciation of \$185,916	11,483
Investments, trading	1,108,305
Prepaid expenses	<u>136,064</u>
Total assets	<u>\$ 2,787,147</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

LIABILITIES

Commissions payable	\$ 758,193
Accounts payable - related party	426,528
Accrued expenses	<u>106,827</u>
Total liabilities	<u>\$ 1,291,548</u>

STOCKHOLDERS' EQUITY

Common stock - voting; no par value; 25,000 shares authorized; 1,320 shares issued and 1,254 shares outstanding	33,750
Paid-in capital	116,430
Retained earnings	1,359,850
Treasury stock, 66 shares at cost	<u>(14,431)</u>
Total stockholders' equity	<u>1,495,599</u>

\$ 2,787,147

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY

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