

### Item 1: Introduction

Allaria Securities, LLC, "Allaria Securities" or the "Firm" is registered with the Securities and Exchange Commission (SEC) as a broker-dealer and is a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC). Allaria Asset Management, LLC, "AAM" or the "Advisor" is an (affiliate) investment adviser registered with the SEC and the State of Florida. Allaria Securities and AAM are often collectively referred to as "Allaria US" and referenced as "We" throughout this Summary. Allaria US related entities maintain common ownership, as well as share certain office space and personnel that may be dually associated with referenced entities. While these entities in-part maintain shared operations they offer separate and distinct services. Security products are offered and conducted through Allaria Securities and advisory products and services are offered through AAM. ***Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences.***

Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/crs), which also provides educational materials about broker-dealers, investment advisers, and investing.

### Item 2: Relationships and Services

#### What investment services and advice can you provide me?

Allaria US offers brokerage services through Allaria Securities and investment advisory services through AAM to retail investors.

Our **brokerage** services include buying and selling securities including Equities, Corporate Bonds (foreign and domestic), Government Securities, Foreign Sovereign Debt and Structured Notes, on an agency or riskless principal basis on behalf of customers. Equities transactions are mostly in listed NYSE, NASDAQ NMS, ADRs and may include Small Cap securities. Transactions in Corporate and Foreign Sovereign debt are affected in cash, margin accounts as well as with other Broker Dealers via DVP/RVP accounts. Allaria Securities also provides subscriptions / redemptions of Mutual Fund shares, and Options transactions primarily on an agency basis. All transactions are executed under the clearing agreement with Pershing LLC by which Allaria Securities does not receive or handle any customer funds or securities. All payment for purchases and collections for sales, trade confirmations, position record, and customer statements are handled and shared by the clearing firm. If securities are denominated in a foreign currency, Allaria Securities utilizes Pershing's FX services to assist in required currency conversions, as applicable.

When we provide brokerage services, we can recommend investments (if your account is serviced directly by Allaria Securities registered representative), or you may select them, but the ultimate decision regarding an investment strategy or the purchase or sale of an investment will be yours.

Allaria Securities also establishes accounts for retail customers which are introduced to us by third-party financial services firms, including U.S. and foreign broker-dealers and investment advisers. For these types of accounts (which are introduced by a third-party), Allaria Securities does not assign a registered representative to the account, and as such, we **will NOT** provide recommendations to you. For retail customers which are introduced to us by third-party financial services firms, including U.S. and foreign broker-dealers and investment

Our **advisory** services include asset and/or portfolio management, research, and other financial advice to individuals, high net worth individuals, corporations, institutions, or other entities. The minimum dollar value for establishing an Account is generally \$1MM, initial investments of a lesser amount may be accepted at Adviser's discretion. Services are provided through various types of discretionary and non-discretionary accounts in accordance with each client's investment objectives and pursuant to the terms outlined in its investment advisory agreements. Services include the design, structure, and implementation of investment strategies for managed accounts.

Discretionary managed accounts are customized to fit within the investor's objectives, strategies and risk profile as described by each client. Clients may place targets on these accounts and may restrict the types of investments made in such accounts. Non-discretionary services are offered to all client types and are individually tailored to each client's needs and defined in each client's agreement. AAM may provide recommendations and research regarding investment of securities and cash in client's accounts which may also be maintained with various third parties. If AAM manages your account on a non-discretionary basis, you make the ultimate decision regarding the purchase or sale of investments. AAM may also engage the services of sub-advisers, including affiliates, to assist or manage client portfolios, asset allocation and continued analysis related to portfolio management services.

Adviser seeks asset preservation and capital appreciation of clients' portfolios by customizing asset allocations and selecting investment vehicles that it believes will align clients' risk / return expectations with long term and short-term investment needs and goals. Adviser will select and monitor the investment vehicles for each asset class in the portfolios based on their history and prospective risk and return characteristics, and determine suitability for each client's needs, as well as, estimated fees and expense. This is a standard service provided to you.

advisers, only you and the third-party financial services firms that you have granted authority may conduct activities and provide recommendations on the account.

There is no minimum dollar value for establishing an Account, however it is suggested to maintain an average balance of \$50,000. It is important to note that regardless of the account type, Allaria Securities will not monitor your account. However, from time to time, we voluntarily review clients' accounts to determine whether our recommendation(s) continue to be in clients' best interest. Allaria Securities does not have any material limitations on the type of products it can recommend.

**For additional information**, please see the Firm's [Regulation Best Interest Disclosures, Form ADV, Part 2A brochure](#) (Items 4, 7 and 13) and other applicable documents. Please also visit [www.sec.gov](http://www.sec.gov) / [www.finra.org](http://www.finra.org) for AAM's Form ADV or Allaria Securities' full profile, respectively.

**Conversation Starters. Ask your financial professional –**

- Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? Why or why not?
- How will you choose investments to recommend to me?
- What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

**Item 3: Fees, Costs, Conflicts, and Standards of Conduct**

**What fees will I pay?**

The principal and main costs retail investors will incur for **brokerage services** are commissions charged to each transaction performed in the account. Every time the client buys or sells a security there will be a commission assessed on the transaction. The more transactions placed on an account, the more commissions are generated, which creates an incentive to encourage you to trade often. Allaria Securities will mark up the price when we sell you a security, and the Firm will mark down the price when we buy a security from you. Subtracting the price on the inside market from the price we charge you (our retail customer) gives a spread. This spread is known as a markdown if the spread is negative. The spread is called a markup if it is positive.

Transactional fees are generally a fixed amount between \$16 and \$35 depending if it is an Options, Equity, Fixed Income or Mutual Fund transaction, plus a percentage on the transactional amount that may vary between 0.125% and 1%. For Options transactions there is also a \$1 per contract charged. Some fee arrangements may consider a minimum charge per transaction usually between \$55 and \$100, and there may be others contemplating just a fixed charge per transaction. The different fee schemes are negotiated with each client and vary upon their account size, trade frequency and transaction size.

There are other fees and costs involved in a brokerage account and when dealing with a brokerage house which include but are not limited to: custodian fees, service fees, account maintenance fees, fees related to mutual funds or alternative investments and other transactional and product level fees.

Traditional fees for **advisory services** will be based upon a percentage of the total assets in the account. Fees are charged as established in each client's written advisory agreement. In general, they will be based upon a percentage of the total assets in the account (including margined assets) typically between 0.25% and 1.50% annual management fee of the net asset value of the account. Alternatively, for some special situations, fees may be hourly arrangements ranging between \$150 and \$450 per hour depending on the complexity of advisory services offered. Alternatively, certain clients are charged segmented fees based on asset class. For example, the Adviser, depending on the agreement with the client, can charge 0.12% on fixed income assets and 0.40% on all remaining assets. In such cases, overall fees will vary from the initially indicated fee range of 0.25% - 1.50%.

With respect to accounts managed on a discretionary basis, clients are generally required to authorize AAM to directly debit management fees from client accounts. Fees for Family Wealth services and other non- discretionary programs are billed to clients, although frequently clients pre-authorize their custodians to automatically deduct the fees from the client's account and to make payment to AAM. Management fees are deducted or billed, as applicable, on a monthly or quarterly basis at the end of each month or quarter as specified in your advisory agreement with AAM. AAM may from time-to-time bill fees in advance as negotiated with each individual client.

AAM's advisory fees are exclusive of brokerage commissions, transaction fees, custodial fees, deferred sales charges, odd-lot fees (i.e., trades with quantity other than some multiple of 100), transfer taxes, wire transfer and electronic funds fees and other fees and taxes on brokerage account and securities transactions, which shall be incurred directly by the client. AAM can charge performance-based fees in addition to standard advisory fees, as agreed to

	<p>with certain applicable clients. Performance-based fees are calculated based on the performance of client portfolios and are typically a percentage of the gains achieved above a specified benchmark. We can also send advisory account orders for execution through our brokerage affiliate, Allaria Securities which will cause clients to incur a separate charge utilized to cover certain operational and execution costs incurred by Allaria Securities' trading desk (please see the Conflicts of Interest Section of the Firm's Additional Regulation BI Disclosures). If your account has a sub-adviser arrangement, no account will be subject to a separate fee for this service. The Adviser will forward a percentage of the advisory fee received as stated in the Investment Advisory Agreement to the sub-adviser, as applicable, and agreed upon with the client.</p>
<p><b>You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. For additional information,</b> please see the Firm's <a href="#">Regulation Best Interest Disclosures</a>, <a href="#">Form ADV</a>, <a href="#">Part 2A brochure</a> (Item 5) and other applicable documents. Please ask us for more information.</p>	
<p><b>Conversation Starters. Ask your financial professional –</b></p> <ul style="list-style-type: none"> <li>▪ Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?</li> </ul>	
<p><b>What are your legal obligations to me when providing recommendations as my broker- dealer or when acting as my investment adviser?</b></p>	
<p><b>How else does your firm make money and what conflicts of interest do you have?</b></p>	
<p><b>When we provide you with a recommendation as your broker-dealer or act as your investment adviser,</b> we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations and investment advice, we provide to you. Here are some examples to help you understand what this means.</p>	
<p><i>Examples of Ways We Make Money and Conflicts of Interest:</i></p> <ul style="list-style-type: none"> <li>• <b>Financial Affiliations:</b> The Firm maintains common ownership and instances of shared personnel with certain affiliated entities of Allaria Group, including Allaria S.A., AAM and Allaria Securities. These affiliations may present an incentive since the related persons can recommend the services of the Firm or the Adviser, we can additionally receive research and reporting services from them. Shared supervised persons may receive additional compensation and spend time and effort towards business conducted through affiliated entities. We may from time-to-time, conduct trading activities with our affiliates. Particularly, the Adviser utilizes the Firm as an introducing broker-dealer for certain securities transactions of advisory clients. In such case, the Firm and/or associated persons will receive compensation for brokerage transactions affected in these advisory accounts, and for the purchase of investment products recommended. When the Adviser directs execution of client securities through Allaria Securities, it creates a conflict of interest due to our direct affiliation, and limited ability to consider other execution venues and negotiate certain costs associated with your account. The Adviser has an incentive to direct trading through Allaria Securities as broker-dealer which means that our affiliate and shared associated persons will receive additional compensation depending on trading volume. AAM's arrangement and relationship with Allaria Securities is material. AAM's Chief Executive Officer and CCO are currently registered and dually associated with Allaria Securities. Allaria US' CCO for both Allaria Securities and AAM as outsourced Compliance Officer, which we do not believe creates a conflict since its CCO does not maintain ownership control and does not manage investments with any FINRA registered Broker-Dealers or State and SEC Registered Investment Advisers.</li> <li>• <b>Margin and Loan Advance:</b> Registered Representatives / Foreign Associates of the Firm receive additional compensation if you maintain a Margin or Loan Advance agreement, because of such representative referring you for these services. They will be compensated if certain securities in your account are used for, among other things, settling short sales and lending the securities for short sales, or if you have non-purpose loans. The additional compensation received by the Firm and/or our representatives provides us an incentive to promote this service to you.</li> <li>• <b>Commissions, Rebates and/or Trailer Fees:</b> Allaria Securities and its financial professionals receive compensation directly by customers and indirectly from investments made by customers. When customers pay, Allaria US typically gets paid an upfront commission or sales load at the time of the transaction, in some cases</li> </ul>	

as deferred sales charge, therefore the Firm gets paid more the more transactions a customer makes. When Allaria US is paid indirectly from the investments made by customers, it receives an ongoing compensation, typically called trail payment, for as long a customer holds an investment. Certain products, such as mutual funds, include continuing payments to us, known as "trails," creating incentive to recommend investment products that include trails or provide additional compensation.

- **Referral Fees/Third Party Payments:** We may compensate individuals and/or entities for referring clients to us. There is a conflict of interest in utilizing a solicitor, or similar, as there is an incentive for us to select a particular individual / entity over another. There is also an incentive for us to manage more assets and receive higher compensation, while we share part of such compensation with the referring individual/entity.
- **Client Transactions and Personal Trading:** Our employees and their family members may recommend or invest in securities in which our related persons or affiliate, directly or indirectly, has a position or material financial interest. Similarly, we and our related persons may also buy or sell for ourselves securities that we also recommend to you. Such transactions can include trading in securities in a manner that may be inconsistent with the advice given to you. In certain instances, the results of the investment activities of our associated or related persons for their accounts can differ from the results achieved by or for the account we manage for you.
- **Principal Trading:** Allaria Securities may sell to its client's positions from its own book and could potentially profit from the transaction which would represent a conflict of interest.
- **Proprietary Products:** Registered Representatives from time-to-time offer products sponsored/managed by related/affiliated entities under common control with Allaria US. In such instances, Allaria Securities, AAM, their associated persons, and affiliated entity(ies) earn compensation for all transactions directly and indirectly. The compensation received can potentially incentivize us to promote proprietary products to you over other ones available.

Any conflicts of interest related to recommendations of other professionals will be disclosed to you in the event they should occur.

**Conversation Starters. Ask your financial professional –**

- How might your conflicts of interest affect me, and how will you address them?

**For additional information**, please see the Firm's [Regulation Best Interest Disclosures](#), [Form ADV](#), [Part 2A brochure](#) and other applicable documents. Please ask us for more information.

**How do your financial professionals make money?**

Allaria US' registered representatives receive a percentage of the different types of compensation charged to retail investors depending on the security type you buy or sell and whether you maintain a brokerage or advisory account with Allaria US. Representatives earn a percentage of the commissions, sales load, markup/mark down charges as well as account maintenance fees collected and/or a percentage of the overall advisory fees charged by AAM for advisory accounts. Allaria US' representatives can get increased compensation based on higher production. This represents and creates a conflict of interest since the more commissions they generate, the more they earn. Certain products pay ongoing compensation (trailers); therefore, our financial professionals are incentivized to recommend products that have higher fees and/or ongoing payments. In addition, financial professionals may receive reimbursement for certain types of expenses, travel, and entertainment and may also receive certain hiring incentives such as a bonus or forgivable loans which may or may not be contingent on a minimum level of production. Varying sales compensation can mean a financial professional has incentive to engage in more transactions or recommend securities that will result in the highest compensation. Please see the Firm's [Regulation Best Interest Disclosures](#) for further details.

**Item 4: Disciplinary History**

**Do you or your financial professionals have legal or disciplinary history?**

No. Neither Allaria Securities nor AAM has legal or disciplinary history that is required to be disclosed on Form BD or Form ADV. Our financial professionals do not have legal or disciplinary history. Please visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

**Conversation Starters. Ask your financial professional –**

- As a financial professional, do you have any disciplinary history? For what type of conduct?

**Item 5: Additional Information**

**For additional information** about our brokerage or investment advisory services or to request a copy of the relationship summary, please contact us at [operations@allariasecurities.com](mailto:operations@allariasecurities.com). If you would like additional, up-to-date information or a copy of this disclosure, please call (786) 686-5400.

**Conversation Starters. Ask your financial professional –**

- Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?