

Royal Alliance Associates, Inc.
(An indirect wholly-owned subsidiary of American International Group, Inc.)
Statement of Financial Condition
December 31, 2015

(in thousands of dollars, except share amounts)

Assets	
Cash and cash equivalents	\$ 17,248
Cash segregated under federal and other regulations (Note 3)	70
Receivables from investment advisors	5,262
Receivables from broker-dealers and clearing organizations (Note 4)	15,008
Securities owned, at fair value (Note 6)	9,594
Notes and accounts receivable from registered representatives, net of allowance of \$1,416	2,530
Furniture, equipment and software, net of accumulated depreciation and amortization of \$1,067	2
Intangible assets, net of accumulated amortization of \$6,837	1,146
Deferred tax asset, net	6,141
Income taxes receivable from Parent	1,774
Receivables from affiliates (Note 7)	576
Forgivable loans, net of accumulated amortization of \$7,726	6,202
Other assets	1,992
Total assets	<u>\$ 67,545</u>
Liabilities and Stockholder's Equity	
Commissions payable	\$ 15,172
Accounts payable and accrued expenses	10,960
Payables to affiliates (Note 7)	1,010
Securities sold, not yet purchased, at fair value	33
Total liabilities	<u>27,175</u>
Commitments and contingencies (Note 10)	
Stockholder's Equity	
Common stock - \$.10 par value: 1,500,000 shares authorized; 100,000 shares issued and outstanding	10
Additional paid-in capital	32,014
Retained earnings	8,346
Total stockholder's equity	<u>40,370</u>
Total liabilities and stockholder's equity	<u>\$ 67,545</u>

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