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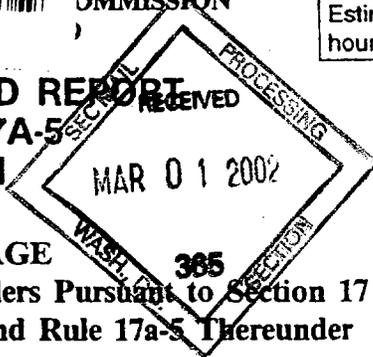


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**ANNUAL AUDITED REPORT
FORM X-17A-5
PART III**



SEC FILE NUMBER
8- 53077

**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 11/16/00 AND ENDING 12/31/01
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Paramount Planners, LLC

OFFICIAL USE ONLY
FIRM ID. NO.

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

1290 Avenue of the Americas

(No. and Street)

New York

New York

10104

(City)

(State)

(Zip Code)

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

Mark D. Godofsky

(212) 314-4769

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

PricewaterhouseCoopers LLP

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

1177 Avenue of the Americas

New York

New York

10036

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

PROCESSED

MAR 21 2002

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P THOMSON FINANCIAL

*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).

SEC 1410 (3-91)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

OATH OR AFFIRMATION

I, Mark Godofsky, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Paramount Planners, LLC, as of December 31, 19 2001, 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:

Mark Godofsky

Signature

Controller

Title

Karen George

Notary Public

KAREN GEORGE
Notary Public, State of New York
No. 01GE5062537
Qualified in Queens County
Commission Expires July 1, 2007

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 Proprietor's 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).

Report of Independent Accountants

To the Board of Directors and Member of
Paramount Planners, LLC

In our opinion, the accompanying statement of financial condition and the related statements of operations, changes in member's capital and cash flows present fairly, in all material respects, the financial position of Paramount Planners, LLC (the "Company") at December 31, 2001, and the results of operations and cash flows for the period November 16, 2000 (date of inception) to December 31, 2001 in conformity with accounting principles generally accepted in the United States of America. 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 of these statements in accordance with auditing standards generally accepted in the United States of America, which 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 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, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in Schedules I and II 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.

PricewaterhouseCoopers LLP

February 28, 2002

Paramount Planners, LLC
(A wholly owned subsidiary of AXA Distribution Holding Corporation)
Statement of Financial Condition
December 31, 2001

Assets

Cash	\$ 150,000
Total assets	<u>\$ 150,000</u>

Liabilities and Member's Capital

Liabilities	<u>\$ -</u>
Total liabilities	<u>-</u>

Member's Capital

Member's capital	290,791
Accumulated deficit	<u>(140,791)</u>
Total member's capital	<u>150,000</u>
Total liabilities and member's capital	<u>\$ 150,000</u>

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

Paramount Planners, LLC

(A wholly owned subsidiary of AXA Distribution Holding Corporation)

Statement of Operations

For the period from inception November 16, 2000 to December 31, 2001

Revenues	\$ -
Total revenues	<u>-</u>
Expenses	
Professional fees	110,782
Other	<u>30,009</u>
Total expenses	<u>140,791</u>
Loss before income tax benefit	<u>(140,791)</u>
Income tax benefit	<u>-</u>
Net loss	<u>\$ (140,791)</u>

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

Paramount Planners, LLC

(A wholly owned subsidiary of AXA Distribution Holding Corporation)

Statement of Changes in Member's Capital

For the period from inception November 16, 2000 to December 31, 2001

	Member's Capital	Accumulated Deficit	Total Member's Capital
Capital contributions	\$ 290,791	-	\$ 290,791
Net loss	-	(140,791)	(140,791)
Balances at December 31, 2001	\$ 290,791	\$ (140,791)	\$ 150,000

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

Paramount Planners, LLC
(A wholly owned subsidiary of AXA Distribution Holding Corporation)
Statement of Cash Flows
For the period from inception November 16, 2000 to December 31, 2001

Cash flows from operating activities	
Net loss	\$ (140,791)
	<hr/>
Net cash used by operating activities	(140,791)
	<hr/>
Cash flows from financing activities	
Contributed capital	290,791
	<hr/>
Cash provided by financing activities	290,791
	<hr/>
Cash at December 31, 2001	\$ 150,000
	<hr/>
Non-cash financing activity	
See Note 5 for non-cash transactions	

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

Paramount Planners, LLC
(A wholly owned subsidiary of AXA Distribution Holding Corporation)
Notes to Financial Statements
December 31, 2001

1. Organization

Paramount Planners, LLC (the "Company"), a Delaware limited liability company, was formed on November 16, 2000. The Company is a wholly owned subsidiary of AXA Distribution Holding Corporation ("Holding") which is a wholly owned subsidiary of AXA Financial, Inc. ("AXF").

The Company is a broker-dealer registered with the Securities and Exchange Commission ("SEC") and is a member of the National Association of Securities Dealers, Inc. ("NASD"). Its principal businesses are expected to be the distribution of shares of investment products, primarily mutual funds offered by affiliates and third-parties, as well as the sale of brokerage products and variable life insurance and annuity contracts issued by the Equitable Life Assurance Society of the United States ("Equitable Life"), a wholly owned subsidiary of AXF.

Holding intends to make additional capital contributions, as necessary, to fund operating losses to ensure the Company has sufficient operating resources.

As of December 31, 2001, the Company has not commenced operations.

2. Summary of Significant Account Policy

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

3. Net Capital Requirements

The Company is subject to the SEC Uniform Net Capital Rule, which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital during the Company's first year, both as defined, shall not exceed 8 to 1. As of December 31, 2001, the Company had net capital of \$150,000 which exceeded required net capital of \$100,000 by \$50,000 and did not have aggregate indebtedness.

4. Transactions with Affiliates

Pursuant to an Agreement for Cooperative and Joint Use of Personnel, Property and Services ("the Agreement"), Equitable Life provides the Company with personnel to perform management, administrative, clerical and sale services and makes available the use of certain property and facilities. No such expenses were incurred for the period from inception November 16, 2000 to December 31, 2001. Additionally, AXF has agreed to assume and assumes all liabilities incurred by the Company prior to February 1, 2002 in connection with its formation, initial registration and ongoing registration and reporting responsibilities. These expenses amounted to \$140,791 for the period from inception November 16, 2000 to December 31, 2001.

Paramount Planners, LLC
(A wholly owned subsidiary of AXA Distribution Holding Corporation)
Notes to Financial Statements
December 31, 2001

7

5. Capital Contributions

A capital contribution of \$150,000 was made by Holding to the Company on May 2, 2001. Additionally, a capital contribution of \$140,791 has been recognized by the Company reflecting the contribution of organizational costs described in Note 4.

6. Taxes

The Company will be treated as a division of Holding for Federal and most State income tax filings.

The Company has Federal, State and Local deferred tax assets of approximately \$62,000 arising from net operating losses for which a full valuation reserve has been taken. The Company has determined that it is more likely than not that the deferred tax asset will not be realized. No tax sharing arrangement is in place between the Company and its parent.

Paramount Planners, LLC
(A wholly owned subsidiary of AXA Distribution Holding Corporation)
Computation of Net Capital Under Rule 15c3-1
December 31, 2001

Schedule I

Net Capital	
Total member's capital	\$ 150,000
Net capital before haircuts on securities positions	150,000
Haircuts on securities positions	-
Net capital	<u>\$ 150,000</u>
Computation of basic net capital requirement	
Aggregate indebtedness	
Total liabilities	<u>\$ -</u>
Minimum capital required (the greater of \$100,000 or 12-1/2% of aggregate indebtedness)	<u>\$ 100,000</u>
Capital in excess of minimum requirements	<u>\$ 50,000</u>
Ratio of aggregate indebtedness to net capital	<u>0 to 1</u>

No material differences exist between the above computations and the computations included in the Company's unaudited FOCUS Report as of December 31, 2001.

Paramount Planners, LLC
(A wholly owned subsidiary of AXA Distribution Holding Corporation)
Computation for Determination of Reserve Requirements
and Information Relating to Possession or Control Requirements
Under Rule 15c3-3 of the Securities and Exchange Commission
As of December 31, 2001

Schedule II

The Company is exempt from Rule 15c3-3 of the Securities and Exchange Commission under paragraphs (k)(2)(i) and (k)(2)(ii) of that Rule.

**Report of Independent Accountants on Internal Accounting Control
Pursuant to SEC Rule 17a-5**

To the Board of Directors and Member of
Paramount Planners, LLC

In planning and performing our audit of the financial statements and supplemental schedules of Paramount Planners, LLC (the "Company") for the year ended December 31, 2001, we considered its internal control, including control activities for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission (the "SEC"), we have made a study of the practices and procedures followed by the Company, including tests of compliance with such practices and procedures, that we considered relevant to the objectives stated in Rule 17a-5(g) in the following:

1. Making the periodic computations of aggregate indebtedness and net capital under Rule 17a-3(a)(11); and
2. Determining compliance with the exemptive provisions of Rule 15c3-3.

Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making the quarterly securities examinations, counts, verifications, and comparisons, and the recordation of differences required by Rule 17a-13;
2. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System; and
3. Obtaining and maintaining physical possession or control of all fully paid and excess margin securities of customers as required by Rule 15c3-3.

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control and of the practices and procedures referred to in the preceding paragraph, and to assess whether those practices and procedures referred to in the preceding paragraph can be expected to achieve the

SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable, but not absolute, assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control or the practices and procedures referred to above, errors or fraud may occur and not be detected. Also, projection of any evaluation of internal control to future periods is subject to the risk that controls may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

Our consideration of internal control would not necessarily disclose all matters in internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the specific internal control components does not reduce to a relatively low level the risk that error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving internal control, including procedures for safeguarding securities, that we consider to be material weaknesses as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at December 31, 2001 to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the Securities and Exchange Commission, the National Association of Securities Dealers, Inc. and other regulatory agencies that rely on SEC Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered broker-dealers, and is not intended to be and should not be used by anyone other than these specified parties.

PricewaterhouseCoopers LLP

February 28, 2002

Paramount Planners, LLC

**(A wholly owned subsidiary of
AXA Distribution Holding Corporation)
Financial Statements and Supplemental Schedules
Pursuant to Rule 17a-5 of the Securities
Exchange Act of 1934
As of December 31, 2001 and for the period
November 16, 2000 (date of inception) to
December 31, 2001**