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

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

SEC FILE NUMBER
8-49596

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 1/01/06 AND ENDING 12/31/06
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

UBS Fund Services (USA) LLC

OFFICE USE ONLY

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

242 Trumbull Street

(No. and Street)

PROCESSED

Hartford

Connecticut

APR 30 2008

06103-1212

(City)

(State)

(Zip Code)

THOMSON REUTERS

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

John Moore

(312) 525-6103

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Ernst & Young LLP

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

233 South Wacker Drive

Chicago

Illinois

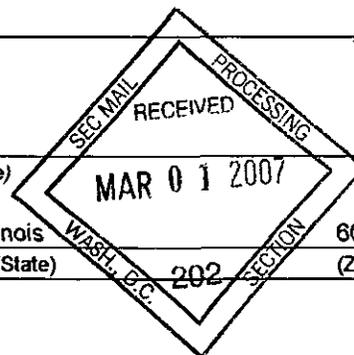
60606

(Address)

(City)

(State)

(Zip Code)



CHECK ONE:

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

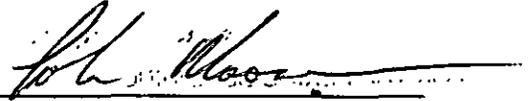
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*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2).

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OATH OR AFFIRMATION

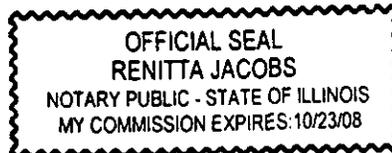
I, John Moore, affirm that, to the best of my knowledge and belief, the accompanying financial statements and supplemental information pertaining to the firm of UBS Fund Services (USA) LLC (the Company) as of December 31, 2006, are true and correct. I further affirm that neither the Company, nor the members or any principal officer or director have any proprietary interest in any account classified solely as that of a customer.



John Moore
Managing Director



Notary Public



This report contains (check all applicable boxes):

- (a) Facing Page
- (b) Statement of Financial Condition
- (c) Statement of Operations
- (d) Statement of Cash Flows
- (e) Statement of Changes in Stockholder's Equity
- (f) Statement of Changes in Subordinated Borrowings

Supplemental Information:

- (g) Computation of Net Capital under Rule 15c3-1
- (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 pursuant to 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) Supplementary Report of Independent Registered Public Accounting Firm on Internal Control

UBS Fund Services (USA) LLC

Statement of Financial Condition

December 31, 2006

Assets	
Cash	\$ 159,080
Prepaid expenses	31,758
NASD deposits	3,601
Total assets	<u>\$ 194,439</u>
 Liabilities and members' capital	
Liabilities:	
Due to affiliate	\$ 14,925
Accrued expenses	15
Total liabilities	<u>14,940</u>
Members' capital	179,499
Total liabilities and members' capital	<u>\$ 194,439</u>

See accompanying notes.

END