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

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|---|-------------------|
| OMB Number:   | 3235-0123         |
| Expires:  | February 28, 2010 |
| Estimated average burden<br>hours per response..... | 12.00             |

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FEB 26 2010  
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**ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III**

| SEC FILE NUMBER |
|-----------------|
| 8-66903         |

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, 2009 AND ENDING December 31, 2009 <sup>f</sup>  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Tor Brokerage, LLC

| OFFICIAL USE ONLY |
|-------------------|
| FIRM I.D. NO.     |

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

115 River Road, Suite 304

(No. and Street)

Edgewater  
(City)

NJ  
(State)

07020  
(Zip Code)

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

Victor Sandor

201-941-0002

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

Halpern & Associates, LLC

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

218 Danbury Road  
(Address)

Wilton  
(City)

CT  
(State)

06897  
(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)

SEC 1410 (06-02)

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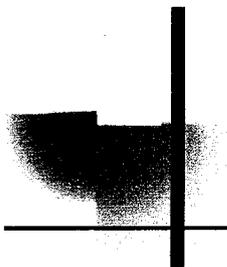


**SEC  
Mail Processing  
Section**

**FEB 26 2010**

**Washington, DC  
105**

**TOR BROKERAGE, LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2009**



# **Halpern & Associates, LLC**

**Certified Public Accountants and Consultants**

218 Danbury Road • Wilton, CT 06897 • (203) 210-7364 • FAX (203) 210-7370 • [info@Halpemassoc.com](mailto:info@Halpemassoc.com)

## INDEPENDENT AUDITORS' REPORT

To the Members of  
Tor Brokerage, LLC

We have audited the accompanying statement of financial condition of Tor Brokerage, LLC (the "Company"), as of December 31, 2009. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether this financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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 statement referred to above presents fairly, in all material respects, the financial position of Tor Brokerage, LLC, as of December 31, 2009, in conformity with accounting principles generally accepted in the United States of America.

*Halpern & Associates, LLC*

Wilton, Connecticut  
February 16, 2010

TOR BROKERAGE, LLC  
STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2009

ASSETS

|   |                         |
|---|-------------------------|
| Cash and cash equivalents                                       | \$ 6,282                |
| Receivable from broker  | 2,227                   |
| Equipment (at cost, net of accumulated depreciation of \$1,600) | 4,307                   |
| Prepaid expenses  | <u>6,821</u>            |
| <br>  |                         |
| TOTAL ASSETS  | <u><u>\$ 19,637</u></u> |

LIABILITIES AND MEMBERS' EQUITY

|  |                         |
|--|-------------------------|
| LIABILITIES                            |                         |
| Accrued expenses and other liabilities | \$ 2,453                |
| <br>                                   |                         |
| MEMBERS' EQUITY                        | <u>17,184</u>           |
| <br>                                   |                         |
| TOTAL LIABILITIES AND MEMBERS' EQUITY  | <u><u>\$ 19,637</u></u> |

The accompanying notes are an integral part of this statement.

# TOR BROKERAGE, LLC

## NOTES TO THE STATEMENT OF FINANCIAL CONDITION

FOR THE YEAR ENDED DECEMBER 31, 2009

### 1. NOTES ON SIGNIFICANT BUSINESS ACTIVITIES

Tor Brokerage, LLC (the "Company") was organized in the State of Delaware in February 2005 and began doing business as a registered broker-dealer in securities with the Securities and Exchange Commission in October 2005. In this capacity, it executes both riskless principal and agency transactions for its customers through its broker, Lime Brokerage, LLC ("Lime"). Additionally, the Company was approved to conduct soft dollar transactions by the Financial Industry Regulatory Authority.

The Company's policy is to continuously monitor its exposure to market and counterparty risk through the use of a variety of financial, position and credit exposure reporting and control procedures. In addition, the Company has a policy of reviewing the credit standing of each broker-dealer, clearing organization, customer and/or other counterparty with which it conducts business.

The Company introduces its customer transactions to Lime Brokerage who has a correspondent relationship for execution and clearance with its clearing broker, Goldman Sachs Execution and Clearing, L.P., in accordance with the terms of clearance agreement. In connection therewith, the Company has agreed to indemnify the clearing broker for losses that the clearing broker may sustain related to the Company's customers. After December 31, 2009, all amounts related to such transactions were received from customers. Securities purchased by customers in connection with those transactions are held by the clearing broker as collateral for the amounts owed.

### 2. SIGNIFICANT ACCOUNTING POLICIES

The Company records securities transactions and related revenues and expenses on a trade date basis.

Security transactions and financing with the clearing broker are classified as operating activities on the statement of cash flows since this is the Company's principal business.

The Company maintains its books and records on an accrual basis in accordance with accounting principles generally accepted in the United States of America.

In accordance with GAAP, management implemented Statement of Financial Accounting Standards No. 157 ("ASC 820") (Valuation of Investments in Securities and Securities Sold Short at Fair Value - Definition and Hierarchy) and has determined that it bears no material effect on the financial statements as presented.

## TOR BROKERAGE, LLC

### NOTES TO THE STATEMENT OF FINANCIAL CONDITION (Continued)

FOR THE YEAR ENDED DECEMBER 31, 2009

#### 3. INCOME TAXES

The Company is recognized as a Limited Liability Company, (an "LLC"), by the Internal Revenue Service. As an LLC, the Company is not subject to income taxes. The members are liable for federal and state income taxes on the Company's taxable income.

In accordance with FASB Interpretation No. 48 "Accounting for Uncertainty in Income Taxes" ("ASC 740") the Company is required to determine whether a tax position of the Company is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement. De-recognition of a tax benefit previously recognized could result in the Company recording a tax liability that would reduce net assets. This policy also provides guidance on thresholds, measurement, de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition that is intended to provide better financial statement comparability among different entities. It must be applied to all existing tax positions upon initial adoption and the cumulative effect, if any, is to be reported as an adjustment to net assets as of January 1, 2009. Based on its analysis, the Company has determined that the adoption of this policy did not have a material impact on the Company financial statements upon adoption.

#### 4. RULE 15C3-3

The Company is exempt from the provisions of Rule 15c3-3 under paragraph (k)(2)(ii) in that the Company carries no margin accounts, promptly transmits all customer funds and delivers all securities received, does not otherwise hold funds or securities for or owe money or securities to customers and effectuates all financial transactions on behalf of customers on a fully disclosed basis.

#### 5. NET CAPITAL REQUIREMENTS

The Company is subject to the Securities and Exchange Commission's Net Capital Rule 15c3-1, which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2009, the Company had net capital of \$6,056, which exceeded the minimum requirement of \$5,000 by \$1,056. The Company's ratio of aggregate indebtedness to net capital was .41 to 1.