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

| |
|-----------------|
| SEC FILE NUMBER |
| B- 49575 |

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 01/01/2009 AND ENDING 12/31/2009
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Loomis Sayles Distributors, L.P.
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

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

One Financial Center

(No. and Street)

Boston

MA

02111

(City)

(State)

(Zip Code)

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

Paul J Sherba

617 482-2450

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

PricewaterhouseCoopers

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

125 High Street

Boston

MA

02110

(Address)

(City)

(State)

(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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OATH OR AFFIRMATION

I, Paul J Sherba, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Loomis Sayles Distributors, L.P., as of December 31, 2009, 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:

Paul J Sherba
Signature
Financial Operations Principal
Title

[Signature]
Notary Public

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 Proprietors' 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 Auditors

To the Partners of Loomis Sayles Distributors, L.P. (a wholly-owned subsidiary of Loomis, Sayles & Company, L.P.)

In our opinion, the accompanying statement of financial condition and the related statements of operations, changes in partners' capital and cash flows present fairly, in all material respects, the financial position of Loomis Sayles Distributors, L.P. (the "Company") at December 31, 2009, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934 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 financial 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 the schedule on page 11 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 22, 2010

LOOMIS SAYLES DISTRIBUTORS, L.P.

(A wholly-owned subsidiary of
Loomis, Sayles & Company, L.P.)

Statement of Financial Condition

December 31, 2009

Assets

| | |
|---|---------------------|
| Cash | \$ 106,428 |
| Investment in affiliated money market fund | 611,695 |
| Investment in Loomis Sayles affiliated funds, at market value (cost \$1,521,374) | 1,486,911 |
| Accounts receivable from affiliates | <u>207</u> |
| Total assets | <u>\$ 2,205,241</u> |

Liabilities and Partners' Capital

| | |
|--|-------------------|
| Accounts payable and accrued expenses | <u>\$ 300,319</u> |
| Total liabilities | <u>300,319</u> |

Partners' Capital

| | |
|-------------------------|------------------|
| Limited partner | 1,885,873 |
| General partner | <u>19,049</u> |
| Total partners' capital | <u>1,904,922</u> |

| | |
|--|---------------------|
| Total liabilities and partners' capital | <u>\$ 2,205,241</u> |
|--|---------------------|

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

LOOMIS SAYLES DISTRIBUTORS, L.P.

(A wholly-owned subsidiary of
Loomis, Sayles & Company, L.P.)

Statement of Operations

For the year ended
December 31, 2009

Income

| | |
|---------------------------------------|------------------|
| Fee income from affiliates | \$ 1,183,123 |
| Realized gain on investment | 411 |
| Dividend income from affiliated funds | <u>25,134</u> |
| Total revenue | <u>1,208,668</u> |

Expenses

| | |
|--|-------------------|
| Distribution expenses | 1,136,935 |
| Professional fees | 20,332 |
| Miscellaneous taxes & registration fees | <u>90,972</u> |
| Total expenses | <u>1,248,239</u> |
| Loss from operations | (39,571) |
| Change in unrealized appreciation on investments | <u>140,628</u> |
| Net income | <u>\$ 101,057</u> |

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

LOOMIS SAYLES DISTRIBUTORS, L.P.

(A wholly-owned subsidiary of
Loomis, Sayles & Company, L.P.)

Statement of Changes in Partners' Capital
For the year ended December 31, 2009

| | <u>Limited Partner</u> | <u>General Partner</u> | <u>Total</u> |
|--|----------------------------|----------------------------|---------------------|
| Balance, December 31, 2008 | \$1,785,826 | \$18,039 | \$1,803,865 |
| Net income year ended December 31, 2009 | <u>100,047</u> | <u>1,010</u> | <u>101,057</u> |
| Balance, December 31, 2009 | <u>\$1,885,873</u> | <u>\$ 19,049</u> | <u>\$ 1,904,922</u> |

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

LOOMIS SAYLES DISTRIBUTORS, L.P.

(A wholly-owned subsidiary of
Loomis, Sayles & Company, L.P.)

Statement of Cash Flows
For the year ended
December 31, 2009

Cash flows from operating activities:

| | |
|--|------------------|
| Fees received from affiliates | \$1,183,946 |
| Cash paid to brokers | (758,566) |
| Cash paid to suppliers and vendors | <u>(472,656)</u> |
| Net cash (used)/provided by operating activities | <u>(47,276)</u> |

Cash flows from investing activities:

| | |
|---|---------------|
| Dividends received from affiliated money market fund | (3,779) |
| Purchase of affiliated money market fund | (785,000) |
| Sale of affiliated money market fund | 840,000 |
| Dividends received from Loomis Sayles affiliated fund | (21,355) |
| Purchase of Loomis Sayles affiliated fund | (10,000) |
| Sale of Loomis Sayles affiliated fund | <u>1,411</u> |
| Net cash (used)/provided by investing activities | <u>21,277</u> |

Cash flows from financing activities:

| | |
|--|-------------------|
| Capital distributions to partners | <u>-</u> |
| Net cash (used)/provided by financing activities | <u>-</u> |
| Net decrease in cash | (25,999) |
| Cash balance, beginning of year | <u>132,427</u> |
| Cash balance, end of year | <u>\$ 106,428</u> |

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

LOOMIS SAYLES DISTRIBUTORS, L.P.

(A wholly-owned subsidiary of
Loomis, Sayles & Company, L.P.)

Statement of Cash Flows (continued)

Reconciliation of net income
provided by operating activities

For the year ended

December 31, 2009

| | |
|--|--------------------|
| Net income | <u>\$ 101,057</u> |
| Adjustments to net income: | |
| Decrease in accounts receivable from affiliates | 823 |
| Decrease in accounts payable and accrued expenses | (8,117) |
| Increase in realized gain on investment | (411) |
| Increase in unrealized appreciation on investments | <u>(140,628)</u> |
| Total adjustments | <u>(148,333)</u> |
| Net cash used by operating activities | <u>\$ (47,276)</u> |

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

LOOMIS SAYLES DISTRIBUTORS, L.P.

(A wholly-owned subsidiary of
Loomis, Sayles & Company, L.P.)

Notes to the Financial Statements

1. Organization

Loomis Sayles Distributors, L.P. (“LSDLP” or the “Company”) is the principal distributor for a certain Loomis Sayles Affiliated Mutual Fund and is registered as a broker-dealer with the United States Securities and Exchange Commission (“SEC”) and is a member of the Financial Industry Regulatory Authority (“FINRA”). LSDLP was organized as a Delaware limited partnership on July 23, 1996. Loomis Sayles Distributors, Inc. (“LSDInc”), a wholly-owned subsidiary of Loomis, Sayles & Company, L.P. (“LSCLP”), is the General Partner and has a 1% ownership interest in LSDLP. LSCLP is also the Limited Partner and has a 99% ownership interest in the Company.

2. Significant Accounting Policies

Revenue Recognition

Fee income for administrative and distribution services is earned exclusively on the J class of the Loomis Sayles Investment Grade Bond Fund (“12b-1 revenue”), principally sold in Japan. Revenue is based on a percentage of the J class’s average daily net assets and is collected on a monthly basis. Fee income from the Loomis Sayles Investment Grade Bond Fund, J class (“load fees”) is earned by LSDLP based on a percentage of the offering price of the fund’s shares at the time of sale.

Accounts receivable are comprised of billed but uncollected revenues and are recorded at cost, which approximates fair value. There is no reserve recorded as amounts due are based on contractual terms in formal agreements and collection is reasonably assured.

Distribution Expenses

Distribution expenses represent fees paid to certain brokers for servicing and distributing the J class (“12b-1 fees”) of the Loomis Sayles Investment Grade Bond Fund. The 12b-1 fees are based on the average net asset value of the J class and are paid quarterly. For the year ended December 31, 2009, the Company incurred \$757,957.

In addition, the Company pays service fees to Natixis Asset Management Japan, Co., Ltd. These fees are based on average net asset values of the J class of shares. These fees are paid quarterly. For the year ended December 31, 2009, the Company incurred \$378,978.

Income Taxes

No provision for federal income taxes is necessary in the financial statements of LSDLP because, as a partnership, it is not subject to federal income tax and the tax effect of its activities accrues to the partners.

LOOMIS SAYLES DISTRIBUTORS, L.P.

(A wholly-owned subsidiary of
Loomis, Sayles & Company, L.P.)

Notes to the Financial Statements (continued)

Management has performed an analysis of LSDLP's tax positions taken on federal and state tax returns that remain subject to examinations and has concluded that no provisions for income tax are required. Management is not aware of any events that are reasonably possible to occur in the next twelve months that would result in the amounts of any unrecognized tax benefits significantly increasing or decreasing for LSDLP. However, management's conclusions regarding tax positions taken may be subject to review and adjustment at a later date based on factors including, but not limited to, new tax laws and accounting regulations and interpretations thereof.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reporting amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash

Cash consists of a bank depository account held at a national bank, and is stated at cost plus accrued interest, which approximates fair value. Certain amounts held in bank depository accounts are held in excess of federally insured limits.

Investments

Investments classified as available for sale are principally investments in LSCLP's sponsored mutual funds. These investments are stated at fair value with unrealized gains and losses reported in the statement of operations. Realized gains and losses on the sale of these investments are included in income currently and are determined using the specific-identification method.

Fair Value Measurement

In accordance with accounting standards related to fair value measurement and disclosures, the Company has categorized the inputs utilized in determining the value of its assets and liabilities.

The various inputs that may be used to determine the value of LSDLP's investments are summarized in three broad levels. The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities:

LOOMIS SAYLES DISTRIBUTORS, L.P.

(A wholly-owned subsidiary of
Loomis, Sayles & Company, L.P.)

Notes to the Financial Statements (continued)

Level 1 – quoted prices in active markets for identical investments;

Level 2 – other significant observable inputs (including quoted prices for similar investments in active markets, interest rates and yield curves, prepayment speeds, credit risks, etc.); and

Level 3 – significant unobservable inputs (including the Fund's own assumptions about the assumptions that market participants would use in determining the fair value of investments).

The following table summarizes LSDLP's investments as of December 31, 2009, based on the inputs used to value them:

| <u>Valuation Inputs</u> | <u>Investments in Securities</u> |
|--|--------------------------------------|
| Level 1 – Quoted prices in active markets for identical securities | \$2,098,606 |
| Level 2 – Other significant observable inputs | - |
| Level 3 – Significant unobservable inputs | - |
| Total | <u>\$2,098,606</u> |

3. Transactions with Related Parties

LSDLP and LSCLP have an expense sharing agreement whereby LSDLP is responsible for all its direct expenses incurred in pursuit of its business. LSCLP will pay specified LSDLP expenses such as salary and benefits, bonuses, occupancy and equipment, distribution costs, system and telecommunication, professional fees, and other operating expenses. LSDLP has no obligation to reimburse or otherwise compensate LSCLP for payment of these specified expenses, nor will any of these expenses be apportioned back to LSDLP. Due to related party transactions, the financial statements may not be indicative of the financial position that would have existed or the results of operations or cash flows that would have been attained if the Company operated as an unaffiliated entity.

4. Net Capital Requirement

LSDLP is subject to Rule 15c3-1 (Uniform Net Capital Rule) under the United States Securities and Exchange Act of 1934 whereby required net capital, as defined, shall not be less than the greater of 6 2/3% of aggregate indebtedness or the minimum standards as defined. At December 31, 2009, LSDLP's net capital, as defined, was \$1,755,559, \$1,730,559 in excess of its minimum required net capital of \$25,000. LSDLP's ratio of aggregate indebtedness to net capital was 0.17 to 1 at December 31, 2009. LSCLP has committed to fund operations in accordance with current funding needs of LSDLP.

LOOMIS SAYLES DISTRIBUTORS, L.P.

(A wholly-owned subsidiary of
Loomis, Sayles & Company, L.P.)

Notes to the Financial Statements (continued)

LSDLP is exempt from Rule 15c3-3, under paragraph (k)(1). Because of this exemption, LSDLP has not included the schedules "Computation for Determination of Reserve Requirement Under Rule 15c3-3" or "Information for Possession or Control Requirements Under Rule 15c3-3."

5. Investment in Loomis Sayles Affiliated Funds

LSDLP's investments in the Loomis Sayles affiliated funds are recorded at market value, in accordance with the securities industry practice, and any changes in the market value of these investments are included in the statement of operations. At December 31, 2009, the market value and cost of these investments was \$1,486,911 and \$1,521,374, respectively.

6. Guarantees

In the normal course of business, the Company may enter into contracts and agreements that contain a number of representations and warranties, which provide indemnifications. The maximum exposure to the Company under these arrangements is unknown, as this would involve future claims that may be against the Company that have not yet occurred. At December 31, 2009, there were no asserted claims brought against the Company.

7. Subsequent Event

Management has evaluated the events and transactions that have occurred through February 22, 2010, the date the financial statements were issued, and noted no items requiring adjustment of the financial statements or additional disclosures.

LOOMIS SAYLES DISTRIBUTORS, L.P.

SCHEDULE I

Computation of Net Capital Under Rule 15c3-1
of the Securities and Exchange Commission
As of December 31, 2009

Net Capital

| | | |
|--|----------------|--------------------|
| Total partners' capital | | \$1,904,922 |
| Deductions | | |
| Nonallowable assets included in Statement of Financial Condition: | | |
| Accounts receivable from affiliates | 207 | |
| Haircut on investment in Loomis Sayles affiliated funds | <u>149,156</u> | |
| | | <u>149,363</u> |
| Net capital | | <u>\$1,755,559</u> |
| Aggregate Indebtedness | | <u>\$ 300,319</u> |

Computation of Basic Net Capital Requirement

| | | |
|--|--|--------------------|
| Minimum net capital required (greater of 6 2/3% of aggregate indebtedness or \$25,000) | | <u>\$ 25,000</u> |
| Net capital in excess of requirement | | <u>\$1,730,559</u> |
| Ratio: Aggregate indebtedness to net capital | | <u>0.17 to 1</u> |

Statement pursuant to paragraph (d)(4) of Rule 17a-5: There are no material differences between this computation of net capital and that filed by the company and included in its unaudited, Part IIA, FOCUS report as December 31, 2009.

**Report of Independent Auditors on
Internal Control Required by SEC Rule 17a-5**

To the Partners of Loomis Sayles Distributors, L.P.:

In planning and performing our audit of the financial statements of Loomis Sayles Distributors, L.P. (the "Company") as of and for the year ended December 31, 2009, in accordance with auditing standards generally accepted in the United States of America, we considered the Company's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's 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 consideration of control activities for safeguarding securities. This study included 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. 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; and
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.

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 controls and of the practices and procedures referred to in the preceding paragraph, and to assess whether those practices and procedures 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 conformity 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 and the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first, second, and third paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. We did not identify any deficiencies in internal control and control activities 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, 2009 to meet the SEC's objectives.

This report is intended solely for the information and use of the Partners, management, the SEC, Financial Industry Regulatory Authority ("FINRA") and other regulatory agencies that rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.

PricewaterhouseCoopers LLP

February 22, 2010

LOOMIS SAYLES DISTRIBUTORS, L.P.

(A wholly-owned subsidiary of
Loomis, Sayles & Company, L.P.)
(SEC File Number 8-49575)

FINANCIAL STATEMENTS

For the year ended
DECEMBER 31, 2009

Report of Independent Accountants

To the Partners of Loomis Sayles Distributors, L.P. (a wholly-owned subsidiary of Loomis Sayles & Company, L.P.)

In accordance with Rule 17a-5(e)(4) of the Securities Exchange Act of 1934, we have performed the procedures enumerated below with respect to the accompanying Transitional Assessment Reconciliation (Form SIPC-7T) of the Securities Investor Protection Corporation (SIPC) of Loomis Sayles Distributors, L.P. (the "Company") for the period from April 1, 2009 through December 31, 2009, which were agreed to by the Company, the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc., and the Securities Investor Protection Corporation (collectively, the "specified parties") solely to assist the specified parties in evaluating the Company's compliance with the applicable instructions of Form SIPC-7T during the year ended December 31, 2009. Management is responsible for the Company's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures we performed and our findings are as follows:

1. Compared the listed assessment payments on page 1, items 2B of Form SIPC-7T with the respective cash disbursement record entry, as follows: Payment in the amount of \$150 was agreed to the general ledger for Miscellaneous Taxes and Registration Fees for the period January 1, 2009 through December 31, 2009 obtained from Estelle Burton, Tax Manager. Check number 3409 dated January 29, 2009 was observed clearing the Company's bank account on February 2, 2009. No differences were noted.
2. Compared the Total Revenue amount reported on the Quarterly Focus Report summary, which was provided by Estelle Burton, Tax Manager, and agreed to page 6 of the Quarterly Forms X-17A-5 for the year ended December 31, 2009 less the revenues reported on the Company's Focus Reports for the period from January 1, 2009 to March 31, 2009 as applicable, with the Total revenue amount of \$991,012 reported on page 2, item 2a of Form SIPC-7T for the period from April 1, 2009 through December 31, 2009. No differences were noted. The amounts reported on the Quarterly Focus Report summary were reconciled to the 2009 audited Financial Statements by taking the amounts referenced on the Quarterly Focus Report summary and adding in the amounts for January 1, 2009 through March 31, 2009 to get the total 2009 amounts.
3. Compared any adjustments reported on page 2, items 2b and 2c of Form SIPC-7T with the supporting schedules and working papers, as follows:
 - a. Compared deductions on line 1, revenues from the distribution of shares of a registered open end investment company or unit investment trust, of \$875,227 to the Quarterly Focus Report summary which was in turn agreed to the applicable quarterly Focus filing, all reports provided by Estelle Burton, Tax Manager. No differences were noted.

- b. Compared deductions on line 5, net gain from securities in investment accounts, of \$92,766 to the Quarterly Focus Report summary which was in turn agreed to the applicable quarterly Income Statement support, all reports provided by Estelle Burton, Tax Manager. No differences were noted.
 4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7T and in the related schedules and working papers obtained in procedure 3, as follows:
 - a. Recalculated the mathematical accuracy of the SIPC Net Operating Revenues on page 2, line 2d and the General Assessment @ .0025 on page 2, line 2e [of \$23,019 and \$58, respectively] of the Form SIPC-7T. No differences were noted.
 5. Compared the amount of General Assessment on page 1, item 2 A. of Form SIPC-7 with page 2, item 2e. of the Form SIPC-7T. It is noted that as the General Assessment calculated on page 2, item 2e. is \$58, the \$150 minimum amount was entered for the General Assessment on page 1, item 2.A per Form SIPC-7 instructions. No differences noted.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the Company's preparation of Form SIPC 7-T in accordance with the applicable instructions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management and the board of directors of the Company, the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc., and the Securities Investor Protection Corporation and is not intended to be and should not be used by anyone other than these specified parties.

PricewaterhouseCoopers LLP

February 22, 2010