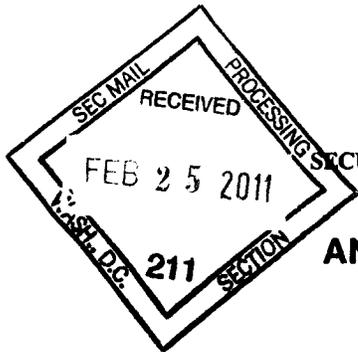


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Expires: April 30, 2013  
Estimated average burden  
hours per response..... 12.00

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

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

SEC FILE NUMBER  
8- 51778

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 01/01/2010 AND ENDING 12/31/2010  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: **Riviere Securities Ltd.**  
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
**1250 South Capital of Texas Hwy. Cielo #2, Suite #120,**

OFFICIAL USE ONLY  
FIRM I.D. NO.

(No. and Street) **AUSTIN TEXAS 78746**  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
**JOHN R. SLAIS telephone #: 512-732-0701 x 23**  
(Area Code Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*  
**Padgett, Stratemann & Co., L.L.P.**

(Name - if individual, state last, first, middle name)  
**811 Barton Springs Road, Suite #550 Austin, Texas 78704**  
(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**

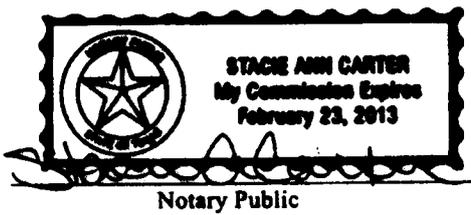
\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

FW 3/4

OATH OR AFFIRMATION

I, JOHN R. SLAIS, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Riviere Securities Ltd. as of December 31, 2010, 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:

Signature
FINOP / CFO
Title



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).

**Riviere Securities Ltd.**

Financial Statements  
With Supplemental Information  
Pursuant to Rule 17a-5 of the  
Securities and Exchange Commission  
and  
Independent Auditors' Report

December 31, 2010 and 2009

# Riviere Securities Ltd.

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**Padgett Stratemann & Co. LLP**  
CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

**Independent Auditors' Report**

To the Partners  
Riviere Securities Ltd.  
Austin, Texas

We have audited the accompanying statements of financial condition of Riviere Securities Ltd. (the "Partnership") (a Texas limited partnership) as of December 31, 2010 and 2009, and the related statements of income (loss), changes in partnership capital, and cash flows for the years then ended that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Partnership's internal control over financial reporting. Accordingly, we express no such opinion. An audit also 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, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Riviere Securities Ltd. as of December 31, 2010 and 2009, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were 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 audits 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.

*Padgett, Stratemann & Co., L.L.P.*

Certified Public Accountants  
February 1, 2011

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## Financial Statements

**Riviere Securities Ltd.**

**Statements of Financial Condition**

December 31, 2010 and 2009

**Assets**

	<u>2010</u>	<u>2009</u>
Cash, including restricted amount of \$25,000 for 2010 and 2009	\$ 25,405	\$ 25,517
Receivables from related parties	137,453	59,717
Other assets – prepaid expense	<u>2,782</u>	<u>2,410</u>
Total assets	<u>\$ 165,640</u>	<u>\$ 87,644</u>

**Liabilities and Partnership Capital**

Accounts payable	\$ <u>17,544</u>	\$ <u>5,199</u>
Partnership capital	<u>148,096</u>	<u>82,445</u>
Total liabilities and partnership capital	<u>\$ 165,640</u>	<u>\$ 87,644</u>

*Notes to financial statements form an integral part of these statements.*

# Riviere Securities Ltd.

## Statements of Income (Loss)

Years Ended December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Revenues	\$ <u>833,950</u>	\$ <u>2,155,375</u>
Expenses:		
Commissions	481,335	1,664,038
Commission to other brokers	153,000	-
Office and equipment	59,191	161,322
Management fees	-	100,761
Travel and entertainment	3,616	87,018
Salaries and related costs	12,675	42,622
Analytics and structure fees	-	32,745
Clearing charges	23,700	28,481
Professional	20,333	25,153
Regulatory fees	8,924	5,280
Other expenses	<u>5,525</u>	<u>17,795</u>
Total expenses	<u>768,299</u>	<u>2,165,215</u>
Net income (loss)	\$ <u><u>65,651</u></u>	\$ <u><u>(9,840)</u></u>

*Notes to financial statements form an integral part of these statements.*

## Riviere Securities Ltd.

### Statements of Changes in Partnership Capital

Years Ended December 31, 2010 and 2009

	<u>General Partner</u>	<u>Limited Partners</u>	<u>Total</u>
Balance at December 31, 2008	\$ 923	\$ 91,362	\$ 92,285
Net loss	<u>(98)</u>	<u>(9,742)</u>	<u>(9,840)</u>
Balance at December 31, 2009	<u>825</u>	<u>81,620</u>	<u>82,445</u>
Net income	<u>657</u>	<u>64,994</u>	<u>65,651</u>
Balance at December 31, 2010	\$ <u><u>1,482</u></u>	\$ <u><u>146,614</u></u>	\$ <u><u>148,096</u></u>

*Notes to financial statements form an integral part of these statements.*

# Riviere Securities Ltd.

## Statements of Cash Flows

Years Ended December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
<b>Cash Flows From Operating Activities</b>		
Net income (loss)	\$ 65,651	\$ (9,840)
Changes in operating assets and liabilities:		
Receivables from related parties	(77,736)	10,555
Other assets	(372)	2,985
Accounts payable	<u>12,345</u>	<u>(3,341)</u>
Net cash provided by (used in) operating activities	<u>(112)</u>	<u>359</u>
Net increase (decrease) in cash	(112)	359
Cash at the beginning of the year	<u>25,517</u>	<u>25,158</u>
Cash at the end of the year	\$ <u>25,405</u>	\$ <u>25,517</u>

*Notes to financial statements form an integral part of these statements.*

## Notes to Financial Statements

# Riviere Securities Ltd.

## Notes to Financial Statements

### 1. Summary of Significant Accounting Policies

#### *Reporting Entity and Nature of Operations*

Riviere Securities Ltd. (the “Partnership”) (a Texas limited partnership) conducts its business as a securities broker-dealer registered with the Securities and Exchange Commission, along with its Financial Industry Regulatory Authority (“FINRA”) membership. The purpose of the Partnership is to act as a broker-dealer primarily in asset-backed securities and securitizations. Certain securities transactions will be executed by the Partnership on behalf of its customers through a clearing broker-dealer, First Southwest Company (“FSWC”), who will carry such accounts on a fully disclosed basis. These securities transactions are settled and cleared pursuant to a clearing agreement with FSWC. The clearing agreement is automatically renewed for one-year periods until terminated. The Partnership reimburses Riviere Financial Group, Inc. (“General Partner”) for expenses paid on behalf of the Partnership.

#### *Recent Accounting Pronouncements*

##### *Improvements to Financial Reporting by Enterprises Involved With Variable Interest Entities*

On January 1, 2010, the Partnership adopted Accounting Standards Codification (“ASC”), *Consolidations – Improvements to Financial Reporting by Enterprises Involved With Variable Interest Entities*. The new guidance identifies the primary beneficiary of a variable interest entity (“VIE”) as the enterprise that has both the power to direct the activities of a VIE that most significantly impacts the entity’s economic performance, and the obligation to absorb losses of the entity that could potentially be significant to the VIE or the right to receive benefits from the entity that could potentially be significant to the VIE. The new guidance also provides information on additional disclosures and ongoing reassessments of whether an enterprise is the primary beneficiary of a VIE.

The new provisions shall be effective as of the beginning of each reporting entity’s first annual reporting period that begins after November 15, 2010. The Partnership adopted this guidance for its year ended December 31, 2010. The adoption of this guidance did not have a material effect on the Partnership’s financial position, results of operations, or cash flows.

#### *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 could affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

# Riviere Securities Ltd.

## Notes to Financial Statements

### 1. Summary of Significant Accounting Policies (continued)

#### *Financial Statement Presentation*

The unclassified statement of financial condition is presented in accordance with industry standards.

#### *Restricted Cash*

Restricted cash consists of the Partnership's clearing deposit with its clearing broker. Such amounts are not available for operating purposes.

#### *Revenue Recognition*

Securities transactions and related revenue and expense will be recorded in the accounts on a trade-date basis.

Revenue for investment banking services will be recognized when all of the following have occurred: a contract has been entered into with a client, services have been rendered, the fee amount has been determined, and collectibility is reasonably assured.

In 2010 and 2009, the Partnership had income related to securities transactions of \$526,000 and \$355,375, respectively.

#### *Income Taxes*

The Partnership is treated as a partnership for United States federal tax purposes. Therefore, no provision or liability for federal taxes has been included in the financial statements. The Partnership's profit and losses are passed through and reported by its partners. Further, partner capital accounts reflected in the accompanying statements of financial condition differ from amounts reported in the Partnership's federal income tax returns because of differences in accounting policies adopted and the timing of certain expense and revenue items for financial and tax reporting purposes.

#### *Statement of Cash Flows*

For purposes of reporting cash flows, cash includes cash on hand, including restricted cash held with the Partnership's clearing broker.

# Riviere Securities Ltd.

## Notes to Financial Statements

### 1. Summary of Significant Accounting Policies (continued)

#### *Subsequent Events*

The Partnership has evaluated subsequent events that occurred after December 31, 2010 through the date of this report on February 1, 2011. Any material subsequent events that occurred during this time have been properly recognized or disclosed in the financial statements.

### 2. Net Capital Requirements

The Partnership is subject to the SEC Uniform Net Capital Rule (SEC Rule 15c3-1), which requires the maintenance of minimum net capital of \$5,000, and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2010 and 2009, the Partnership had net capital of \$7,861 and \$20,318, respectively. The Partnership's ratio of aggregate indebtedness to net capital was 2.23 to 1 at December 31, 2010 and .26 to 1 at December 31, 2009.

The Partnership's nonallowable assets were \$140,235 for December 31, 2010 and \$62,127 for December 31, 2009. The nonallowable assets in 2010 and 2009 related to the Partnership's receivable with its general partnership and membership fees for FINRA.

### 3. Commitment and Contingencies

#### *Contingencies*

Certain conditions may exist as of the date the financial statements are issued, which may result in a loss to the Partnership, but which will only be resolved when one or more future events occur or fail to occur. The Partnership's management and its legal counsel assess such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against the Partnership or unasserted claims that may result in such proceedings, the Partnership's legal counsel evaluates the perceived merits of any legal proceedings or unasserted claims, as well as the perceived merits of the amount of relief sought or expected to be sought therein.

If the assessment of a contingency indicates it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the Partnership's financial statements. If the assessment indicates a potentially material loss contingency is not probable, but is reasonably possible, or is probable, but cannot be estimated, then the nature of the contingent liability, together with an estimate of the range of possible loss if determinable and material, would be disclosed.

## **Riviere Securities Ltd.**

### **Notes to Financial Statements**

#### **3. Commitment and Contingencies (continued)**

##### *Contingencies (continued)*

Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the guarantees would be disclosed.

##### *Market Risks and Credit Risks*

In the normal course of business, the clearing broker and the Partnership's activities will involve the execution, settlement, and financing of various securities transactions. These activities may expose the Partnership to off-balance sheet credit and market risks in the event the customer or counterparty is unable to fulfill its contractual obligations. Such risks may be increased by volatile trading markets.

The clearing broker, through which accounts are introduced, and the Partnership will seek to control the risks associated with their customer activities by requiring customers to maintain margin collateral, in compliance with various regulatory and internal guidelines. The Partnership is contingently liable for any customer account deficits with the clearing broker which are not otherwise satisfied. The clearing broker and the Partnership will monitor required margin levels daily and, pursuant to such guidelines, will require customers to deposit additional collateral or to reduce positions where necessary.

#### **4. Related Parties**

An agreement between the General Partner and the Partnership was entered into in which the General Partner agrees to pay any normal recurring overhead the Partnership submits for payment. Additionally, the General Partner will bill certain fees to the Partnership including, but not limited to, structure fees and management fees for services provided. Total fees billed were \$112,413 and \$625,561 for the years ended December 31, 2010 and 2009, respectively. As of December 31, 2010 and 2009, respectively, the Partnership had overpaid the General Partner by \$72,656 and \$51,967, which was included in receivables from related parties.

The management fees for 2010 were waived by the General Partner. The management fees for 2009 totaled \$100,761.

The Partnership made advances to the General Partner and other related parties. As of December 31, 2010 and 2009, the Partnership was owed \$64,797 and \$7,500, respectively, which is included in the receivables from related parties on the statements of financial condition. The General Partner made payments on these advances totaling \$3,000 in 2010 and \$0 in 2009.

## **Riviere Securities Ltd.**

### **Notes to Financial Statements**

#### **5. Partnership Agreement**

The Partners' capital accounts are increased by cash or property contributed and all items of income or gain allocated to each account and decreased by cash or property distributed to each partner and all items of Partnership deductions or loss. Under the Partnership agreement, at any time, the General Partner may determine that additional contributions of cash or property are desirable. Within ten days following the receipt of notice from the General Partner, each Limited Partner may contribute cash or property to the Partnership as a "voluntary capital contribution" on the terms and subject to the conditions set forth in the notice from the General Partner. All such additional voluntary capital contributions shall be requested in proportion to the then percentage interests of the partners of the Partnership.

Profits and losses will be allocated to the partners in accordance with their relative sharing ratios. The Partnership will be dissolved upon the General Partner's determination, with the Limited Partners' prior written consent or upon the dissolution, withdrawal, or bankruptcy of the General Partner, unless the Partnership is reconstituted by the substitution of the General Partner.

## Supplemental Information



Padgett Stratemann & Co. LLP  
CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

Independent Auditors' Report  
on Supplemental Information  
Required by Rule 17a-5 of the  
Securities and Exchange Commission

To the Partners of  
Riviere Securities Ltd.  
Austin, Texas

We have audited the accompanying financial statements of Riviere Securities Ltd. as of and for the year ended December 31, 2010, and have issued our report thereon dated February 1, 2011. 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 accompanying schedules is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplemental information required by Rule 17a-5 of the Securities and 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.

*Padgett, Stratemann & Co., L.L.P.*

Certified Public Accountants  
February 1, 2011

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# Riviere Securities Ltd.

## Schedule I

### Computation of Net Capital, Aggregate Indebtedness, and Ratio of Aggregate Indebtedness to Net Capital Under Rule 15c3-1

December 31, 2010

<b>Total Partnership Capital</b>	
Partnership capital, as reported on the statement of financial condition	\$ 148,096
Nonallowable assets:	
Receivables from related parties	(137,453)
Other assets – prepaid expense	<u>(2,782)</u>
Net partnership capital	<u>\$ 7,861</u>
<b>Aggregate Indebtedness</b>	
Total aggregate indebtedness liabilities from statement of financial condition	\$ 17,544
Less items excluded from aggregate indebtedness	<u>-</u>
Total aggregate indebtedness	<u>\$ 17,544</u>
<b>Computation of Basic Net Capital Requirement</b>	
Minimum net capital required of broker-dealer (6.67% of total aggregated indebtedness)	<u>\$ 1,170</u>
Minimum dollar net capital requirement of reporting broker-dealer	<u>\$ 5,000</u>
Net capital requirement (greater of two above)	<u>\$ 5,000</u>
<b>Net Capital in Excess of Required Minimum</b>	<u>\$ 2,861</u>
<b>Ratio of Aggregated Indebtedness to Net Capital</b>	2.23 to 1

The above computation does not differ from the computation of net capital under Rule 15c3-1 as of December 31, 2010, filed with the Securities and Exchange Commission by the Partnership on Part II A of Form X-17a-5.

*See auditors' report on supplemental information.*

## **Riviere Securities Ltd.**

### **Schedule II**

#### **Computation for Determination of Reserve Requirements and Information Relating to Possession or Control Requirements Under Rule 15c3-3 of the Securities and Exchange Commission**

December 31, 2010

The Partnership is exempt from reserve requirements and the related computations for the determination thereof under paragraph (k)(2)(ii) of Rule 15c3-3 under the Securities Exchange Act of 1934, as the Partnership does not receive, directly or indirectly; or hold funds or securities for; or owe funds or securities to customers and does not carry accounts of or for customers; and clears all transactions with and for customers on a fully disclosed basis with the clearing broker, First Southwest Company, which carries all the accounts of customers.

During the year ended December 31, 2010, in the opinion of management, the Partnership has complied with the conditions for exemption specified in paragraph (k)(2)(ii) of Rule 15c3-3.

*See auditors' report on supplemental information.*

## Report on Internal Control Structure



**Padgett Stratemann & Co. LLP**  
CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

Independent Auditors' Report on Internal Control Structure  
Required by SEC Rule 17a-5

To the Partners  
Riviere Securities Ltd.  
Austin, Texas

In planning and performing our audit of the financial statements and supplemental schedules of Riviere Securities Ltd. (the "Partnership") (a Texas limited partnership) for the year ended December 31, 2010, 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 internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission ("SEC"), we have made a study of the practices and procedures followed by the Partnership, including tests

of such practices and procedures that we considered relevant to the objectives stated in Rule 17a-5(g) in making the periodic computations of aggregate indebtedness and net capital under Rule 17a-3(a)(11), and for determining compliance with the exemptive provisions of Rule 15c3-3. Because the Partnership 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 Partnership in any of the following:

1. Making quarterly securities examinations, counts, verifications and comparisons and 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
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 Partnership 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 Partnership has responsibility are safeguarded

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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 accounting principles generally accepted in the United States of America. 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, 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.

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 internal control components does not reduce to a relatively low level the risk that misstatements caused by 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 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 the Partnership's practices and procedures were adequate at December 31, 2010, to meet the SEC's objectives.

This report is intended solely for the use of management; the partners of Riviere Securities Ltd.; the SEC; the National Association of Securities Dealers, Inc.; 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 the specified parties.

*Padgett, Stratamann + Co., L.L.P.*

Certified Public Accountants  
February 1, 2011

## Report on Transitional Assessment Reconciliation



**Padgett Stratemann & Co. LLP**  
CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

**Independent Auditors' Report on Transitional Assessment  
Reconciliation Required by SEC Rule 17a-5**

To the Partners  
Riviere Securities Ltd.  
Austin, Texas

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, we have performed the procedures enumerated below with respect to the accompanying Transitional Assessment Reconciliation (Form SIPC-7T) to the Securities Investor Protection Corporation ("SIPC") for the year ended December 31, 2010, which were agreed to by Riviere Securities Ltd. (the "Partnership") and the Securities and Exchange Commission, Financial Industry Regulatory Authority, and SIPC, solely to assist you and the other specified parties in evaluating the Partnership's compliance with the applicable instructions of the Transitional Assessment Reconciliation (Form SIPC-7T). The Partnership's management is responsible for the Partnership'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 in Form SIPC-7T with respective cash disbursement records entries, noting no differences
2. Compared the amounts reported on the audited Form X-17A-5 for the year ended December 31, 2010, as applicable, with the amounts reported in Form SIPC-7T for the year ended December 31, 2010, noting no differences
3. Compared any adjustments reported in Form SIPC-7T with supporting schedules and working papers, noting no differences
4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7T and in the related schedules and working papers supporting the adjustments, noting no differences
5. Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7T on which it was originally computed, noting no differences

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We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. 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 the specified parties listed above and is not intended to be, and should not be, used by anyone other than these specified parties.

*Podgett, Stotemann & Co., L.L.P.*

Certified Public Accountants  
February 1, 2011

**Schedule III**

**Computation of Transitional Assessment Reconciliation  
Required by Rule 17a-5 of the Securities and Exchange Commission**

SIPC-7

(33-REV 7/10)

SECURITIES INVESTOR PROTECTION CORPORATION

P.O. Box 92185 Washington, D.C. 20090-2185

202-371-8300

General Assessment Reconciliation

SIPC-7

(33-REV 7/10)

For the fiscal year ended 12/31, 2010
(Read carefully the instructions in your Working Copy before completing this Form)

TO BE FILED BY ALL SIPC MEMBERS WITH FISCAL YEAR ENDINGS

1 Name of Member, address, Designated Examining Authority, 1934 Act registration no. and month in which fiscal year ends for purposes of the audit requirement of SEC Rule 17a-5

051778 FINRA DEC
RIVIERE SECURITIES LTD 20\*20
STE 120
1250 S CAPITAL OF TEXAS HWY BLDG 2
WEST LAKE HILLS TX 78746-6446

Note: If any of the information shown on the mailing label requires correction, please e-mail any corrections to form@sipc.org and so indicate on the form filed.

Name and telephone number of person to contact respecting this form.

JOHN R. SLAIS 512-732-0701 x23

- 2. A. General Assessment (item 2e from page 2) \$ 1,643.13
B. Less payment made with SIPC-6 filed (exclude interest) 7/7/10 \$150.00 > = 9/23/10 \$1,227.50 ( 1,377.50 )
C. Less prior overpayment applied ( )
D. Assessment balance due or (overpayment) 265.63
E. Interest computed on late payment (see instruction E) for \_\_\_ days at 20% per annum
F. Total assessment balance and interest due (or overpayment carried forward) \$ 265.63
G. PAID WITH THIS FORM:
Check enclosed, payable to SIPC
Total (must be same as F above) \$ 265.63
H. Overpayment carried forward \$ ( NONE )

3. Subsidiaries (S) and predecessors (P) included in this form (give name and 1934 Act registration number):

The SIPC member submitting this form and the person by whom it is executed represent thereby that all information contained herein is true, correct and complete.

Dated the 3RD day of JANUARY, 2010.

RIVIERE SECURITIES LTD.
JOHN R. SLAIS - CFO

This form and the assessment payment is due 60 days after the end of the fiscal year. Retain the Working Copy of this form for a period of not less than 6 years, the latest 2 years in an easily accessible place.

SIPC TOWER
Dates Postmarked Received Reviewed
Calculations Documentation Forward Copy
Exceptions:
Disposition of exceptions:

**DETERMINATION OF "SIPC NET OPERATING REVENUES"  
AND GENERAL ASSESSMENT**

Amounts for the fiscal period  
beginning 01/01, 2010  
and ending 12/31, 2010  
Eliminate cents

1f .o.  
2a. Total revenue (FOCUS Line 12/Part IIA Line 9, Code 4030)

\$ 833,950

2b. Additions:

- (1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above.
- (2) Net loss from principal transactions in securities in trading accounts.
- (3) Net loss from principal transactions in commodities in trading accounts.
- (4) Interest and dividend expense deducted in determining item 2a
- (5) Net loss from management of or participation in the underwriting or distribution of securities.
- (6) Expenses other than advertising, printing, registration fees and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities.
- (7) Net loss from securities in investment accounts.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
NONE

Total additions

2c. Deductions:

- (1) Revenues from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts, and from transactions in security futures products
- (2) Revenues from commodity transactions.
- (3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.
- (4) Reimbursements for postage in connection with proxy solicitation
- (5) Net gain from securities in investment accounts.
- (6) 100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers acceptances or commercial paper that mature nine months or less from issuance date
- (7) Direct expenses of printing advertising and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 16(9)(L) of the Act)
- (8) Other revenue not related either directly or indirectly to the securities business.  
(See Instruction C)

\_\_\_\_\_  
\_\_\_\_\_  
176,700  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(9) (i) Total interest and dividend expense (FOCUS Line 22, PART IIA Line 13 Code 4075 plus line 2b(4) above) but not in excess of total interest and dividend income

\$ NONE

(ii) 40% of margin interest earned on customers securities accounts (40% of FOCUS line 5 Code 3950)

\$ NONE

Enter the greater of line (i) or (ii)

NONE  
NONE

Total deductions

2d SIPC Net Operating Revenues

\$ 657,250

2a General Assessment @ 0025

\$ 1,643.13

(If on page 1 line 2 A 1)