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SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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

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, 2010 AND ENDING December 31, 2010  
Date Date

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: BedRok Securities LLC

OFFICIAL USE ONLY

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

FIRM I.D. NO.

555 Theodore Fremd Avenue - Suite C-301

(No. and Street)

Rye

NY

10580

(City)

(State)

(Zip Code)

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

Richard J. Caplan

914-740-1501

(Area Code - Telephone No.)

**B. ACCOUNTANT IDENTIFICATION**

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

Friedman LLP

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

100 Eagle Rock Avenue, Suite 200

East Hanover

NJ

07936

(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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2011

## OATH OR AFFIRMATION

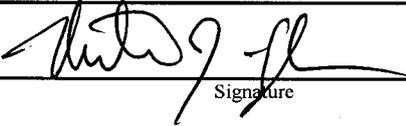
I, Richard J. Caplan, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of BedRok Securities LLC as of December 31, 2010, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**BONNIE J. O'NEILL**  
Notary Public, State of New York  
No. 01ON6198543  
Qualified in Westchester County  
Commission Expires: October 27, 2012  
Bonnie J. O'Neill  
Notary Public

  
Signature  
President  
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.
- (o) Independent Auditors' Report on Internal Accounting Control.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

# BEDROK SECURITIES LLC

## TABLE OF CONTENTS

	<u>Page</u>
<b>Independent Auditors' Report</b>	1
<b>Financial Statements</b>	
Statement of Financial Condition	2
Statement of Operations	3
Statement of Changes in Member's Equity	4
Statement of Cash Flows	5
Notes to Financial Statements	6
<b>Supplemental Information</b>	
Schedule I - Computation of Net Capital Pursuant to Rule 15c3-1 of the Securities and Exchange Commission	11
Schedule II - Statement Regarding SEC Rule 15c3-3	12
Independent Auditors' Report on Internal Control Structure Required by Rule 17a-5 of the Securities and Exchange Commission	13



**FRIEDMAN LLP**  
ACCOUNTANTS AND ADVISORS

**INDEPENDENT AUDITORS' REPORT**

To the Member  
BedRok Securities LLC

We have audited the accompanying statement of financial condition of BedRok Securities LLC (the Company) as of December 31, 2010, and the related statements of operations, changes in member's equity and cash flows for the year then ended. 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 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 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 the Company'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 and 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 statements referred to above present fairly, in all material respects, the financial position of BedRok Securities LLC as of December 31, 2010 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.

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.

*Friedman LLP*

February 14, 2011

**BEDROK SECURITIES LLC**

**STATEMENT OF FINANCIAL CONDITION**

**DECEMBER 31, 2010**

**ASSETS**

Cash	\$ 387,330
Due from clearing broker	4,821,571
Securities owned, at market value	13,767,111
Deposit with clearing organization	250,000
Property and equipment, net	431,342
Other assets	170,686
	<hr/>
	\$ 19,828,040

**LIABILITIES AND MEMBER'S EQUITY**

**Liabilities**

Securities sold, not yet purchased	\$ 3,257,384
Accounts payable and accrued expenses	9,966,054
	<hr/>
	13,223,438

**Commitments**

<b>Member's equity</b>	6,604,602
	<hr/>
	\$ 19,828,040

See notes to financial statements.

**BEDROK SECURITIES LLC**

**STATEMENT OF OPERATIONS**

**YEAR ENDED DECEMBER 31, 2010**

<b>Revenues</b>	
Trading income	\$ 41,266,433
Interest income, net	128,877
	<hr/>
	41,395,310
	<hr/>
<b>Operating expenses</b>	
Employee compensation and benefits	38,197,582
Market data	1,924,292
Clearing costs	547,695
Occupancy cost	462,566
Regulatory and SIPC fees	313,186
Depreciation and amortization	91,676
Other operating expenses	1,563,230
	<hr/>
	43,100,227
	<hr/>
<b>Net loss</b>	<b>\$ (1,704,917)</b>

See notes to financial statements.

**BEDROK SECURITIES LLC**

**STATEMENT OF CHANGES IN MEMBER'S EQUITY**

**YEAR ENDED DECEMBER 31, 2010**

Balance, January 1, 2010	\$ 10,309,519
Net loss	(1,704,917)
Member's distributions	(2,000,000)
<b>Balance, December 31, 2010</b>	<b>\$ 6,604,602</b>

See notes to financial statements.

**BEDROK SECURITIES LLC**

**STATEMENT OF CASH FLOWS**

**YEAR ENDED DECEMBER 31, 2010**

**Cash flows from operating activities**

Net loss	\$ (1,704,917)
Adjustments to reconcile net loss to net cash provided by operating activities	
Depreciation and amortization	91,676
Changes in assets and liabilities	
Due from broker	4,491,636
Securities owned	(6,121,542)
Other assets	(79,136)
Securities sold, not yet purchased	3,257,384
Accounts payable, accrued expenses and other liabilities	717,007
<b>Net cash provided by operating activities</b>	<b>652,108</b>

**Cash flows from investing activities**

Acquisition of furniture and equipment	(8,715)
--	---------

**Cash flows from financing activities**

Member's distributions	(2,000,000)
------------------------	-------------

**Net decrease in cash** (1,356,607)

**Cash, beginning of year** 1,743,937

**Cash, end of year** \$ 387,330

**Supplemental cash flow disclosures**

Interest paid \$ 158,922

See notes to financial statements.

## **BEDROK SECURITIES LLC**

### **NOTES TO FINANCIAL STATEMENTS**

#### **1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **Description of Business**

BedRok Securities LLC (the "Company") is a broker dealer registered with the Securities and Exchange Commission and is a member of the Financial Industry Regulatory Authority, Inc. (FINRA). The Company's parent Company, CapRok Capital LLC (the "Parent"), is owned by two partners. The Company operates sales offices in New York, New Jersey, and Texas and acts as a broker and dealer of products consisting primarily of asset backed securities, corporate bonds and stocks.

The Company has an agreement with a clearing broker ("Broker") to clear securities transactions, carry customers' accounts on a fully disclosed basis and perform certain record keeping functions.

##### **Use of Estimates**

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

##### **Concentration of Credit Risk for Cash**

The Company maintains its cash balances at one financial institution. These balances are insured by the Federal Deposit Insurance Corporation subject to certain limitations.

##### **Depreciation and Amortization**

Property and equipment are depreciated on a straight-line basis over their estimated useful lives. Leasehold improvements are amortized over the shorter of their useful lives or the remaining life of the lease.

##### **Securities Transactions**

Securities transactions and related commission revenues and expenses are recorded on a trade date basis.

##### **Commissions**

Commissions and related clearing expenses are recorded on a trade-date basis as securities transactions occur.

## **BEDROK SECURITIES LLC**

### **NOTES TO FINANCIAL STATEMENTS**

#### **1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **Income Taxes**

The Company is not a taxpaying entity for income tax purposes and, accordingly, no provision has been made for income taxes. All income or losses will be reported on the member's income tax return.

Federal, state and local income tax returns for all years prior to 2007 are no longer subject to examination by tax authorities.

##### **Fair Value Measurements**

United States generally accepted accounting principles ("GAAP") requires certain financial assets and liabilities to be measured at fair value. GAAP defines fair value, provides guidance for measuring fair value, requires certain disclosures and discusses valuation techniques, such as the market approach (comparable market prices), the income approach (present value of future income or cash flow) and the cost approach (cost to replace the service capacity of an asset or replacement cost). GAAP also provides for a fair value hierarchy that prioritizes the inputs of valuation techniques used to measure fair value into three broad levels. The following is a brief description of those three levels:

Level 1: Observable inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.

Level 3: Unobservable inputs that reflect management's own assumptions.

##### **Subsequent Events**

These financial statements were approved by management and available for issuance on February 14, 2011. Management has evaluated subsequent events through this date.

## BEDROK SECURITIES LLC

### NOTES TO FINANCIAL STATEMENTS

#### 2 - SECURITIES OWNED AND SOLD, NOT YET PURCHASED

Marketable securities owned and sold, not yet purchased, consist of trading debt and equity securities recorded at market values, as follows:

	Owned	Sold, Not Yet Purchased
Asset backed securities	\$ 8,613,247	\$ -
Corporate bonds	4,960,279	2,783,425
Preferred stock	193,585	-
Corporate stocks - Level 1	-	473,959
	<u>\$ 13,767,111</u>	<u>\$ 3,257,384</u>

The securities listed above, with the exception of the corporate stocks, are valued using level 2 inputs. Corporate stocks are valued using level 1 inputs.

#### 3 - DUE FROM CLEARING BROKER

The due from clearing broker is comprised of amounts the Company is owed from its clearing broker dealer for transactions previously consummated.

#### 4 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

Office equipment	\$ 254,978
Furniture and fixtures	122,694
Computer and office equipment	108,106
Leasehold improvements	78,998
	<u>564,776</u>
Less - Accumulated depreciation and amortization	133,434
	<u>\$ 431,342</u>

**BEDROK SECURITIES LLC**

**NOTES TO FINANCIAL STATEMENTS**

**5 - OTHER ASSETS**

Other assets consist of the following:

Prepaid expenses	\$ 148,421
Security deposits	22,265
	<hr/>
	\$ 170,686

**6 - ACCOUNTS PAYABLE AND ACCRUED EXPENSES**

Accounts payable and accrued expenses consist of the following:

Accounts payable	\$ 50,017
Accrued payroll expenses	9,473,902
Accrued deferred compensation plans	265,676
Accrued other	176,459
	<hr/>
	\$ 9,966,054

**7 - COMMITMENTS**

The Company is obligated under a non-cancelable operating lease for an office facility located in Dallas, TX. The lease will terminate in March, 2012 and requires monthly rent payments of \$700.

The Parent is obligated under two non-cancelable operating leases for the New York and New Jersey locations occupied by the Company. Future minimum rental payments for 2011 and 2012 are \$350,000 and \$53,000, respectively. The Company does not have an executed sub-lease agreement with its Parent for these leases, but is responsible for making monthly rent payments to the landlord.

Rent expense was approximately \$463,000 for the year ended December 31, 2010.

**8 - RETIREMENT PLANS**

The Company maintains a 401(k) deferred compensation plan, which covers substantially all employees. Participants are permitted, in accordance with the provisions of Section 401(k) of the Internal Revenue Code, to contribute a portion of their gross earnings into the Plan. Employer contributions are made on a discretionary basis. No employer contributions were made for the year ended December 31, 2010.

## **BEDROK SECURITIES LLC**

### **NOTES TO FINANCIAL STATEMENTS**

#### **8 - RETIREMENT PLANS (Continued)**

The Company participates in the Parent Company's retirement plan covering certain management executives. During 2010, \$129,350 was contributed to the plan.

#### **9 - REGULATORY REQUIREMENTS**

As a registered broker-dealer, the Company is subject to the net capital provisions of Rule 15c3-1 of the Securities Exchange Act of 1934, which requires that the Company's aggregate indebtedness shall not exceed fifteen times net capital, as defined, under such provision. At December 31, 2010, the Company had net capital of \$3,383,622, which exceeded requirements by \$2,719,218. The ratio of aggregate indebtedness to net capital was 2.95 to 1.

#### **10 - FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK**

In the normal course of business, the Company's customer activities involve the execution and settlement of various customer securities. These activities may expose the Company to off-balance sheet credit risk in the event the customer is unable to fulfill its contracted obligations. The Company is therefore exposed to risk of loss on these transactions in the event of a contra party being unable to meet the terms of their contracts, which may require the Company to purchase or sell financial instruments at prevailing market prices.

#### **11 - RISKS AND UNCERTAINTIES**

The Company invests in certain securities. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the balance sheet.

**SUPPLEMENTAL INFORMATION**

**Pursuant to Rule 17a-5 of the Securities Exchange Act of 1934**

**As of December 31, 2010**

**BEDROK SECURITIES LLC**

**SCHEDULE I**

**COMPUTATION OF NET CAPITAL PURSUANT TO RULE 15c3-1 OF  
THE SECURITIES AND EXCHANGE COMMISSION**

**DECEMBER 31, 2010**

**Computation of net capital**

Total member's equity	\$ 6,604,602
Less - Non-allowable assets	
Property and equipment	(431,342)
Other assets	(170,686)
<b>Net capital before haircuts on securities positions</b>	<b>6,002,574</b>
<b>Haircuts and undue concentrations</b>	<b>(2,618,952)</b>
<b>Net capital</b>	<b>\$ 3,383,622</b>

**Computation of aggregate indebtedness**

Accounts payable and accrued expenses includable in aggregate indebtedness	\$ 9,966,054
<b>Aggregate indebtedness</b>	<b>\$ 9,966,054</b>

**Computation of basic net capital requirement**

Minimum net capital required (6 2/3% of aggregate indebtedness)	\$ 664,404
Minimum dollar requirement	100,000
<b>Net capital requirement (greater of minimum net capital or dollar requirement)</b>	<b>\$ 664,404</b>

**Excess net capital** \$ 2,719,218

**Excess net capital at 1000 percent** \$ 2,387,017

**Ratio: aggregate indebtedness to net capital** 2.95 to 1

There are no material differences between the preceding computation and the Company's corresponding unaudited Part II of Form X-17A-5 as of December 31, 2010

**BEDROK SECURITIES LLC**

**SCHEDULE II**

**STATEMENT REGARDING SEC RULE 15c3-3**

**DECEMBER 31, 2010**

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

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE  
REQUIRED BY RULE 17a-5 OF THE SECURITIES AND EXCHANGE COMMISSION**

To the Member  
BedRok Securities LLC

In planning and performing our audit of the financial statements of BedRok Securities LLC (the "Company"), as of and for the year ended December 31, 2010, 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 audit 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 ("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 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 (or aggregate debits) and net capital under Rule 17a-3(a)(11) and for 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 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 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.

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 previously 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 or the practices and procedures referred to above, errors 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 deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Company's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first and second 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, as described in the second paragraph of this report, were adequate at December 31, 2010, to meet the SEC's objectives.

This report is intended solely for the information and use of management, the SEC, the Financial Industry Regulatory Authority, 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 these specified parties.

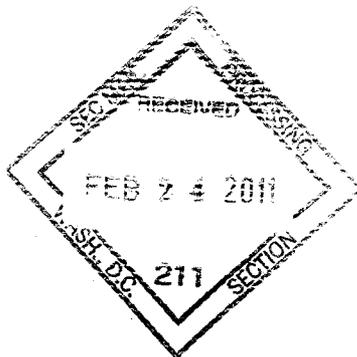
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Certified Public Accountants

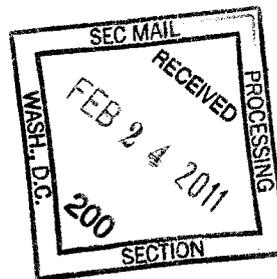
East Hanover, New Jersey  
February 14, 2011

**BEDROK SECURITIES LLC**  
**ANNUAL AUDITED REPORT**  
**FORM X-17X-5**  
**PART III**  
**SEC FILE NO. 8-28666**  
**YEAR ENDED DECEMBER 31, 2010**  
**AND**  
**INDEPENDENT AUDITORS' REPORT**

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**FRIEDMAN LLP**  
ACCOUNTANTS AND ADVISORS



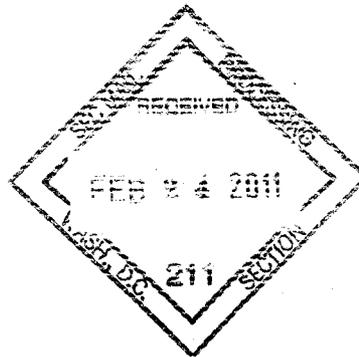
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**YEAR ENDED DECEMBER 31, 2010**  
**AND**  
**INDEPENDENT AUDITORS' REPORT**

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**BEDROK SECURITIES LLC**  
**SECURITIES INVESTOR PROTECTION CORPORATION**  
**FORM SIPC-7**

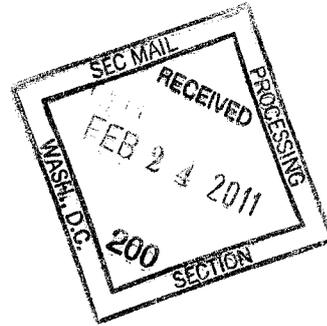
**SEC FILE NO. 8-28666**

**YEAR ENDED DECEMBER 31, 2010**



**FRIEDMAN LLP**

ACCOUNTANTS AND ADVISORS



**BEDROK SECURITIES LLC**

**SECURITIES INVESTOR PROTECTION CORPORATION  
FORM SIPC-7**

**SEC FILE NO. 8-28666**

**YEAR ENDED DECEMBER 31, 2010**



**FRIEDMAN LLP**  
ACCOUNTANTS AND ADVISORS

**INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON  
PROCEDURES RELATED TO AN ENTITY'S SIPC ASSESSMENT RECONCILIATION**

To the Member's of  
BedRok Securities LLC

In accordance with Rule 17a-5(e)(4) under the Securities and Exchange Act of 1934, we have performed the procedures enumerated below with respect to the accompanying Schedule of Assessment and Payments to the Securities Investor Protection Corporation ("SIPC") for the year ended December 31, 2010, which were agreed to by BedRok Securities LLC and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc. and SIPC, solely to assist you and the other specified parties in evaluating BedRok Securities LLC's compliance with the applicable instructions of the General Assessment Reconciliation ("Form SIPC-7"). BedRok Securities LLC's management is responsible for BedRok Securities LLC'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-7 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-7 for the year ended December 31, 2010, noting no differences;
3. Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers noting no differences;
4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments noting no differences.

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.

*Friedman & LF*

February 14, 2011

**BEDROK SECURITIES LLC**

**SCHEDULE OF ASSESSMENT AND PAYMENTS TO THE  
SECURITIES INVESTOR PROTECTION CORPORATION**

**YEAR ENDED DECEMBER 31, 2010**

<u>Period Covered</u>	<u>Date Paid</u>	<u>Amount</u>
General assessment reconciliation for the year ended December 31, 2010		\$ 102,521
<u>Payment schedule:</u>		
SIPC - 6	8/8/2010	55,309
SIPC - 6 Additional assessment	11/30/2010	381
SIPC - 7	2/14/2011	47,228
Overpayment applied to 2011		\$ (397)