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SECURITIES AND EXCHANGE COMMISSION

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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

DIVISION OF TRADING & MARKETS

OMB APPROVAL	
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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 01/01/2011 AND ENDING 12/31/2011  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Amegy Investments Inc.

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

4400 Post Oak Parkway

(No. and Street)

Houston

Texas

77027

(City)

(State)

(Zip Code)

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

Jane Ouyang

(713) 232-1663

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

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

Ernst & Young LLP

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

178 S. Rio Grande Street Salt Lake City

UT

84101

(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)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

OATH OR AFFIRMATION

I, John Snider, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Amegy Investments Inc., as of December 31, 2011, 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]  
Signature  
President  
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).

**Amegy Investments, Inc.**  
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**December 31, 2011**

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Report of Independent Registered Public Accounting Firm

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Ernst & Young LLP  
178 South Rio Grande Street  
Suite 400  
Salt Lake City, UT 84101

Tel: 801 350 3300  
Fax: 801 350 3456

## **Report of Independent Registered Public Accounting Firm**

The Board of Directors  
Amegy Investments, Inc.

We have audited the accompanying statement of financial condition of Amegy Investments, Inc. (the Company) as of December 31, 2011. This statement of financial condition is the responsibility of the Company's management. Our responsibility is to express an opinion on this statement of financial condition based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of financial condition is free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audit included 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 statement of financial condition, assessing the accounting principles used and significant estimates made by management, and evaluating the overall statement of financial condition presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the statement of financial condition, referred to above presents fairly, in all material respects, the financial position of Amegy Investments, Inc. at December 31, 2011, in conformity with U.S. generally accepted accounting principles.

*Ernst & Young LLP*

February 28, 2012

**Amegy Investments, Inc.**  
**Statement of Financial Condition**  
**As of December 31, 2011**

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<b>Assets</b>	
Cash and cash equivalents	\$ 2,679,244
Deposit with clearing organization	100,000
Receivables from brokers, dealers and others	468,840
Receivables from affiliated companies	44,357
Income taxes receivable from Parent	204,675
Prepaid expenses	<u>48,152</u>
Total assets	<u>\$ 3,545,268</u>
 <b>Liabilities and Shareholder's Equity</b>	
<b>Liabilities:</b>	
Payables to brokers, dealers and others	\$ 22,721
Payables to affiliated companies	6,887
Payable to Parent	35,638
Accrued expenses	<u>86,772</u>
Total liabilities	<u>152,018</u>
 <b>Shareholder's equity:</b>	
Common stock, \$1 par value, 10,000 shares authorized, 1,000 shares issued and outstanding	1,000
Additional paid-in capital	8,799,000
Retained deficit	<u>(5,406,750)</u>
Total shareholder's equity	<u>3,393,250</u>
Total liabilities and shareholder's equity	<u>\$ 3,545,268</u>

The accompanying notes are an integral part of this statement of financial condition

**Amegy Investments, Inc.**  
**Notes to Statement of Financial Condition**  
**December 31, 2011**

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**1. Organization and Nature of Business**

Amegy Investments, Inc. ("the Company") is a wholly-owned subsidiary of Amegy Bank NA ("the Parent"), an indirect wholly-owned subsidiary of Zions Bancorporation ("the Corporation"). The Company is a broker-dealer in securities registered with the Securities and Exchange Commission under rule 15c3-3(k)(2)(ii) which provides that all funds and securities belonging to the Company's customers be handled by a correspondent broker-dealer. Accordingly, the Company has a clearing agreement with Pershing, LLC ("the Clearing Organization") who carries the accounts of the Company on a fully disclosed basis. Under the agreement with the Clearing Organization, the Company acts only as an introducing broker-dealer. The Company is a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. The Company is also licensed as a registered investment advisor and licensed by the State of Texas as an insurance agency.

The Company must maintain a minimum net capital requirement of \$250,000 pursuant to the Securities and Exchange Commission ("SEC") Rule 15c3-1 (a)(2)(i) ("the Net Capital Rule").

The Company brokers in U.S. Government and agency obligations, corporate debt and equity securities, municipal securities, mortgage and other asset-backed securities, and money market instruments. Additionally, the Company offers mutual funds, annuities, and life insurance products. The Company provides these services to individual and corporate clients of the Parent.

**2. Significant Accounting Policies**

**Basis of Financial Statement Presentation**

The Company's financial statements are prepared in conformity with accounting principles generally accepted in the United States ("GAAP"). The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

The Company is engaged in a single line of business as a securities broker-dealer, which comprises several classes of services, including principal transactions, agency transactions, and investment advisory.

**Subsequent Events**

Subsequent events have been evaluated through February 28, 2012, the date these financial statements were issued. There are no capital withdrawals anticipated within the next six months.

**Securities Transactions**

Customers' securities transactions are reported on a settlement date basis. Amounts receivable and payable for securities transactions that have not reached their contractual settlement date are recorded net on the statement of financial condition.

**Income Taxes**

The Company is a member of a controlled group that joins in the filing of a consolidated federal income tax return with the Corporation. The consolidated income tax provision or benefit is allocated among the members of the group in accordance with a tax-sharing agreement. The tax-sharing agreement provides that each member of the group is allocated its share of the consolidated tax provision or benefit as if each member had filed a separate return. Estimated payments and refunds for taxes are made between the members of the consolidated group during the year.

**Amegy Investments, Inc.**  
**Notes to Statement of Financial Condition**  
**December 31, 2011**

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Deferred federal income taxes are provided for temporary differences between the tax basis and financial reporting basis of assets and liabilities. As of December 31, 2011, there were temporary differences related to prepaid assets that resulted in a reported deferred tax liability of \$16,853.

**Cash and Cash Equivalents**

The Company defines cash equivalents as highly liquid investments with original maturities of three months or less. The Company's cash and cash equivalents are carried at cost, which approximates fair value. The Company's cash is held at the Parent.

**3. Cash Deposit with Clearing Organization**

Under the terms of the clearing agreements between the Company and the Clearing Organization, the Company is required to maintain a certain level of cash or securities on deposit with the Clearing Organization. Should the Clearing Organization suffer a loss due to a failure of a customer of the Company to complete a transaction, the Company is required to indemnify the Clearing Organization. The Company has funds on deposit with the Clearing Organization to meet this requirement. As of December 31, 2011, there were no amounts owed to the Clearing Organization by the Company's customers.

**4. Receivable from and Payable to Clearing Organization**

The Company clears its proprietary and customer transactions through the Clearing Organization on a fully disclosed basis. The amount receivable from the Clearing Organization relates to commissions and advisory fees due the Company from customer transactions. The amount payable to the Clearing Organization relates to clearance fees on the aforementioned transactions and other charges and is collateralized by the deposit with the Clearing Organization.

**5. Net Capital Requirements**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2011, the Company had net capital of \$2,731,727 which was \$2,481,727 in excess of the \$250,000 minimum net capital requirement for the Company. The Company's ratio of aggregate indebtedness to net capital was 0.06 to 1 at December 31, 2011.

**6. Commitments and Contingencies**

During the normal course of business, the Company enters into contracts that contain a variety of representations and warranties and which provide general indemnifications. The Company's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Company that have not yet occurred. However, based on experience, the Company expects the risk of loss to be remote.

In 2009, the Company and its Parent initiated arbitration against Merrill Lynch, Pierce, Fenner & Smith, Inc. and Merrill Lynch & Co. ("Merrill") alleging violations of federal and state securities laws and common law misrepresentation in connection with Merrill's sale to the Company's customers of approximately \$134.3 million in auction rate securities. The Company seeks rescission of the contracts of sale for the securities, as well as consequential damages, attorney fees, and arbitration costs. It is expected

**Amegy Investments, Inc.**  
**Notes to Statement of Financial Condition**  
**December 31, 2011**

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that the matter will be heard in 2012. Counsel has advised that it is not in a position to express an opinion with respect to the ultimate outcome of this matter.

**7. Guarantees**

The Company clears all of its securities transactions through the Clearing Organization on a fully disclosed basis. Pursuant to the terms of the agreements between the Company and the Clearing Organization, the Clearing Organization has the right to charge the Company for losses that result from a counterparty's failure to fulfill its contractual obligations.

As the right to charge the Company has no maximum amount and applies to all trades executed through the Clearing Organization, the Company believes there is no maximum amount assignable to this right. At December 31, 2011, the Company has recorded no liability with regard to the right as it has no knowledge of any liability being incurred.

In addition, the Company has the right to pursue collection or performance from the counterparties who do not perform under their contractual obligations. The Company regularly monitors the credit standing of the Clearing Organization and all counterparties with which it conducts business.

**8. Off-Balance Sheet Risk and Concentration of Credit Risk**

The Company is responsible to its Clearing Organization for payment of all transactions executed both on its behalf and on behalf of its customers. Therefore, the Company is exposed to off-balance sheet risk in the event a customer cannot fulfill its commitment and the Clearing Organization must purchase or sell a financial instrument at prevailing market prices. The Company and its Clearing Organization seek to control risk associated with customer transactions through daily monitoring to assure margin collateral is maintained under regulatory and internal guidelines.

As a securities broker-dealer, the Company is engaged in various securities trading and brokerage activities that expose the Company to off-balance sheet credit and market risk. The Company's principal activities and exposure to credit risk, associated with customers not fulfilling their contractual obligations, can be directly impacted by volatile trading markets. Receivables from and payables to brokers, dealers, customers, and noncustomers include unsettled trades which may expose the Company to credit and market risk in the event the customer is unable to fulfill its contractual obligations.

**9. Related-Party Transactions**

Employee compensation and benefits, outside marketing services, office rent, and other operating expenses are paid by the Parent on behalf of the Company, which then reimburses the Parent. The agreement between the Company and the Parent stipulates that to the extent the reimbursement of such expenses would cause the Company to not have sufficient net capital for regulatory requirements, the Parent will make a capital contribution to the Company instead of requiring reimbursement.

The Company has an agreement with an affiliate broker/dealer related to certain of the affiliate's retail personal investment advisors who are dually-registered to the Company. The agreement requires certain expenses to be reimbursed to the Company from the affiliate. This agreement will be terminated effective January 2012 due to de-registration of the advisors from the affiliate. The Company also has lease agreements with affiliate banks.