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

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

SEC FILE NUMBER
8-34354

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 01/01/11 AND ENDING 12/31/11

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

ABN AMRO CLEARING CHICAGO LLC

OFFICIAL USE ONLY
FIRM ID. NO.

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

175 West Jackson Boulevard, Suite 400

(No. and Street)

Chicago

(City)

Illinois

(State)

60604

(Zip Code)

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

Michael Deaton

(312) 604-8595

(Area Code - Telephone No)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

KPMG LLP

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

303 East Wacker Drive

(Address)

Chicago

(City)

Illinois

(State)

60601

(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).

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OATH OR AFFIRMATION

I, **Michael Deaton**, swear (or affirm) that, to the best of my knowledge and belief, the accompanying financial statement and supporting schedules pertaining to the firm of **ABN AMRO Clearing Chicago, LLC** 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:

None



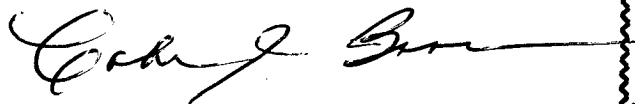
Signature

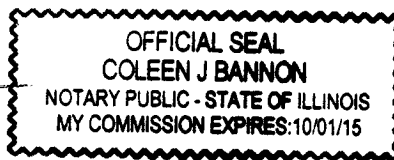
Chief Financial Officer

Title

Subscribed and sworn to before me this

27 day of Feb, 2012





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 Cash Flows.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims of General Creditors.
- (g) Computation of Net Capital for Brokers and Dealers pursuant to Rule 15c3-1.
- (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- (i) Information Relating to the Possession or Control Requirements for Brokers and Dealers 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.
- (p) Schedule of Segregation Requirements and Funds in Segregation – Customers' Regulated Commodity Futures Accounts Pursuant to CFTC Rule 1.10(d)2(iv).

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



ABN AMRO CLEARING CHICAGO LLC

Statement of Financial Condition and Schedules

December 31, 2011

(With Report of Independent Registered Public Accounting Firm Thereon)



KPMG LLP
303 East Wacker Drive
Chicago, IL 60601-5212

Report of Independent Registered Public Accounting Firm

The Managing Member
ABN AMRO Clearing Chicago LLC:

We have audited the accompanying statement of financial condition of ABN AMRO Clearing Chicago LLC (the Company) as of December 31, 2011 that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934 and Regulation 1.10 of the Commodity Exchange Act. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of financial condition is 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 of a statement of financial condition also includes examining, on a test basis, evidence supporting the amounts and disclosures in that statement of financial condition, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement of financial condition presentation. We believe that our audit of the statement of financial condition 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 ABN AMRO Clearing Chicago LLC as of December 31, 2011, in conformity with U.S. generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the financial statement as a whole. The supplementary information contained in Schedules I, II, III, IV, V, and VI required by Rule 17a-5 under the Securities Exchange Act of 1934 and Regulation 1.10 of the Commodity Exchange Act is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

KPMG LLP

February 28, 2012

ABN AMRO CLEARING CHICAGO LLC

Statement of Financial Condition

December 31, 2011

Assets

Cash	\$ 9,695,453
Cash segregated under federal and other regulations	199,153,760
Securities purchased under agreements to resell	1,619,944,501
Securities owned, marketable, at fair value (including securities pledged of \$104,973,573)	108,150,029
Receivables from:	
Brokers, dealers, and clearing organizations	2,909,869,607
Customers	795,725,227
Guarantee deposits with clearing organizations	43,318,478
Exchange memberships and stock, at cost (fair value \$4,906,433)	4,538,603
Furniture, equipment, and leasehold improvements, at cost (net of accumulated depreciation and amortization of \$10,438,212)	6,589,887
Other assets	6,523,614
Total assets	\$ 5,703,509,159

Liabilities and Members' Equity

Liabilities:	
Bank loans	\$ 320,000,000
Payables to:	
Brokers, dealers, and clearing organizations	1,870,967,686
Customers	3,080,820,893
Noncustomers	15,496,067
Securities sold under agreements to repurchase	2,934,127
Accounts payable and accrued expenses	61,067,086
Total liabilities	5,351,285,859
Liabilities subordinated to claims of general creditors	150,000,000
Members' equity:	
Common member	201,913,300
Preferred Class A members	310,000
Total members' equity	202,223,300
Total liabilities and members' equity	\$ 5,703,509,159

See accompanying notes to statement of financial condition.

ABN AMRO CLEARING CHICAGO LLC

Notes to Statement of Financial Condition

December 31, 2011

(1) General Information and Summary of Significant Accounting Policies

ABN AMRO Clearing Chicago LLC (the Company), an Illinois limited liability company, was organized on August 31, 2006. Under the terms of the Limited Liability Company Agreement (the Agreement), the Company does not have a specific termination date and may be dissolved only as provided by the Agreement. No member of the Company is personally liable for any debit balances, liabilities, or other obligations of the Company.

ABN AMRO Clearing Bank N.V., a wholly owned subsidiary of ABN AMRO Bank N.V., is the Common Member.

The Company is a registered securities broker-dealer with the Securities and Exchange Commission and is a member of the Financial Industry Regulatory Authority. The Company is also a registered futures commission merchant with the Commodity Futures Trading Commission (the CFTC) and is a member of the National Futures Association (the NFA). The Company is a clearing member of all principal U.S. securities and futures exchanges. The Company's primary source of revenue is commissions derived from executing and clearing orders for equities and equity options contracts and futures and futures options contracts on behalf of its customers, both domestically and internationally.

(a) Cash and Cash Equivalents

For purposes of reporting cash flows, the Company considers marketable securities with original maturities of ninety days or less to be cash equivalents. Cash equivalents include cash funds segregated or in separate accounts as required by the Securities Exchange Act of 1934 and the Commodity Exchange Act (CEAct). As such, the cash flows reflected in the statement of cash flows do not differentiate cash flows of segregated assets from cash flows of nonsegregated assets.

(b) Fair Value of Financial Instruments

The Company's financial instruments are reported in the statement of financial condition at fair value in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*. The estimated fair value of securities owned and securities sold are generally based on quoted market prices or dealer quotes. Open trade equity on futures contracts is recorded as receivables and payables to clearing organizations or customers, as appropriate.

(c) Securities Transactions

Futures and options transactions are primarily recorded on the trade date. Equity securities are recorded on the settlement date, which does not differ materially from the trade date.

(d) Translation of Foreign Currencies

Assets and liabilities denominated in foreign currencies are translated to U.S. dollars at year-end exchange rates.

ABN AMRO CLEARING CHICAGO LLC

Notes to Statement of Financial Condition

December 31, 2011

(e) Exchange Memberships and Stock

Exchange memberships and stock required to be held in connection with such memberships are recorded at cost. If events or changes in circumstances indicate that the carrying amount may not be recoverable, it will be recorded at a lesser value that reflects the effects of the impairment. There were no impairments in 2011.

(f) 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 disclosures of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

(g) Receivables, Payables, and Marketable Securities

Receivables from and payables to brokers, dealers, clearing organizations, and customers represent balances arising primarily in connection with security and commodity transactions, including unrealized gains and losses on open commodity futures contracts. Marketable securities, consisting primarily of U.S. government securities, are held as collateral for receivables from customers and as margin. The Company may deposit these securities as margin with exchange clearing organizations. Customer-owned securities and options are excluded from the Company's statement of financial condition.

The Company establishes a reserve for estimated credit losses based upon historical experience and specific customer collection issues. At December 31, 2011, management determined no such reserve was required.

(h) Income Taxes

The Company is not subject to U.S. federal, state, and local income taxes.

(i) Securities-Lending Activities

Securities borrowed and securities loaned transactions are generally reported as collateralized financings. Securities borrowed transactions require the Company to deposit cash and/or other collateral with the lender. When loaning securities, the Company receives cash collateral generally in excess of the market value of the securities loaned. The Company monitors the market value of securities borrowed and loaned on a daily basis with additional collateral obtained or refunded as necessary.

(2) Special Reserve Account for Benefit of Customers

Cash of \$131,329,461 has been segregated in special reserve accounts for the exclusive benefit of customers pursuant to federal regulations under Rule 15c3-3 of the Securities Exchange Act of 1934.

ABN AMRO CLEARING CHICAGO LLC

Notes to Statement of Financial Condition

December 31, 2011

(3) Segregation Requirements

Pursuant to requirements of the CEAct, funds deposited by customers relating to futures contracts in regulated commodities must be carried in separate bank accounts, which are designated as segregated customers' accounts. Funds deposited by customers and other assets, which have been segregated as of December 31, 2011, are shown below:

Cash in bank	\$ 12,492,851
Marketable securities	1,449,906,600
Deposits with clearing organizations	20,928,612
Net settlement due from clearing organizations	32,606,770
Net exchange traded options	479,679,822
Segregated funds on hand	<u>35,265,376</u>
Total amount in segregation	2,030,880,031
Amount required to be segregated	<u>1,943,754,590</u>
Excess funds in segregation	<u>\$ 87,125,441</u>

(4) Secured Amounts Requirement

Pursuant to Section 30.7 of the CEAct, the Company has set aside funds deposited by customers relating to foreign futures and options in separate acknowledged bank accounts as of December 31, 2011 as follows:

Total funds set aside	\$ 341,922,030
Amount required to be set aside	<u>321,331,438</u>
Excess funds secured	<u>\$ 20,590,592</u>

(5) Receivables from and Payables to Brokers, Dealers, and Clearing Organizations

Receivables from brokers and dealers represent collateralized balances and are generally collected within thirty days. As of December 31, 2011, the Company had pledged customer-owned securities totaling \$33,990,473 with clearing organizations to satisfy margin deposit requirements.

The Company does business with other broker-dealers who, for the most part, are members of the major U.S. securities exchanges. The Company monitors the credit standing of brokers and dealers and customers with whom it conducts business. In addition, the Company monitors the market value of collateral held and the market value of securities receivable from others. The Company seeks to obtain additional collateral if insufficient protection against loss exists.

ABN AMRO CLEARING CHICAGO LLC

Notes to Statement of Financial Condition

December 31, 2011

At December 31, 2011, receivables from and payables to brokers, dealers, and clearing organizations are composed of the following:

Receivables:	
Brokers' and dealers' trading and investment accounts	\$ 908,886,164
Clearing brokers	337,384,680
Deposits for securities borrowed	1,523,911,990
Securities failed to deliver	7,090,520
Clearing organizations	132,596,253
	<u>\$ 2,909,869,607</u>
Payables:	
Brokers' and dealers' trading and investment accounts	\$ 806,883,262
Deposits for securities loaned	1,042,495,216
Securities failed to receive	12,956,637
Clearing organizations	8,632,571
	<u>\$ 1,870,967,686</u>

(6) Receivables from and Payables to Customers

Receivables from and payables to customers include amounts due on cash and margin transactions. The receivables are collateralized substantially by customers' securities held, which are not reflected on the statement of financial condition.

(7) Securities Purchased under Agreements to Resell and Securities Sold under Agreements to Repurchase

Securities purchased under agreements to resell and securities sold under agreements to repurchase, which are short term in nature, are treated as collateralized financing transactions and are carried at the amounts at which the underlying securities will be subsequently resold or repurchased as specified in the respective agreements. It is the Company's policy to take possession of securities, subject to resale agreements. The fair value of the securities is determined daily and collateral added whenever necessary to bring the market value of the underlying collateral equal to or greater than the resale price specified in the contract. At December 31, 2011, the fair value of the collateral received for securities under resale agreements totaled \$1,622,245,913 and the fair value of the collateral given for securities under repurchase agreements totaled \$2,935,507.

(8) Securities Owned

Securities owned includes U.S. government obligations that are deposited at exchange clearing organizations and held in segregated bank accounts. Also, included are unrestricted shares of corporate equity securities. At December 31, 2011, the fair value of these securities totaled \$104,973,573 and \$3,176,456, respectively.

ABN AMRO CLEARING CHICAGO LLC

Notes to Statement of Financial Condition

December 31, 2011

(9) Furniture, Equipment, and Leasehold Improvements

Furniture, equipment, and leasehold improvements consisted of the following at December 31, 2011:

Computer, equipment, and software	\$	13,776,033
Leasehold improvements		2,414,133
Furniture and fixtures		<u>837,933</u>
		17,028,099
Accumulated depreciation and amortization		<u>(10,438,212)</u>
Furniture, equipment, and leasehold improvements	\$	<u><u>6,589,887</u></u>

(10) Borrowings

At December 31, 2011, the Company had a \$1,500,000,000 unsecured line of credit with an affiliated bank. At December 31, 2011, the amount outstanding on this credit line totaled \$250,000,000 and is reflected in bank loans in the statement of financial condition. Interest payable on this credit line totaled approximately \$101,000.

The Company has a flexible overnight funding line with an affiliated bank. At December 31, 2011, the amount outstanding on this credit line totaled \$50,000,000. Interest payable on this loan totaled approximately \$1,000.

The Company has lines of credit totaling \$250,000,000 with nonaffiliated banks. At December 31, 2011, the amount outstanding on one such credit line totaled \$20,000,000. Interest payable related to these credit lines totaled approximately \$14,000.

(11) Liabilities Subordinated to Claims of General Creditors

At December 31, 2011, liabilities subordinated to claims of general creditors consisted of borrowings from an affiliated bank pursuant to an equity capital loan agreement. One agreement expires on August 30, 2013 and bears interest at the 3 month London Interbank Offered Rate (LIBOR) plus 1¼% per annum. A second agreement expires on November 2, 2014 and bears interest at the 3 month LIBOR plus 4½% per annum. The outstanding borrowings totaled \$150,000,000 at December 31, 2011.

The Company also has a Subordinated Revolving Credit Facility with the same affiliated bank up to a maximum of \$150,000,000 that matures one year from the date of the advance. This Subordinated Revolving Credit Facility will terminate on November 8, 2014. The Company had no outstanding balances on this credit line as of December 31, 2011.

The subordinated borrowings are covered by an agreement approved by the Designated Self Regulatory Organizations and Designated Examining Authority and are thus available in computing net capital under the Securities and Exchange Commission's uniform net capital rule. To the extent that such borrowing is required for the Company's continued compliance with minimum net capital requirements, they may not be repaid. At December 31, 2011, there was no interest payable on the subordinated borrowings.

ABN AMRO CLEARING CHICAGO LLC

Notes to Statement of Financial Condition

December 31, 2011

(12) Employee Benefit Plan

The Company has established a salary reduction (401(k)) plan for qualified employees. The Company may elect to match employees' contributions and make further discretionary contributions to the plan, subject to certain limitations as set forth in the plan agreement.

(13) Financial Derivative Instruments with Off-Balance-Sheet Risk and Concentration of Credit Risk

In the normal course of business, the Company accepts and clears futures contracts and options on futures contracts for the accounts of its customers, primarily exchange members and institutional firms. As such, the Company guarantees to the respective clearing houses or other brokers, its customers' performance under these contracts. To reduce its risk, the Company requires its customers to meet, at minimum, the margin requirement established by each of the exchanges at which contracts are traded. Margin requirements for exchange members may be significantly less than those required from other customers. Margin is a good faith deposit from the customer that reduces risk to the Company of failure on behalf of the customer to fulfill any obligation under these contracts. To minimize its exposure to risk of loss due to market variation, the Company adjusts these margin requirements as needed.

Customers may also be required to deposit additional funds, securities, or other collateral. As a result of market variation, the Company may satisfy margin requirements by liquidating certain customer positions. Management believes that the margin deposits and collateral held at December 31, 2011 were adequate to minimize the risk of material loss that could be created by positions held at that time.

The Company is engaged in various trading activities, whose counterparties include clearing organizations, brokers and dealers, futures commission merchants, banks, and other financial institutions. In the event counterparties do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on credit worthiness of the counterparty or issuer of the financial instrument. It is the Company's policy to review, as necessary, the credit standing of each counterparty with which it conducts business.

ABN AMRO CLEARING CHICAGO LLC

Notes to Statement of Financial Condition

December 31, 2011

(14) Leases

The Company has noncancelable and cancelable operating leases for its offices that require the Company to pay all executing costs such as maintenance and insurance. Future minimum lease payments under the noncancelable and cancelable operating leases (with initial or remaining lease terms in excess of one year), along with the minimum annual sublease rentals to be received in the future are approximately as follows as of December 31, 2011:

	<u>Operating leases</u>	<u>Sublease rentals</u>	<u>Net commitment</u>
Year ending December 31:			
2012	\$ 3,200,000	(370,000)	2,830,000
2013	3,200,000	(380,000)	2,820,000
2014	3,100,000	(390,000)	2,710,000
2015	3,100,000	(410,000)	2,690,000
2016	3,200,000	(100,000)	3,100,000
Thereafter	<u>17,200,000</u>	<u>—</u>	<u>17,200,000</u>
Total minimum lease payments	<u>\$ 33,000,000</u>	<u>(1,650,000)</u>	<u>31,350,000</u>

(15) Guarantees and Indemnifications

Under certain exchange or clearinghouse membership agreements, members are generally required to guarantee the performance of other members by meeting any shortfalls in the event a member becomes unable to satisfy their obligation to the exchange or clearinghouse. To mitigate this risk, the exchanges and clearinghouses typically require their members to deposit collateral with them. The Company's maximum potential liability under these arrangements cannot be quantified. However, the potential for the Company to be required to make payments under the arrangements is unlikely. Accordingly, no contingent liability is recorded in the accompanying statement of financial condition.

The Company clears and executes futures contracts, options on futures contracts, and equity products, including options for the accounts of its customers. As such, the Company deposits performance bond collateral with the applicable clearing organizations to fulfill the obligations of its customers' performance under these contracts. To reduce its operational risk, the Company requires its customers to meet, at a minimum, the margin requirements established by each exchange on which the contract is traded. This margin is a good faith deposit from the customer. To minimize its market and credit risks, the Company adjusts the amount of margin required commensurate with the level of risk associated with the customers' underlying positions. If necessary, the Company may liquidate certain positions in order to satisfy minimum margin requirements. Management believes that the margin deposits held at December 31, 2011 are adequate to mitigate the risk of material loss.

At December 31, 2011, the Company was a guarantor of certain exchange membership loans for its customers totaling approximately \$124,000.

ABN AMRO CLEARING CHICAGO LLC

Notes to Statement of Financial Condition

December 31, 2011

(16) Members' Equity

The limited liability company operating agreement for the Company provides for two classes of membership with varying rights, preferences, privileges, and obligations. The Common Member has all of the voting rights and authority to manage the Company's operations and the Preferred Members have no voting rights and do not participate in management by reason of such memberships or interests. The Company is authorized to issue 1,000 Class A preferred interests in exchange for a \$10,000 capital contribution for each such interest. Class A members have a Joint Back Office (JBO) clearing agreement with the Company. This agreement allows JBO participants to receive favorable margin treatment as compared to the full customer margin requirements of Regulation T. As part of this agreement, Class A members are not allocated any income or losses from the Company's operations.

(17) Related-Party Transactions

In the normal course of business, the Company enters into transactions with affiliated companies. The Company executes and clears trades for related customers and the Company utilizes related clearing brokers to execute and clear futures transactions on exchanges where the Company is not a member. At December 31, 2011, the Company had receivables from related clearing brokers, receivables from, and payables to related customers of approximately \$297,574,000, \$8,324,000, and \$667,850,000, respectively. These amounts are reflected in receivables from brokers, dealers, and clearing organizations, receivable from customers and payables to customers, respectively, in the statement of financial condition. The Company also had securities borrowed from and securities loaned to affiliated companies of approximately \$173,996,000 and \$345,553,000, respectively. These amounts are reflected in receivables from and payables to brokers, dealers, and clearing organizations.

At December 31, 2011, the Company had borrowing transactions with affiliated banks in order to facilitate client transactions, and to meet short-term financing needs (see notes 10 and 11).

(18) Net Capital Requirements

The Company is a broker-dealer subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1) and is a futures commission merchant subject to the Commodity Futures Trading Commission Minimum Capital Requirement (Regulation 1.17). In addition, the Company is subject to minimum capital requirements of the CME Group, Inc. Under the more restrictive of these rules, the Company is required to maintain "net capital" equivalent to the greater of \$5,000,000, 2% of "aggregate debit items" or the sum of 8% of the customer risk maintenance margin requirement plus 8% of the noncustomer risk maintenance margin requirement, as these terms are defined.

Adjusted net capital, aggregate debit items, and risk maintenance margin requirements change from day to day. At December 31, 2011, under the more restrictive of these rules, the Company had net capital and net capital requirements of \$304,170,479 and \$118,881,628, respectively. The net capital rule may effectively restrict member withdrawals and the repayment of subordinated loans.

ABN AMRO CLEARING CHICAGO LLC

Notes to Statement of Financial Condition

December 31, 2011

(19) Fair Value Disclosure

The Company's financial instruments are reported in the statement of financial condition at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements and disclosures include a hierarchy that prioritizes inputs to valuation techniques used to measure fair value.

A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

Level 1 Inputs: Quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Inputs: Other than quoted prices included with Level 1 that are observable for substantially the full term of the asset or liability, either directly or indirectly. Level 2 assets include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities that are not active; and inputs other than quoted prices that are observable, such as models or other valuation methodologies.

Level 3 Inputs: Unobservable inputs for the valuation of the asset or liability. Level 3 assets include investments for which there is little, if any, market activity. These inputs require significant management judgment or estimation.

The following table presents the Company's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of December 31, 2011:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
Securities owned (1)	\$ 108,150,029	—	—	108,150,029
Money market funds (2)	88,727,763	—	—	88,727,763
	<u>\$ 196,877,792</u>	<u>—</u>	<u>—</u>	<u>196,877,792</u>

(1) Includes U.S. government obligations of the Company and exchange traded securities.

(2) Included in receivables from clearing organizations.

There were no transfers of assets or liabilities within the fair value hierarchy during the year.

ABN AMRO CLEARING CHICAGO LLC

Notes to Statement of Financial Condition

December 31, 2011

(20) Litigation

In August 2007, Sentinel Management Group, Inc. (Sentinel), a futures commission merchant that managed certain customer segregated funds for the Company, filed for bankruptcy. Shortly before Sentinel filed for bankruptcy, Sentinel sold certain securities to Citadel Equity Fund, Ltd. (Citadel). The U.S. Bankruptcy Court ordered funds from the sale to Citadel be distributed to certain Sentinel customers. The Company received its pro rata share, which totaled \$52,755,815. On or about September 15, 2008, the bankruptcy trustee filed an adversary proceeding (the Complaint) against all of the recipients of the court ordered distribution of funds from the Citadel sale, including the Company. The Complaint also includes a claim for money the Company received shortly before Sentinel filed for bankruptcy in the amount of \$4,000,399. Management of the Company, after consultation with legal counsel, cannot yet express an opinion as to the ultimate outcome of the proceeding. Management believes the claims are without merit. The Company intends to vigorously defend against the Complaint. Accordingly, no provision has been made in the financial statements for any loss that may result from the Complaint.

In August 2009, a customer filed a complaint against the Company alleging that the Company unlawfully failed to deliver certain securities in a timely manner. The customer alleges that they intended to liquidate the securities immediately, and as a result of the Company's alleged unjustified delay in delivering the securities, they were damaged when the price of the securities significantly dropped before they could be sold. The complaint seeks damages based on a maximum exposure of \$2 million. The Company filed an Answer and Affirmative Defenses to the customer's complaint on October 13, 2009. The court has dismissed the count, which alleged that the Company breached its fiduciary duties to the plaintiff but the two remaining counts - conversion and trespass - remain outstanding. Discovery in this case is ongoing. Management of the Company, after consultation with legal counsel, cannot yet express an opinion as to the ultimate outcome of the proceeding. Management believes the claims are without merit. The Company intends to vigorously defend against the complaint. Accordingly, no provision has been made in the financial statements for any loss that may result from the complaint.

In the normal course of business, the Company is subject to litigation and regulatory proceedings. Management of the Company, after consultation with legal counsel, believes that the outcome of such proceedings will not have a material adverse effect on the Company's statement of financial condition.

(21) Subsequent Events

In accordance with FASB ASC 855, *Subsequent Events*, the Company is required to evaluate and recognize in the statement of financial condition the effect of all events or transactions that existed at the balance sheet date. The Company evaluated events and transactions through February 28, 2012, the date the financial statements were issued, noting no subsequent events requiring recording or disclosure in the financial statements or in related notes to the financial statements.

ABN AMRO CLEARING CHICAGO LLC

Computation of Net Capital

December 31, 2011

Total members' equity	\$ 202,223,300
Add liabilities subordinated to claims of general creditors	<u>150,000,000</u>
Total capital	<u>352,223,300</u>
Deductions and/or charges:	
Nonallowable assets:	
Receivables from customers	6,618,640
Receivables from noncustomers	2,009
Exchange memberships and stock, at cost	4,538,603
Securities owned, marketable, at fair value	7,353
Furniture, equipment, and leasehold improvements, net	6,589,887
Other	4,854,704
Additional charges for customers' and noncustomers' commodity accounts	6,891,037
Aged fails to deliver	369,290
Other deductions and/or charges	15,269,784
Deductions for accounts carried under Rule 15c3-1(a)(7) and (c)(2)(x)	<u>9,374</u>
	<u>45,150,681</u>
Net capital before haircuts on securities positions	<u>307,072,619</u>
Haircuts on securities:	
Trading and investment securities:	
U.S. and Canadian government obligations	650,252
Stocks and warrants	477,333
Other securities	<u>1,774,555</u>
	<u>2,902,140</u>
Net capital	<u>304,170,479</u>
Computation of alternate net capital requirement:	
Greater of 2% of aggregate debit or minimum requirements under the Commodity Exchange Act, as defined	118,881,628
Minimum dollar net capital requirement	5,000,000
Net capital requirement	<u>118,881,628</u>
Excess net capital	<u>185,288,851</u>
Percentage of net capital to aggregate debits	<u>47.45%</u>
Net capital in excess of 110% of minimum net capital requirement	<u>\$ 173,400,688</u>

There are no material differences between the above computation and the Company's corresponding unaudited Form FOCUS Part II filing as of December 31, 2011.

See accompanying report of independent registered public accounting firm.

ABN AMRO CLEARING CHICAGO LLC

Computation for Determination of Reserve Requirements for Broker-Dealers under Rule 15c3-3

December 31, 2011

Credit balances:

Free credit balances and other credit balances in customers' securities accounts	\$ 395,947,728
Monies borrowed collateralized by securities carried for the accounts of customers	3,031,902
Monies payable against customers' securities loaned	28,554,655
Customers' securities failed to receive	5,258,458
	<hr/>
Total credits	432,792,743

Debit balances:

Debit balances in customers' cash and margin accounts, excluding unsecured accounts and accounts doubtful of collection net of deductions pursuant to note E, Exhibit A, Rule 15c3-3	86,749,749
Securities borrowed to effectuate short sales by customers and securities borrowed to make delivery on customers' securities failed to deliver	549,086,953
Failed to deliver of customers' securities not older than 30 calendar days	2,174,183
Margin required and on deposit with the Options Clearing Corporation for all option contracts written or purchased in customer accounts	3,031,902
	<hr/>
Aggregate debit items	641,042,787
	<hr/>
Less 3%	(19,231,284)
	<hr/>
Total 15c3-3 debits	621,811,503
	<hr/>
Reserve computation – excess of total debits over total credit	\$ 189,018,760
	<hr/>
Amount held on deposit in "Reserve Bank Account(s)," including value of qualified securities at end of reporting period on December 31, 2011	\$ 40,251,620
	<hr/>
New amount in "Reserve Bank Account(s)"	\$ 40,251,620
	<hr/> <hr/>

There are no material differences between the above computation and the Company's corresponding unaudited Form FOCUS Part II filing as of December 31, 2011.

See accompanying report of independent registered public accounting firm.

ABN AMRO CLEARING CHICAGO LLC

Computation for Determination of PAIB Reserve Requirements for Broker-Dealers

December 31, 2011

Credit balances:

Free credit balances and other credit balances in proprietary accounts of introducing brokers (PAIB)	\$ 805,811,052
Monies borrowed collateralized by securities carried for PAIB	1,085,487,723
Monies payable against PAIB securities loaned	1,013,940,561
PAIB securities failed to receive	<u>7,698,179</u>
Total PAIB credits	<u>2,912,937,515</u>

Debit balances:

Debit balances in PAIB excluding unsecured accounts and accounts doubtful of collection	569,916,657
Securities borrowed to effectuate short sales by PAIB and securities borrowed to make delivery on PAIB securities failed to deliver	931,127,650
Failed to deliver of PAIB securities not older than 30 calendar days	4,996,564
Margin required and on deposit with the Options Clearing Corporation for all option contracts written or purchased in PAIB accounts	<u>1,112,540,056</u>
Total PAIB debits	<u>2,618,580,927</u>
Reserve computation – excess of total PAIB credits over total PAIB debits	294,356,588
Excess debits in customer reserve formula computation	<u>189,018,760</u>
PAIB reserve requirement	<u>\$ 105,337,828</u>
Amount held on deposit in “PAIB Reserve Bank Account(s),” including value of qualified securities at end of reporting period on December 31, 2011	\$ 91,077,841
Deposit made on January 3, 2012	<u>55,000,000</u>
New amount in “PAIB Reserve Bank Account(s)”	<u>\$ 146,077,841</u>

There are no material differences between the above computation and the Company’s corresponding unaudited Form FOCUS Part II filing as of December 31, 2011.

See accompanying report of independent registered public accounting firm.

ABN AMRO CLEARING CHICAGO LLC
 Segregation Requirement and Funds in Segregation
 December 31, 2011

Segregation requirement:	
Net ledger balance:	
Cash	\$ 1,411,877,230
Securities	69,255,849
Net unrealized loss in open futures contracts traded on a contract market	(27,695,915)
Exchange traded options:	
Market value of open options contracts purchased on a contract market	11,568,012,804
Market value of open options contracts sold on a contract market	<u>(11,088,332,982)</u>
Net equity	1,933,116,986
Accounts liquidating to a deficit and accounts with debit balances with no open trades	<u>10,637,604</u>
Amount required to be segregated	<u>1,943,754,590</u>
Funds on deposit in segregation:	
Deposited in segregated funds bank accounts:	
Cash	12,492,851
Securities representing investments of customers' funds, at market	810,557,802
Margins on deposit with clearing organizations of contract markets:	
Cash	20,928,612
Securities representing investments of customers' funds, at market	605,358,325
Securities held for particular customers in lieu of cash margins, at market	33,990,473
Net settlement due from clearing organizations of contract markets	32,606,770
Exchange traded options:	
Value of open long option contracts	11,568,012,804
Value of open short option contracts	(11,088,332,982)
Customers' segregated funds on hand (warehouse receipts)	<u>35,265,376</u>
Total amount in segregation	<u>2,030,880,031</u>
Excess funds in segregation	<u>\$ 87,125,441</u>

There are no material differences between the above computation and the Company's corresponding unaudited Form FOCUS Part II filing as of December 31, 2011.

See accompanying report of independent registered public accounting firm.

ABN AMRO CLEARING CHICAGO LLC

Secured Requirement and Funds Held in Separate Accounts

December 31, 2011

Amount required to be set aside in separate Section 30.7 accounts	\$ 321,331,438
Funds on deposit in separate Section 30.7 accounts:	
Cash in banks located in the United States	34,402,451
Securities in safekeeping with banks located in the United States	287,787,794
Equities with registered futures commission merchants	<u>19,731,785</u>
Total amount in separate Section 30.7 accounts	<u>341,922,030</u>
Excess funds in separate Section 30.7 accounts	\$ <u><u>20,590,592</u></u>

There are no material differences between the above computation and the Company's corresponding unaudited Form FOCUS Part II filing as of December 31, 2011.

See accompanying report of independent registered public accounting firm.

ABN AMRO CLEARING CHICAGO LLC

Information Relating to Possession or Control Requirements under
Rule 15c3-3 of the Securities and Exchange Commission

December 31, 2011

1 Customers' fully paid and excess margin securities not in the respondent's possession or control as of the report date (for which instructions to reduce to possession or control had been issued as of the report date but for which the required action was not taken by respondent within the time frames specified under Rule 15c3-3).

\$ _____
\$ _____
=

A. Number of items

2 Customers' fully paid securities and excess margin securities for which instructions to reduce to possession or control had not been issued as of the report date, excluding items arising from "temporary lags which result from normal business operations" as permitted under Rule 15c3-3.

\$ _____
\$ _____
=

A. Number of items

There are no material differences between the above computation and the Company's corresponding unaudited Form FOCUS Part II filing as of December 31, 2011.

See accompanying report of independent registered public accounting firm.