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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
8-12645

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 1/01/14 AND ENDING 12/31/14  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER:  
COUNTRY Capital Management Company  
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

OFFICIAL USE ONLY
FIRM I.D. NO.

1705 N. Towanda Avenue

(No. and Street)

Bloomington

(City)

Illinois

(State)

61701

(Zip Code)

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

Miles Kilcoin

(309) 821-2669

(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)

155 N. Wacker Drive

(Address)

Chicago

(City)

Illinois

(State)

60606

(Zip Code)

CHECK ONE:

- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

**FOR OFFICIAL USE ONLY**

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

SEC 1410 (06-02)

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OATH OR AFFIRMATION

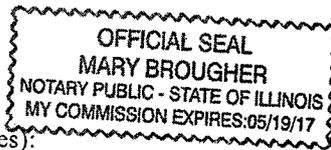
I, Miles Kilcoin, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of COUNTRY Capital Management Company, as of December 31, 20 14, are true and correct. I further swear (or affirm) that neither the company 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]  
Signature

Chief Financial Officer  
Title

Mary Brougher  
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).

FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION

COUNTRY Capital Management Company  
Years Ended December 31, 2014 and 2013  
With Reports of Independent Registered Public Accounting Firm

COUNTRY Capital Management Company  
Financial Statements and Supplementary Information

Years Ended December 31, 2014 and 2013

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Building a better  
working world

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## Report of Independent Registered Public Accounting Firm

The Stockholder  
COUNTRY Capital Management Company

We have audited the accompanying statements of financial condition of COUNTRY Capital Management Company (the Company) (a wholly owned subsidiary of COUNTRY Life Insurance Company), as of December 31, 2014 and 2013, and the related statements of operations, changes in stockholder's equity, and cash flows for the years then ended that are filed pursuant to Rule 17a-5 under the Securities Exchange Act of 1934, and the related notes to the financial statements. 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 audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). 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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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 COUNTRY Capital Management Company at December 31, 2014 and 2013, and the results of its operations and its cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

The accompanying information contained in Schedules I, II, and III has been subjected to audit procedures performed in conjunction with the audit of the Company's financial statements. Such information is the responsibility of the Company's management. Our audit procedures included determining whether the information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information. In forming our opinion on the information, we evaluated whether such information, including its form and content, is presented in conformity with Rule 17a-5 under the Securities Exchange Act of 1934. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

*Ernst & Young LLP*

February 27, 2015

COUNTRY Capital Management Company

Statements of Financial Condition

	December 31	
	2014	2013
<b>Assets</b>		
Cash and cash equivalents	\$ 274,913	\$ 2,531,771
Equity securities, trading, at fair value	1,884,606	-
Receivable due from parent and affiliates	271,967	38,887
Accounts receivable	118,633	94,789
Income taxes recoverable	227,951	117,010
Prepaid expenses	305,273	48
Other assets	5,949	5,000
<b>Total assets</b>	<b>\$ 3,089,292</b>	<b>\$ 2,787,505</b>
<b>Liabilities and stockholder's equity</b>		
<b>Liabilities:</b>		
Accounts payable and accrued expenses	\$ 267,371	\$ 212,483
Payable to parent and affiliates	315,244	284,376
Income taxes payable	327	305
Net deferred tax liability	116,234	-
<b>Total liabilities</b>	<b>699,176</b>	<b>497,164</b>
<b>Stockholder's equity:</b>		
Common stock, stated value \$50 per share:		
Authorized, issued, and outstanding – 10,000 shares	500,000	500,000
Retained earnings	1,890,116	1,790,341
<b>Total stockholder's equity</b>	<b>2,390,116</b>	<b>2,290,341</b>
<b>Total liabilities and stockholder's equity</b>	<b>\$ 3,089,292</b>	<b>\$ 2,787,505</b>

*See accompanying notes.*

COUNTRY Capital Management Company

Statements of Operations

	<b>Year Ended December 31</b>	
	<b>2014</b>	<b>2013</b>
<b>Revenues</b>		
Marketing fees:		
Insurance sales	\$ 3,622,440	\$ 2,892,175
Mutual fund sales	853,497	1,279,419
College savings plans	203,585	152,632
Service fees from parent	1,900,000	1,650,000
Investment income	29,803	1,169
Total revenues	6,609,325	5,975,395
<b>Expenses</b>		
Commission expense:		
Insurance sales	2,429,225	1,924,257
Mutual fund sales	561,123	835,821
College savings plans	128,731	94,445
General management services – affiliates	3,287,252	2,933,392
Professional services	12,829	17,792
Dues and assessments	8,250	3,991
Other	15,389	14,879
Total expenses	6,442,799	5,824,577
Income before income taxes	166,526	150,818
<b>Income taxes:</b>		
Current (benefit) expense	(49,483)	62,957
Deferred expense	116,234	–
Total income taxes	66,751	62,957
Net income	<b>\$ 99,775</b>	<b>\$ 87,861</b>

*See accompanying notes.*

COUNTRY Capital Management Company

Statements of Changes in Stockholder's Equity

	<b>Common Stock</b>	<b>Retained Earnings</b>	<b>Total</b>
Balance, January 1, 2013	\$ 500,000	\$ 1,702,480	\$ 2,202,480
Net income	–	87,861	87,861
Balance, December 31, 2013	500,000	1,790,341	2,290,341
Net income	–	99,775	99,775
Balance, December 31, 2014	<u>\$ 500,000</u>	<u>\$ 1,890,116</u>	<u>\$ 2,390,116</u>

*See accompanying notes.*

# COUNTRY Capital Management Company

## Statements of Cash Flows

	Year Ended December 31	
	2014	2013
<b>Operating activities</b>		
Net income	\$ 99,775	\$ 87,861
Adjustments to reconcile net income to net cash (used in) provided by operating activities:		
Deferred tax expense	116,234	-
Realized loss on sale of trading securities	246	-
Unrealized gain on trading securities	(3,501)	-
Purchase of trading securities	(1,889,628)	-
Sale of trading securities	8,277	-
Change in due from parent and affiliates	(233,080)	(1,406)
Change in accounts receivable	(23,844)	(12,527)
Change in income taxes recoverable	(110,941)	(4,773)
Change in prepaid expenses	(305,225)	(4,974)
Change in other assets	(949)	-
Change in accounts payable and accrued expenses	54,888	(3,226)
Change in due to parent and affiliates	30,868	51,108
Change in income taxes payable	22	(129)
Net cash (used in) provided by operating activities	<b>(2,256,858)</b>	111,934
(Decrease) increase in cash and cash equivalents	(2,256,858)	111,934
Cash and cash equivalents at beginning of year	2,531,771	2,419,837
Cash and cash equivalents at end of year	<b>\$ 274,913</b>	<b>\$ 2,531,771</b>

*See accompanying notes.*

# COUNTRY Capital Management Company

## Notes to Financial Statements

December 31, 2014

### 1. Nature of Operations and Organization

#### Organization and Operations

COUNTRY Capital Management Company (COUNTRY Capital) is a wholly owned subsidiary of COUNTRY Life Insurance Company<sup>®</sup> (COUNTRY Life), which is a wholly owned subsidiary of the Illinois Agricultural Holding Co., which, in turn, is a subsidiary of the Illinois Agricultural Association.

COUNTRY Capital's primary business is to serve as a broker-dealer of mutual funds, variable annuities, variable universal life insurance, and college savings plans for the financial representatives of COUNTRY<sup>®</sup> Financial (COUNTRY). Marketing fees from variable annuity and variable universal life insurance products represented approximately 55% and 48% of total revenues in 2014 and 2013, respectively. Marketing fees from mutual funds represented approximately 13% and 21% of total revenues in 2014 and 2013, respectively, and are generated through the sales of mutual funds offered by unaffiliated brokers and by COUNTRY Trust Bank, a wholly owned subsidiary of COUNTRY Life. As a result of the liquidation of the COUNTRY Mutual funds in 2013, all activity related to those funds has ceased. Marketing fees from sales of college savings plans represented 3% and 3% of total revenues in 2014 and 2013, respectively. Although COUNTRY Capital is registered in 27 states, its principal market is Illinois.

COUNTRY Capital is party to a service agreement with COUNTRY Life in recognition of the benefits provided to COUNTRY Life's agency force by the availability of compliant registered insurance and financial products. Under the terms of the service agreement, COUNTRY Life paid COUNTRY Capital an annual service fee of \$1,900,000 and \$1,650,000 in 2014 and 2013, respectively. The service fees generated under this agreement accounted for 29% and 28% of COUNTRY Capital's total revenues in 2014 and 2013, respectively.

### 2. Significant Accounting Policies

#### Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

## COUNTRY Capital Management Company

### Notes to Financial Statements (continued)

#### **2. Significant Accounting Policies (continued)**

##### **Basis of Presentation**

The accompanying financial statements have been prepared in accordance with U.S. generally accepted accounting principles (GAAP).

##### **Reclassifications**

Certain 2013 amounts in COUNTRY Capitals' financial statements have been reclassified to conform to the 2014 financial statement presentation.

##### **Cash and Cash Equivalents**

Cash and cash equivalents include cash balances and investments with initial maturities of three months or less, including money market mutual funds. Money market mutual funds are valued based on the reported net asset value per share of the fund.

##### **Marketing Fees**

Marketing fees on insurance sales, mutual fund sales, and college savings plans are recognized as revenue on a trade-date basis as transactions occur.

##### **Service Fee From Parent**

The service fee from COUNTRY Life is earned ratably over the service period.

##### **Investment Securities**

The investment portfolio is classified as trading and carried at fair value. Changes in fair values of these securities are reported in earnings. Fair values are based upon quoted market prices.

In determining the cost basis of a security upon its sale, COUNTRY Capital uses the specific identification of that security's cost basis.

# COUNTRY Capital Management Company

## Notes to Financial Statements (continued)

### 2. Significant Accounting Policies (continued)

#### Effect of New Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board issued new accounting guidance on revenue from contracts with customers, which will supersede nearly all existing revenue recognition guidance under U.S. GAAP. The core principal of the new guidance is that an entity should recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. This new guidance is effective as of January 1, 2018 and early adoption is permitted as of January 1, 2017. The guidance permits two methods of transition upon adoption; full retrospective and modified retrospective. Under the full retrospective method, prior periods would be restated under the new revenue standard, providing a comparable view across all periods presented. Under the modified retrospective method, prior periods would not be restated. Rather, revenues and other disclosures for pre-2017 periods would be provided in the notes to the financial statements as previously reported under the current revenue standard. Management is currently reviewing the guidance, and the impact from its adoption on our consolidated financial statements cannot be determined at this time.

#### Subsequent Events

Subsequent events have been evaluated through February 27, 2015, the date at which the financial statements were available to be issued. Management is not aware of any events occurring subsequent to the preparation of the accompanying financial statements that would materially affect the amounts reported or which should be disclosed.

# COUNTRY Capital Management Company

## Notes to Financial Statements (continued)

### 3. Investment Securities

COUNTRY Capital has a portfolio of trading securities which are carried at fair value based on quoted market prices, with changes in fair value reported as earnings.

The portion of trading gains and losses for the period related to trading securities still held at the reporting date is calculated as follows:

	<u>2014</u>
Equity securities:	
Net gains and losses recognized on trading securities	\$ 3,255
Less: net losses recognized during the period on trading securities sold during the period	<u>(246)</u>
Unrealized gains recognized during the reporting period on trading securities still held at the reporting date	<u>\$ 3,501</u>

### 4. Fair Value of Financial Instruments

Assets and liabilities recorded at fair value in the accompanying balance sheets are categorized based upon the level of judgment associated with the inputs used to measure their fair values. The hierarchy of inputs, as defined by Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, is as follows:

- Level I – Inputs are unadjusted, quoted prices for identical assets or liabilities in active markets at the measurement date.
- Level II – Inputs are other than quoted prices included in Level I that are observable for the asset or liability through corroboration with market data at the measurement date.
- Level III – These are unobservable inputs that reflect management’s best estimate of what market participants would use in pricing the asset or liability at the measurement date.

## COUNTRY Capital Management Company

### Notes to Financial Statements (continued)

#### 4. Fair Value of Financial Instruments (continued)

The following table summarizes fair value measurements, by level, at December 31 for the investment in equity securities measured at fair value on a recurring basis:

	Level I	Level II	Level III	Total
<b>2014</b>				
Investments in exchange traded funds:				
Fixed income	\$ 627,819	\$ —	\$ —	\$ 627,819
U.S. equities	411,769	—	—	411,769
International equities	13,714	—	—	13,714
Investments in mutual funds:				
Fixed income	622,251	—	—	622,251
U.S. equities	30,925	—	—	30,925
International equities	178,128	—	—	178,128
Total	<u>\$ 1,884,606</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1,884,606</u>

#### 5. Net Capital Requirements

Pursuant to the net capital provisions of Rule 15c3-1 of the Securities Exchange Act of 1934, COUNTRY Capital is required to maintain a minimum amount of net capital equal to the greater of 6-2/3% of aggregate indebtedness or \$5,000. Net capital and the related net capital ratio may fluctuate on a daily basis. At December 31, 2014 and 2013, COUNTRY Capital had net capital of \$1,319,096 and \$2,020,610, respectively, and net capital requirements of \$38,863 and \$33,144, respectively. COUNTRY Capital's ratio of aggregate indebtedness to net capital was 0.44 to 1.00 and 0.25 to 1.00 at December 31, 2014 and 2013, respectively. The net capital rules may effectively restrict the payment of advances or cash dividends.

#### 6. Related-Party Transactions

COUNTRY Capital is a party to a service agreement with CC Services, Inc., an affiliate, whereby CC Services, Inc. provides necessary management and operational services required to run its business. COUNTRY Capital paid \$3,200,059 and \$2,855,050 to CC Services, Inc. in 2014 and 2013, respectively, for these services. As of December 31, 2014 and 2013, amounts payable to CC Services, Inc. of \$311,266 and \$253,548, respectively, are included as payable to parent and affiliates. COUNTRY Capital paid \$87,193 and \$78,342 to other affiliates for general management services in 2014 and 2013, respectively.

# COUNTRY Capital Management Company

## Notes to Financial Statements (continued)

### 6. Related-Party Transactions (continued)

COUNTRY Capital brokers variable universal life and variable annuities for an affiliate, COUNTRY Investors Life Assurance Company. COUNTRY Capital received commissions of \$329,014 and \$371,258 for brokering the products during 2014 and 2013, respectively. As of December 31, 2014 and 2013, commissions receivable from COUNTRY Investors Life Assurance Company of \$28,567 and \$35,356, respectively, are included in receivable due from parent and affiliates. In addition, COUNTRY Capital brokered mutual funds for an affiliate, COUNTRY Trust Bank until October 2013, when the funds were liquidated. COUNTRY Capital received \$0 and \$50,409, respectively, for COUNTRY mutual fund sales during 2014 and 2013.

### 7. Income Taxes

COUNTRY Capital files its tax return on a separate company basis. The 2014 and 2013 effective tax rate differs from the prevailing corporate tax rate due principally to the effect of state income taxes. Deferred income taxes result from the deductibility of prepaid expenses.

The components of income tax expense for the years ended December 31, 2014 and 2013, are as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
<b>2014</b>			
Current income tax expense	\$ (49,950)	\$ 467	\$ (49,483)
Deferred income tax expense	103,672	12,562	116,234
Income tax expense	<u>\$ 53,722</u>	<u>\$ 13,029</u>	<u>\$ 66,751</u>
<b>2013</b>			
Current income tax expense	\$ 47,466	\$ 15,491	\$ 62,957
Income tax expense	<u>\$ 47,466</u>	<u>\$ 15,491</u>	<u>\$ 62,957</u>

COUNTRY Capital made tax payments of \$61,435 and \$155,080 and received refunds of \$0 and \$87,219 in 2014 and 2013, respectively.

## COUNTRY Capital Management Company

### Notes to Financial Statements (continued)

#### **7. Income Taxes (continued)**

The deferred tax liability at December 31, 2014 relates to prepaid expenses. At December 31, 2014, COUNTRY Capital had recorded gross deferred tax assets and liabilities of \$18,013 and \$134,247, respectively; and no valuation allowances.

COUNTRY Capital did not recognize any liability for uncertain tax positions.

COUNTRY Capital classifies interest and penalties related to all tax matters in income tax expense. COUNTRY Capital paid penalties of \$0 and \$300 in 2014 and 2013, respectively. There was no interest recognized in the statement of operations for 2014 and 2013.

COUNTRY Capital files tax returns in U.S. federal jurisdictions and multiple state jurisdictions. As of 2014, the tax years that remain subject to examination begin with 2011.

At December 31, 2014, COUNTRY Capital has federal net operating loss carryforwards of \$0 and state net operating loss carryforwards for tax purposes of \$130,143, which will expire by 2034.

#### **8. Commitments and Contingencies**

The Company is occasionally a defendant in various legal actions. At December 31, 2014, The Company was not aware of any commitments or contingencies related to legal actions.

Supplementary Information

COUNTRY Capital Management Company

Schedule I – Computation of Net Capital and  
Aggregate Indebtedness Under Rule 15c3-1

December 31, 2014

Aggregate indebtedness		
Accounts payable and accrued expenses, payable to parent and affiliates, and income taxes payable		\$ 582,943
<b>Net capital</b>		
Common stock		500,000
Retained earnings		1,890,116
Total stockholder's equity		<u>2,390,116</u>
Plus deferred tax liability		116,234
Less non-allowable assets:		
Disallowed receivables:		
Receivable due from parent and affiliate	\$ 243,400	
Accounts receivable	118,633	
Income taxes receivable	227,951	
Prepaid expenses	305,273	
Other assets	5,000	
Securities haircut	286,997	1,187,254
Net capital		<u>\$ 1,319,096</u>
Capital requirements		
Minimum net capital requirement (greater of \$5,000 or 6-2/3% of aggregate indebtedness)		\$ 38,863
Net capital in excess of requirements		<u>1,280,231</u>
Net capital as above		<u>\$ 1,319,096</u>
Ratio of aggregate indebtedness to net capital		<u>0.44 to 1</u>

COUNTRY Capital Management Company  
Schedule I – Computation of Net Capital and  
Aggregate Indebtedness Under Rule 15c3-1 (continued)

December 31, 2014

*Reconciliation with the Company's computation of net capital as of December 31, 2014*

Net capital, as reported in the Company's Part IIA (unaudited) FOCUS report, filed January 27, 2015	\$ 1,654,124
Adjustments	
Retained earnings	(5,891)
Deferred tax liability	(146)
Securities haircuts	(244,998)
Non-allowable receivable from affiliate	(80,743)
Non-allowable receivable from non-customers	<u>(3,250)</u>
Net capital, as reported above and in the Company's Part IIA (unaudited) amended FOCUS report, filed February 27, 2015	<u>\$ 1,319,096</u>

COUNTRY Capital Management Company

Schedule II – Computation for  
Determination of Reserve Requirements Under Rule 17a-5(d)

December 31, 2014

COUNTRY Capital is exempt from the computation of reserve requirements under paragraph (k)(1) of Rule 15c3-3 of the Securities Exchange Act of 1934.

COUNTRY Capital Management Company

Schedule III – Information Relating to  
Possession or Control of Securities Under Rule 17a-5(d)

December 31, 2014

COUNTRY Capital is exempt from the possession or control requirements under paragraph (k)(1) of Rule 15c3-3 of the Securities Exchange Act of 1934.



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## Report of Independent Registered Public Accounting Firm on Applying Agreed-Upon Procedures

To those Charged of Governance of COUNTRY Capital Management Company:

We have performed the procedures enumerated below, which were agreed to by the Stockholder and management of COUNTRY Capital Management Company (the Company), the Securities Investors Protection Corporation (SIPC), the Securities and Exchange Commission, and the Financial Industry Regulatory Authority, in accordance with Rule 17a-5(e)(4) of the Securities Exchange Act of 1934. We performed the procedures, solely to assist the specified parties in evaluating the Company's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7) for the year ended December 31, 2014. The Company's management is responsible for the Company's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the 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 and agreed the listed assessment payments in Form SIPC-7 (line 2G) with respective cash disbursement record entries, specifically bank statements from the COUNTRY Capital Management Company bank account and the journal entry postings that represent the cash disbursement and expense recognition.

*No findings noted.*

2. Compared the amounts reported on FOCUS reports for the year ended December 31, 2014 with the amounts reported in Form SIPC-7 for the period ended December 31, 2014.

*Revenue included in the amended FOCUS report does not agree with the SIPC 7 form line 2a. Total Revenue. The difference is \$3,501 and the calculated additional fee is \$8.75.*

3. Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers.

*No findings noted.*

4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related supporting schedules and working papers supporting the adjustments.

*No findings noted.*

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7) for the year ended December 31, 2014. 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.

*Ernst + Young LLP*

February 27, 2015