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

FEB 26 2016  
 Washington DC  
 404

SEC FILE NUMBER
8- 49005

**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 01/01/2015 AND ENDING 12/31/2015  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: SENTINEL BROKERS COMPANY, INC.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

20 BROADWAY  
(No. and Street)

MASSAPEQUA NY 11758  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
JOSEPH LAWLESS 516-541-9100  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

EDWARD RICHARDSON, JR. CPA  
(Name - if individual, state last, first, middle name)

15565 NORTHLAND DRIVE SOUTHFIELD, MI 48075  
(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)

*Handwritten initials*

*Handwritten initials*

OATH OR AFFIRMATION

I, JOSEPH LAWLESS, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of SENTINEL BROKERS COMPANY, INC., as of DECEMBER 31, 2015, 20 15, 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:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Joseph Lawless  
Signature  
PRESIDENT  
Title

Patricia R. Secontine  
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).

*Edward Richardson Jr., CPA  
15565 Northland Dr W Ste 508  
Southfield, MI 48075  
248-559-4514*

**Independent Auditor's Report**

Board of Directors  
Sentinel Brokers Company, Inc.  
20 Broadway  
Massapequa, NY 11758

**Report on the Financial Statements**

I have audited the accompanying statement of financial condition of Sentinel Brokers Company, Inc. as of December 31, 2015 and the related statements of income, changes in stockholder's equity, changes in liabilities to claims of general creditors, and cash flows for the year ended. These financial statements are the responsibility of Sentinel Brokers Company, Inc. management. My responsibility is to express an opinion on these financial statements based on my audit.

**Auditor's Responsibility**

I conducted this audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

**Opinion**

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sentinel Brokers Company, Inc. as of December 31, 2015, and results of its operations and its cash flows to the year then ended in conformity with accounting principles generally accepted in the United States.

**Other Matters**

The Supplemental Information has been subjected to audit procedures performed with audit of Sentinel Brokers Company, Inc. financial statements. Supplemental Information is the responsibility of Sentinel Brokers Company, Inc.'s management. My audit procedures included determining whether the Supplemental 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 presented in the Supplemental Information . In

forming my opinion on the Supplemental Information, I evaluated whether the Net Capital Computation, including its form and content is presented in conformity 17 C.F.R. # 240 17a-5. In my opinion, the Net Capital Computation is fairly stated, in all material respects, in relation to the financial statements as a whole.

*Edward Richardson Jr. CPA*

Edward Richardson Jr., CPA  
Southfield, MI. 48075  
February 22, 2016

**Sentinel Brokers Company, Inc.**

**Financial Statements and Supplemental Schedules  
Required by the U.S. Securities and Exchange Commission**

**Including Independent Auditor's Report Thereon**

**For the Year-Ended December 31, 2015**

**Sentinel Brokers Company, Inc.**  
**Financial Statements**  
**Statement of Financial Condition**  
As of and for the Year-Ended December 31, 2015

**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2015**

**ASSETS**

Cash and cash equivalents	\$218,300
Marketable securities	1,152,119
Furniture, equipment and leasehold improvements, net of accumulated depreciation and amortization of \$144,904	15,338
Other	<u>7,178</u>
	<u><u>\$1,392,935</u></u>

**LIABILITIES AND STOCKHOLDER'S EQUITY**

**Liabilities**

Accounts payable and accrued expenses	\$ 41,831
Accrued payroll	<u>155,566</u>
	<u>197,397</u>

**Stockholder's equity**

Common stock, 200 shares authorized, 100 shares issued and outstanding, no par value	100
Paid-in capital	564,624
Retained earnings	<u>630,814</u>
	<u>1,195,538</u>
	<u><u>\$1,392,935</u></u>

See notes to financial statements

The accompanying notes are an integral part of these financial statements.

**Sentinel Brokers Company, Inc.**  
**Financial Statements**  
**Statement of Operations**  
As of and for the Year-Ended December 31, 2015

**REVENUES**

Commission income	\$2,922,247
Trading Income (loss)	(11,916)
Interest and Dividend income	61,053
	<hr/>
	2,971,384
	<hr/>

**EXPENSES**

Payroll and related costs	2,116,261
Trade processing	319,069
Occupancy costs	126,953
Other expenses	358,230
	<hr/>
	2,920,513
	<hr/>

**NET INCOME**

\$50,871

The accompanying notes are an integral part of these financial statements.

**Sentinel Brokers Company, Inc.**  
**Financial Statements**  
**Statement of Cash Flows**  
As of and for the Year-Ended December 31, 2015

**Cash flows from operating activities**

Net income	<u>\$ 50,871</u>
Adjustments to reconcile net income to net cash used in operating activities:	
Depreciation and amortization	
Changes in assets and liabilities:	20,785
Marketable securities, net	(53,423)
Other assets	63,564
Accounts payable and accrued expenses	<u>(30,988)</u>
Total adjustments	<u>(62)</u>
<b>Net cash used in operating activities</b>	<u><b>50,809</b></u>

**Cash flows from financing activities**

Shareholder distributions	<u>(167,713)</u>
<b>Net cash used in financing activities</b>	<u><b>(167,713)</b></u>

**NET CHANGE IN CASH AND CASH EQUIVALENTS** (116,904)

**CASH AND CASH EQUIVALENTS - BEGINNING** 335,204

**CASH AND CASH EQUIVALENTS- END** \$ 218,300

Supplemental disclosures of cash flow information:

Cash paid during the year for:

Interest expense	<u>\$ 2,285</u>
Income taxes	<u><u>\$ 3,976</u></u>

See notes to financial statements

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The accompanying notes are an integral part of these financial statements.

**Sentinel Brokers Company, Inc.**  
**Financial Statements**  
**Statement of Changes in Ownership Equity**  
As of and for the Year-Ended December 31, 2015

	<u>COMMON STOCK</u>	<u>PAID-IN CAPITAL</u>	<u>RETAINED EARNINGS</u>	<u>TOTAL</u>
<b>Balance - beginning</b>	\$ 100	\$ 564,624	\$ 747,656	\$ 1,312,380
Net income			50,871	50,871
Shareholder distributions	-	-	(167,713)	(167,713)
<b>Balance - end</b>	<u>\$ 100</u>	<u>\$ 564,624</u>	<u>\$ 630,814</u>	<u>\$ 1,195,538</u>

See notes to financial statements

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The accompanying notes are an integral part of these financial statements.

**SENTINEL BROKERS COMPANY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

Sentinel Brokers Company, Inc. (the "Company") began business on January 1, 1996. The Company is primarily engaged in acting as an intermediary facilitating the trading of Municipal Bonds and Preferred Stocks between institutions. The Company has no retail customer base. The Company is a broker-dealer registered with the Financial Industry Regulatory Authority (FINRA) and the Securities Exchange Commission. The Company, as a non-clearing broker, does not handle customers' funds or securities. There were no liabilities subordinated to claims of general creditors during the year ended December 31, 2015.

**Basis of Presentation**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

**Income Taxes**

Effective July 1, 2011, the Company elected to be taxed as an "S" Corporation for federal and state income tax purposes. As an S corporation, the Company is not subject to federal income taxes and passes through substantially all taxable items to the shareholder of the Company. The Company is subject to state and local income taxes in various states.

In accordance with ASC 740, Income Taxes, the Company is required to disclose unrecognized tax benefits resulting from uncertain tax positions. The Company recognizes the accrual of any interest and penalties to recognized tax benefits in income tax expense.

At December 31, 2015 the Company did not have any unrecognized tax benefits or liabilities. No interest or penalties were recognized during the period. The Company operates in the United States and in state and local jurisdictions, and the previous three years remain subject to examination by tax authorities. There are presently no ongoing income tax examinations.

**SENTINEL BROKERS COMPANY, INC.**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**Securities Transactions and Commissions Revenues**

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

Securities owned are recorded at current market value. Securities not readily marketable are valued at fair as determined by management, which approximates estimated realizable value. It is reasonable possible that a change in such estimates may occur in the near term.

**Furniture, Equipment and Leasehold Improvements**

Furniture and equipment are recorded at cost. Depreciation is recorded on a straight-line basis and accelerated basis over the estimated useful life of the related assets, which range from three to five years. Leasehold improvements are amortized over the lesser of the economic life of the improvements or the term of the lease.

**Concentrations of Credit Risk**

Financial instruments that potentially subject the Company to concentration of credit risk consist primarily of cash and cash equivalent and marketable securities. The Company maintains cash balances with a commercial bank and cash, money market funds and securities with a brokerage firm. At times amounts with the bank exceeded Federal Deposit Insurance Corporation limits. The amounts at the brokerage firm are covered up to Securities Investor Protection Corporation ("SIPC") limits.

The responsibility for processing customer activity rests with Hilltop Securities, Inc. ("Hilltop"). The Company's clearing and execution agreement provides that Hilltop's credit losses relating to unsecured margin accounts receivable of the Company's customers are charged back to the Company.

In accordance with industry practice, Hilltop records customer transactions on a settlement date basis, which is generally three business days after the trade date. Hilltop is therefore exposed to risk and loss on these transactions in the event of the customer's inability to meet the terms of its contracts, in which

**SENTINEL BROKERS COMPANY, INC.**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

case Hilltop may have to purchase or sell the underlying financial instruments at prevailing market prices in order to satisfy its customer-related obligations. Any loss incurred by Hilltop is charged back to the Company.

The Company, in conjunction with Hilltop, controls off-balance-sheet risk by monitoring the market value and marketing securities to market on a daily basis and by requiring adjustments of collateral levels. Hilltop establishes margin requirements and overall credit limits for such activities and monitors compliance with the applicable limits and industry regulations on a daily basis.

**Estimates**

Management of the Company uses estimates and assumptions in preparing financial statement in accordance with accounting principles generally accepted in the United States. 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 and expenses. Actual results could vary from the estimates management uses.

**Cash and Equivalents**

The Company has defined cash equivalents as highly liquid investments, with original maturities of less than three months that are not held for sale in the ordinary course of business. Included in cash equivalents are money market funds and brokerage account balances.

**2. OTHER INVESTMENTS**

Included in other assets is an investment of a 10% interest in a privately held joint venture valued at \$60,000 which is recorded on the equity method of accounting. The Company recorded a loss of \$60,000 on this investment during the year ended December 31, 2015, which is included in other expenses in the statement of operations.

**3. MARKETABLE SECURITIES**

Marketable securities totaling \$1,152,119 consist of municipal bonds of \$237,733 and equities of \$914,386 valued at quoted market prices.

**SENTINEL BROKERS COMPANY, INC.**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**4. FAIR VALUE**

FASB ASC 820 defines fair value, establishes a framework for measuring fair value, and establishes a hierarchy of fair value inputs. 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. 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. Valuation techniques that are consistent with the market, income or cost approach, as specified by FASB ASC 820, are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- Level 1. Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.
- Level 2. Inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly or indirectly.
- Level 3. Unobservable inputs for the asset or liability.

The availability of observable inputs can vary from security to security and is affected by the wide variety of factors, including, for example, the type of security, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Fair value is a market-based measure considered from the perspective of a market participant rather than an equity-specific measure. Therefore, even when market assumptions are not readily available, the Company's own

**SENTINEL BROKERS COMPANY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**

Observable, fair value is determined based on either benchmarking to similar instruments or cash flow models with yield curves, bonds, or single-name credit default swap spread and recovery rates as significant inputs. Municipal bonds are generally categorized in level 2 of the fair value hierarchy.

	<u>Level 1</u>	<u>Level 2</u>	<u>level 3</u>	<u>Total</u>
<b>Asset</b>				
<b>Municipal Bonds</b>		\$237,733		\$237,733
<b>Equity</b>				
Common Stock				
Manufacturing	\$208,150			208,150
Technology	118,455			118,455
Finance	56,488			56,488
Entertainment	21,016			21,016
Utilities	22,697			22,697
Real Estate	8,670			8,670
Retail	16,031			16,031
ETF's	31,156			31,156
Preferred Stock				
Insurance	176,237			176,237
Finance	<u>255,486</u>			<u>255,486</u>
	<b>\$914,386</b>	<b>\$237,733</b>		<b>\$1,152,119</b>

Assumptions are set to reflect those that the Company believes market participants would use in pricing the asset or liability at the measurement date.

A description of the valuation techniques applied to the company's major categories of assets and liabilities measured at fair value on a recurring basis follows.

**Exchange-Traded Equity Securities:** Exchange –traded equity securities  
Generally valued based on quoted prices from the exchange. To the extent these securities are actively traded valuation adjustments are not applied, and they are categorized in level 1 of the fair value hierarchy, otherwise, they are in level 2 of the fair value hierarchy.

**Municipal Bonds:** The fair value of municipal bonds are determined using recently executed transactions, market price quotations (when observable), bond spreads or credit default swap spreads obtained from independent external parties, such as vendors and brokers, adjusted for any basis difference between cash and derivative instruments. The

**SENTINEL BROKERS COMPANY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**

spread data used are for the same maturity as the bond. If the spread data do not reference the issuer, then data that reference a comparable issuer are used. When position-specific external price data are not observable, fair value is determined based on either benchmarking to similar instruments or cash flow models with yield curves, bid, or single-named credit default swap spreads and recovery rates as significant inputs. Municipal bonds are generally categorized in level 2 or the fair value hierarchy.

**5. COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS FOR BROKERS AND DEALERS PURSUANT TO RULE 15C3-3**

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934 pursuant to Paragraph (k)(2)(ii). As an introducing broker, the Company clears customer transactions on a fully disclosed basis with Hilltop. Hilltop carries all of the accounts of such customers and maintains and preserves such books and records.

**6. NET CAPITAL REQUIREMENT**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule Rule (15c-3-1), 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 (and that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1). At December 31, 2015, the Company had net capital of \$1,043,610, which was \$943,610 in excess of its required net capital of \$100,000. The Company had a percentage indebtedness to net capital of 18.91% as of December 31, 2015.

**7. COMMITMENTS AND CONTINGENCIES**

The Company leases office space in Massapequa, New York. Rent expense for the year Ended December 31, 2015 was approximately \$71,731. Minimum future rental payments is approximately \$11,000 for 2016.

**8. SUBSEQUENT EVENTS**

The Company has evaluated events subsequent to the balance sheet date for items requiring recording February 22, 2016, which is the date the financial statement, were available to be issued. Based upon this review, the Company has determined that there were no events which took place that would have a material impact on its financial statements.

**Sentinel Brokers Company, Inc.**

**Supplemental Schedules Required by Rule 17a-5**

**As of and for the year ended December 31, 2015**

**Computation of Net Capital**

Total Stockholder's equity: \$ 1,195,538.00

Nonallowable assets:

Property and equipment 15,337.69

Deposit- rent 6,000.00

Accounts receivable – other 1,178.04 (22,515.73)

Other Charges -

Haircuts 129,412.00

Undue Concentration 0.00 (129,412.00)

Net allowable capital \$ 1,043,610.00

**Computation of Basic Net Capital Requirement**

Minimum net capital required as a percentage of aggregate indebtedness \$ 13,160.00

Minimum dollar net capital requirement of reporting broker or dealer \$ 100,000.00

Net capital requirement \$ 100,000.00

Excess net capital \$ 943,610.00

**Computation of Aggregate Indebtedness**

Total Aggregate Indebtedness \$ 197,397.00

Percentage of aggregate indebtedness to net capital 18.91%

**Reconciliation of the Computation of Net Capital Under Rule 15c3-1**

Computation of Net Capital reported on FOCUS IIA as of December 31, 2015 \$ 1,043,610.00

Adjustments:

Change in Equity (Adjustments) 0.00

Change in Non-Allowable Assets (0.00)

Change in Haircuts 0.00

Change in Undue Concentration 0.00

NCC per Audit 1,043,610.00

Reconciled Difference \$ (0.00)

**Sentinel Brokers Company, Inc.**

**Supplemental Schedules Required by Rule 17a-5**

**As of and for the year ended December 31, 2015**

**Exemptive Provisions Rule 15c3-3**

The Company is exempt from Rule 15c3-3 because all customer transactions are cleared through another broker-dealer on a fully disclosed basis. The name of the clearing firm is Hilltop Securities.

**Statement of Changes in Liabilities Subordinated to the Claims of General Creditors**

Balance of such claims at January 1, 2015	\$ -
Additions	-
Reductions	-
Balance of such claims at December 31, 2015	<u>\$ -</u>

Edward Richardson, Jr., CPA  
15565 Northland Suite 508 West  
Southfield, MI. 48075

February 22, 2016

Board of Directors

Sentinel Brokers Company, Inc.

20 Broadway

Massapequa, New York 11758

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

I have reviewed management's statements, included in the accompanying Representation Letter of Exemptions, in which (1) Sentinel Brokers Company, Inc. identified the following provisions of 17 C.F.R. § 15c3-3(k) under which Sentinel Brokers Company, Inc. claimed an exemption from 17 C.F.R. § 15c3-3(k)(2)(ii), and (2) Sentinel Brokers Company, Inc. stated that Sentinel Brokers Company, Inc. met the identified exemption provisions throughout the most recent fiscal year without exception. Sentinel Brokers Company, Inc.'s management is responsible for compliance with the exemption provisions and its statements.

My review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, accordingly, included inquiries and other required procedures to obtain evidence about Sentinel Brokers Company, Inc.'s compliance with the exemption provisions. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's statements. Accordingly, I do not express such an opinion.

Based on my review, I'm not aware of any material modifications that should be made to management's statements referred to above for them to be fairly stated, in all material respects, based on the provisions set forth in paragraph (k)(2)(ii) of Rule 15c3-3 under the Securities Exchange Act of 1934.

*Edward Richardson Jr. CPA*

Edward Richardson, Jr., CPA

**Sentinel Brokers Company. Inc.**  
**Supplementary Schedules Pursuant to SEA Rule 17a-5**  
**Of the Securities and Exchange Act of 1934**  
As of and for the Year-Ended December 31, 2015

Auditors Review of Exemption Report Pursuant to SEA Rule 17a-5(d)(1)(i)(B)(2)

**REPORT ON SIPC ASSESSMENT RECONCILIATION**

**For the year ended December 31, 2015**

Edward Richardson Jr., CPA

15565 Northland Drive

Suite 508 West

Southfield, MI 48075

To the Members of

Sentinel Brokers Company, Inc.

20 Broadway

Massapequa, New York 11758

INDEPENDENT ACCOUNTANT'S AGREED-UPON PROCEDURES REPORT ON SCHEDULE OF  
ASSESSMENT AND PAYMENTS

In accordance with Rule 17a-5©(4) under the Securities Exchange Act of 1934, we have performed the procedures enumerated below with respect to the accompanying Schedule of Assessment and Payments [Transitional Assessment Reconciliation (Form SIPC-7) to the Securities Investor Protection Corporation (SIPC) for the period January 1, 2015 to December 31, 2015, which were agreed to by Sentinel Brokers Company, Inc. and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc. and the SIPC, solely to assist you and other specified parties in evaluating Sentinel Brokers Company, Inc.'s compliance with the applicable instructions of the Transitional Assessment Reconciliation (Form SIPC-7). Sentinel Brokers Company, Inc.'s management is responsible for Sentinel Brokers Company, Inc. 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 were performed and our findings are as follows:

1. Compared the listed assessment payments represented on Form SIPC-7 with the respective cash disbursements record entries, including check amount of \$3,079.55.
2. Compared audited Total Revenue for the period of January 01, 2015 through the December 31, 2015 (fiscal year-end) with the amounts reported on Form SIPC-7 for the same period noting no reportable reconciliation differences.
3. Compared any adjustments reported Form SIPC-7 with supporting schedules and work papers, to the extent such exists, noting no differences.
4. Proved the arithmetical accuracy of the calculations reflected on Form SIPC-7 noting no differences.

5. If applicable, compared the amount of any overpayment applied to the current assessment with the Form SIPC-7 on which it was originally computed. According to our findings, Sentinel Brokers Company, Inc. had no reportable differences.

I was not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my 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.

*Edward Richardson Jr. CPA*

February 22, 2016

**Sentinel Brokers Company, Inc.**  
20 Broadway  
Massapequa, NY 11758  
516-541-9100 (phone) 516-541-6413 (fax)

February 22, 2016

Edward Richardson, Jr. CPA  
15565 Northland Drive  
Suite 508 West  
Southfield, MI 48075

RE: Exemption Statement Rule 15c3-3 (k) (2) (ii) for FYE December 31, 2015

Dear Mr. Richardson Jr.,

Please be advised that Sentinel Brokers Company, Inc. has complied with Exemption Rule 15c3-3 (k) (2) (ii), for the period of January 1, 2015 through December 31, 2015. Sentinel Brokers Company, Inc. did not hold customer securities or funds at any time during this period and does business on a limited basis (publicly registered non-trades REITS, and oil & gas partnerships). Sentinel Brokers Company, Inc.'s past business has been of similar nature and has complied to this exemption since its inception, (date).

Joseph Lawless, the president of Sentinel Brokers Company, Inc. has made available to Edward Richardson all records and information including all communications from regulatory agencies received through the date of this review December 31, 2015.

Joseph Lawless has been responsible for compliance with the exemption provision throughout the fiscal year. Also, there were not any know events or other factors that might have affected Sentinel Brokers Company, Inc.'s compliance with this exemption.

If you would like additional information or have any questions, feel free to call me directly at (516)541-9100.

Very truly yours,

  
Sentinel Brokers Company, Inc.  
Joseph Lawless, President