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Information Required Pursuant to Rules 17a-5, 17a-12, and 18a-7 under the Securities Exchange Act of 1934

FILING FOR THE PERIOD BEGINNING 1/1/2021 AND ENDING 12/31/2021  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF FIRM: Upmarket Securities, LLC DBA MX Securities LLC

TYPE OF REGISTRANT (check all applicable boxes):

- Broker-dealer     Security-based swap dealer     Major security-based swap participant
- Check here if respondent is also an OTC derivatives dealer

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use a P.O. box no.)

3975 Freedom Circle, Suite 870

(No. and Street)

Santa Clara

CA

95054

(City)

(State)

(Zip Code)

PERSON TO CONTACT WITH REGARD TO THIS FILING

Robert Daniels

516-281-4242

robert.daniels@upmarket.co

(Name)

(Area Code - Telephone Number)

(Email Address)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose reports are contained in this filing\*

BDG-CPA's

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

76 N. Walnut St

Ridgewood

NJ

07450

(Address)

(City)

(State)

(Zip Code)

2/18/2004

1167

(Date of Registration with PCAOB)(if applicable)

(PCAOB Registration Number, if applicable)

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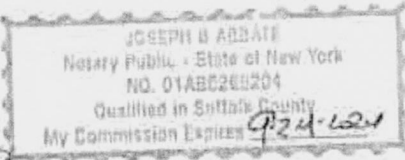
\* Claims for exemption from the requirement that the annual reports be covered by the reports of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis of the exemption. See 17 CFR 240.17a-5(e)(1)(ii), if applicable.

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

RMS

OATH OR AFFIRMATION

I, Robert Daniels, swear (or affirm) that, to the best of my knowledge and belief, the financial report pertaining to the firm of Upmarket Securities, LLC, as of December 31, 2021, is true and correct. I further swear (or affirm) that neither the company nor any partner, officer, director, or equivalent person, as the case may be, has any proprietary interest in any account classified solely as that of a customer.



[Handwritten signature]

Notary Public

Signature:

[Handwritten signature]

Title:  
CCO

CCO

This filing\*\* contains (check all applicable boxes):

- (a) Statement of financial condition.
- (b) Notes to consolidated statement of financial condition.
- (c) Statement of income (loss) or, if there is other comprehensive income in the period(s) presented, a statement of comprehensive income (as defined in § 210.1-02 of Regulation S-X).
- (d) Statement of cash flows.
- (e) Statement of changes in stockholders' or partners' or sole proprietor's equity.
- (f) Statement of changes in liabilities subordinated to claims of creditors.
- (g) Notes to consolidated financial statements.
- (h) Computation of net capital under 17 CFR 240.15c3-1 or 17 CFR 240.18a-1, as applicable.
- (i) Computation of tangible net worth under 17 CFR 240.18a-2.
- (j) Computation for determination of customer reserve requirements pursuant to Exhibit A to 17 CFR 240.15c3-3.
- (k) Computation for determination of security-based swap reserve requirements pursuant to Exhibit B to 17 CFR 240.15c3-3 or Exhibit A to 17 CFR 240.18a-4, as applicable.
- (l) Computation for Determination of PAB Requirements under Exhibit A to § 240.15c3-3.
- (m) Information relating to possession or control requirements for customers under 17 CFR 240.15c3-3.
- (n) Information relating to possession or control requirements for security-based swap customers under 17 CFR 240.15c3-3(p)(2) or 17 CFR 240.18a-4, as applicable.
- (o) Reconciliations, including appropriate explanations, of the FOCUS Report with computation of net capital or tangible net worth under 17 CFR 240.15c3-1, 17 CFR 240.18a-1, or 17 CFR 240.18a-2, as applicable, and the reserve requirements under 17 CFR 240.15c3-3 or 17 CFR 240.18a-4, as applicable, if material differences exist, or a statement that no material differences exist.
- (p) Summary of financial data for subsidiaries not consolidated in the statement of financial condition.
- (q) Oath or affirmation in accordance with 17 CFR 240.17a-5, 17 CFR 240.17a-12, or 17 CFR 240.18a-7, as applicable.
- (r) Compliance report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- (s) Exemption report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- (t) Independent public accountant's report based on an examination of the statement of financial condition.
- (u) Independent public accountant's report based on an examination of the financial report or financial statements under 17 CFR 240.17a-5, 17 CFR 240.18a-7, or 17 CFR 240.17a-12, as applicable.
- (v) Independent public accountant's report based on an examination of certain statements in the compliance report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- (w) Independent public accountant's report based on a review of the exemption report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- (x) Supplemental reports on applying agreed-upon procedures, in accordance with 17 CFR 240.15c3-1e or 17 CFR 240.17a-12, as applicable.
- (y) Report describing any material inadequacies found to exist or found to have existed since the date of the previous audit, or a statement that no material inadequacies exist, under 17 CFR 240.17a-12(k).
- (z) Other: \_\_\_\_\_

\*\*To request confidential treatment of certain portions of this filing, see 17 CFR 240.17a-5(e)(3) or 17 CFR 240.18a-7(d)(2), as applicable.

**UPMARKET SECURITIES LLC**

**FINANCIAL STATEMENTS  
AND REPORT OF INDEPENDENT REGISTERED  
PUBLIC ACCOUNTING FIRM  
(CONFIDENTIAL PURSUANT TO RULE 17a-5(e)(3))**

**DECEMBER 31, 2021**

UPMARKET SECURITIES LLC

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Ridgewood, New Jersey 07450  
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## **Report of Independent Registered Public Accounting Firm**

To the Member of  
Upmarket Securities LLC (f/k/a MX Securities LLC and Meixin Securities LLC):

### **Opinion on the Financial Statements**

We have audited the accompanying statement of financial condition of Upmarket Securities LLC as of December 31, 2021, the related statements of operations, changes in member's equity, and cash flows for the year then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of Upmarket Securities LLC as of December 31, 2021, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

These financial statements are the responsibility of Upmarket Securities LLC's management. Our responsibility is to express an opinion on Upmarket Securities LLC's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to Upmarket Securities LLC in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

## **Auditor's Report on Supplemental Information**

The supplemental information listed in the accompanying Contents has been subjected to audit procedures performed in conjunction with the audit of Upmarket Securities LLC's financial statements. The supplemental information is the responsibility of Upmarket Securities LLC's management. Our 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 our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with 17 C.F.R. §240.17a-5. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

*BDG-CPAs*

We have served as Upmarket Securities LLC's auditor since 2019.

BDG-CPAs, PC  
Ridgewood, New Jersey  
February 22, 2022

UPMARKET SECURITIES LLC  
STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2021

ASSETS

ASSETS	
Cash	\$ 164,284
Accounts receivable	277,151
Prepaid expenses	36,784
Due from related party	4,790
Property and Equipment (net of accumulated depreciation of \$1,127)	<u>4,428</u>
 TOTAL ASSETS	 <u><u>\$ 487,437</u></u>

LIABILITIES AND MEMBER'S EQUITY

LIABILITIES	
Accounts payable and accrued expenses	\$ 124,705
Due to related party	<u>49,150</u>
 TOTAL LIABILITIES	 173,855
 MEMBER'S EQUITY	 <u>313,582</u>
 TOTAL LIABILITIES AND MEMBER'S EQUITY	 <u><u>\$ 487,437</u></u>

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

UPMARKET SECURITIES LLC  
STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2021

REVENUES	<u>\$ 2,671,234</u>
EXPENSES	
Payroll	663,791
Computer and internet	482,428
Commissions	430,287
Marketing	321,839
Professional fees	118,189
Insurance	42,832
Office	35,693
Regulatory	18,132
Facilities	<u>4,150</u>
TOTAL EXPENSES	<u>2,117,341</u>
NET INCOME	<u><u>\$ 553,893</u></u>

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

UPMARKET SECURITIES LLC  
STATEMENT OF CHANGES IN MEMBER'S EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2021

MEMBER'S EQUITY, JANUARY 1, 2021	\$ 101,047
Member's Contributions	31,666
Member's Withdrawals	(373,024)
Net income	<u>553,893</u>
MEMBER'S EQUITY, DECEMBER 31, 2021	<u><u>\$ 313,582</u></u>

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

UPMARKET SECURITIES LLC  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES:	
Net income	\$ 553,893
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	1,087
Changes in operating assets and liabilities:	
Accounts receivable	(191,713)
Prepaid expenses	(35,665)
Due from related party	(4,790)
Accounts payable and accrued expenses	76,431
Due to related parties	<u>29,010</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>428,253</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of property and equipment	<u>(3,160)</u>
NET CASH USED IN FINANCING ACTIVITIES	<u>(3,160)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:	
Capital contributions	31,666
Capital distributions	<u>(373,024)</u>
NET CASH USED IN FINANCING ACTIVITIES	<u>(341,358)</u>
NET CHANGE IN CASH	83,735
CASH, BEGINNING OF PERIOD	<u>80,549</u>
CASH, END OF PERIOD	<u>\$ 164,284</u>
Supplemental cash flows disclosures:	
Income tax payments	\$ -
Interest payments	\$ -

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

UPMARKET SECURITIES LLC  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

Note 1 - Organization

Upmarket Securities LLC (F/K/A MX Securities, LLC and Meixin Securities, LLC) (the "Company") is a broker-dealer registered with the United States Securities and Exchange Commission ("SEC") and is a member of the Financial Industry Regulatory Authority ("FINRA"). The Company was founded in August 2017, under the laws of the State of Delaware, and commenced operations on May 1, 2019. Effective on July 8, 2021, the Company changed its name from Meixin Securities, LLC to MX Securities, LLC. On January 4, 2022, the Company changed its name from MX Securities, LLC to Upmarket Securities, LLC. (See Note 8 for additional information.)

The Company is a single member LLC, wholly owned by Meixin Inc. (the "Sole Member"). The Company was formed to provide private placement of securities to institutional clients and high net worth individuals.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements are presented in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Revenue Recognition

*ASC 606 Revenue Recognition*

In May 2014, FASB issued ASU 2014-09, *Revenue from Contracts with Customers* (Topic 606) ("ASC 606"). The requirements of ASC 606 were effective for the Company for the year ended December 31, 2018. The Company adopted the standard on January 1, 2018 using the modified retrospective approach, and, in conjunction with the adoption, management evaluated the new guidance in ASC 606 and determined that there was no change in the manner that the Company recognizes revenue. Furthermore, management has determined that the required guidance in ASC 606 does not have an impact on the Company's financial or regulatory capital.

Income Taxes

The Company is a limited liability company and is treated as a partnership for income tax purposes. As a result, no federal or New York State income taxes are provided as they are the responsibility of the Managing Member.

UPMARKET SECURITIES LLC  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

Note 2 - Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 3 - Net Capital Requirements

The Company is subject to the SEC Uniform Net Capital Rule (Rule 15c3-1) which requires the maintenance of a minimum net capital, as defined, of the greater of \$5,000 or one-fifteenth of aggregate indebtedness, as defined. At December 31, 2021, the Company had net capital of \$48,180, which exceeded its requirement of \$5,000 by \$43,180. Additionally, the Company must maintain a ratio of aggregate indebtedness to net capital of 15:1 or less. At December 31, 2021, this ratio was 3.61 to 1.

Note 4 - Related Party Transactions

The Company has an Expense Sharing Agreement ("Agreement") with Meixin Group, Inc., a related party under common ownership. The Agreement covers facilities, personnel and administrative expenses. Direct expenses of the Company are outside the scope of the Agreement and are paid directly by the Company.

During the year ended December 31, 2021, the Company recorded \$227,930 of expenses under the Agreement.

As a result of the Agreement, the Company owed \$49,150 to the related party at December 31, 2021.

Note 5 - Concentrations

The Company maintains cash balances in one financial institution, which are insured by the Federal Deposit Insurance Corporation (FDIC) for up to \$250,000 per institution. From time to time, the Company's balances may exceed these limits.

During the year 2021, one customer accounted for 62% of total revenues. \$219,550 was receivable from this customer at December 31, 2021.

UPMARKET SECURITIES LLC  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

Note 6 - Revenues from Contracts with Customers

*Significant Judgments*

Revenue from contracts with customers includes fee income from private placement services. The recognition and measurement of revenue is based on the assessment of individual contract terms. Significant judgment is required to determine whether performance obligations are satisfied at a point in time or over time; how to allocate transaction prices where multiple performance obligations are identified; when to recognize revenue based on the appropriate measure of the Company's progress under the contract; and whether constraints on variable consideration should be applied due to uncertain future events.

Note 7 - Commitments and Contingencies

The Company had no commitments, no contingent liabilities and had not been named as a defendant in any lawsuit during the year ended December 31, 2021.

Note 8 - Subsequent Events

Events have been evaluated through the date the financial statements were available to be issued. Subsequent to year end, the Company changed its name from MX Securities, LLC to Upmarket Securities, LLC. No other events have been identified which require disclosure.

UPMARKET SECURITIES LLC  
SUPPLEMENTARY SCHEDULES  
DECEMBER 31, 2021

COMPUTATION OF NET CAPITAL  
UNDER RULE 15c3-1 OF THE SECURITIES AND EXCHANGE COMMISSION

NET CAPITAL	
Total Member's Equity	\$ 313,582
DEDUCTIONS AND/OR CHANGES	
Non-allowable assets	265,403
NET CAPITAL	<u>48,179</u>
Less: Minimum net capital requirements at 6.67% of aggregate indebtedness (\$5,000 if higher)	<u>11,590</u>
EXCESS NET CAPITAL	<u>\$ 36,589</u>
AGGREGATE INDEBTEDNESS	
Accounts payable and accrued expenses	<u>\$ 173,855</u>
RATIO OF AGGREGATE INDEBTEDNESS TO NET CAPITAL	<u>3.61 to 1</u>

As of December 31, 2021, there are no material differences between the audited computation of net capital and the computation of net capital reported in the Company's unaudited Form X-17A-5, Part IIA filing as of December 31, 2021.

COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS AND INFORMATION  
RELATING TO POSSESSION AND CONTROL REQUIREMENTS UNDER RULE 15c3-3 OF THE  
SECURITIES AND EXCHANGE COMMISSION

The Company is not claiming an exemption from SEA Rule 15c3-3, in reliance on footnote 74 of SEC Release 34-70073 and as discussed in Q&A 8 of the related FAQ issued by SEC staff. In order to avail itself of this option, the Company has represented that it does not and will not hold customer funds or securities. The Company's business activities are limited to private placements of securities.



76 North Walnut Street  
Ridgewood, New Jersey 07450  
201-652-4040  
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## Report of Independent Registered Public Accounting Firm

To the Member  
of Upmarket Securities LLC (f/k/a MX Securities LLC and Meixin Securities LLC)

We have reviewed management's statements, included in the accompanying Rule 15c3-3 Exemption Report pursuant to SEC Rule 17a-5, in which (1) Upmarket Securities LLC (the "Company") did not claim an exemption under paragraph (k) of 17 C.F.R. §240.15c3-3, and (2) the Company is filing this Exemption Report relying on Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. §240.17a-5 because the Company limits its business activities exclusively to private placements of securities, excluding Regulation A, Oil & Gas or EB-5 placements. In addition, the Company did not directly or indirectly receive, hold, or otherwise owe funds or securities for or to customers, other than money or other consideration received and promptly transmitted in compliance with paragraph (a) or (b)(2) of Rule 15c2-4 and/or funds received and promptly transmitted for effecting transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Company; did not carry accounts of or for customers; and did not carry PAB accounts (as defined in Rule 15c3-3) throughout the most recent fiscal year without exception.

Upmarket Securities LLC's management is responsible for compliance with the exemption provisions and its statements.

Our 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 Upmarket Securities LLC'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, we do not express such an opinion.

Based on our review, we are 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 upon the Company's business activities contemplated by Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. §240.17a-5, and related SEC Staff Frequently Asked Questions.

*BDG-CPAs*

BDG-CPAs, PC  
Ridgewood, New Jersey  
February 22, 2022

## Upmarket Securities, LLC's

### Assertions Regarding Exemption Provisions

Upmarket Securities, LLC (the "Company") is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (17 C.F.R. §240.17a-5, "Reports to be made by certain brokers and dealers"). This Exemption Report was prepared as required by 17 C.F.R. §240.17a-5(d)(1) and (4). To the best of its knowledge and belief, the Company states the following:

- (1) The Company does not claim an exemption under paragraph (k) of 17 C.F.R. § 240.15c3-3, and
- (2) The Company is filing this Exemption Report relying on Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5 because the Company limits its business activities exclusively to private placements of securities, excluding Regulation A, Oil & Gas or EB-5 placements and the Company (1) did not directly or indirectly receive, hold, or otherwise owe funds or securities for or to customers, (other than money or other consideration received and promptly transmitted in compliance with paragraph (a) or (b)(2) of Rule 15c2-4 and/or funds received and promptly transmitted for effecting transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Company); (2) did not carry accounts of or for customers; and did not carry PAB accounts (as defined in Rule 15c3-3) throughout the most recent fiscal year without exception.

I, Robert Daniels, swear (or affirm) that, to my best knowledge and belief, this Exemption Report is true and correct.

By:   
Robert Daniels, CCO