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SECURITIES AND EXCHANGE COMMISSION
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ANNUAL REPORTS
FORM X-17A-5
PART III

FACING PAGE

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

FILING FOR THE PERIOD BEGINNING 01/01/2024 AND ENDING 12/31/2024
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF FIRM: Inverness Securities, LLC

SEC Mail Processing

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

MAR 03 2025

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use a P.O. box for Washington, DC)

6060 Parkland Blvd., Ste 200

(No. and Street)

Cleveland

OH

44124

(City)

(State)

(Zip Code)

PERSON TO CONTACT WITH REGARD TO THIS FILING

Ashley Benton-Cooper 216-593-5075

abenton-cooper@ancora.net

(Name)

(Area Code – Telephone Number)

(Email Address)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose reports are contained in this filing*

Hobe & Lucas Certified Public Accountants, Inc.

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

4807 Rockside Road, Ste 510 Independence OH 44124

(Address)

(City)

(State)

(Zip Code)

10/20/2003

126

(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.

OATH OR AFFIRMATION

I, Ashley Benton-Cooper, swear (or affirm) that, to the best of my knowledge and belief, the financial report pertaining to the firm of Inveness Securities, LLC, as of 12/31, 2024, 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.



Stephanie Leigh Elizabeth Davis
Notary Public, State of Ohio
My Commission Expires:
February 08, 2029

Stephanie Davis
Notary Public

Signature: [Handwritten Signature] 2/28/25
Title: President/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...
(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:

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MAR 03 2025
Washington, DC

**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.

INVERNESS SECURITIES, LLC
(a limited liability company)

December 31, 2024 and 2023

FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION

INVERNESS SECURITIES, LLC

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Member of
Inverness Securities, LLC
Beachwood, Ohio

Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of Inverness Securities, LLC as of December 31, 2024 and 2023, and the related statements of operations, changes in member's equity, and cash flows for the years 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 Inverness Securities, LLC as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years 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 Inverness Securities, LLC's management. Our responsibility is to express an opinion on Inverness 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 Inverness 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 PCOAB. 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 Schedules of Computation of Net Capital Pursuant to Rule 15c3-1 of the Securities and Exchange Commission and Computation for Determination of Reserve Requirements and Information Relating to the Possession or Control Requirements Pursuant to Rule 15c3-3 of the Securities and Exchange Commission have been subjected to audit procedures performed in conjunction with the audit of Inverness Securities, LLC's financial statements. The supplemental information is the responsibility of Inverness 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 Schedules of Computation of Net Capital Pursuant to Rule 15c3-1 of the Securities and Exchange Commission and Computation for Determination of Reserve Requirements and Information Relating to the Possession or Control Requirements Pursuant to Rule 15c3-3 of the Securities and Exchange Commission are fairly stated, in all material respects, in relation to the financial statements as a whole.

*Hobe & Lucas
Certified Public Accountants, Inc.*

We have served as Inverness Securities, LLC's auditor since 2012.
Independence, Ohio
February 25, 2025

INVERNESS SECURITIES, LLC

STATEMENTS OF FINANCIAL CONDITION

December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 956,906	\$ 2,001,306
Accounts receivable	577,681	157,750
Other assets	<u>35,616</u>	<u>17,850</u>
	<u>\$ 1,570,203</u>	<u>\$ 2,176,906</u>
LIABILITIES AND MEMBER'S EQUITY		
Accounts payable and accrued expenses	\$ 1,689	\$ 2,112
Member's equity	<u>1,568,514</u>	<u>2,174,794</u>
	<u>\$ 1,570,203</u>	<u>\$ 2,176,906</u>

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

INVERNESS SECURITIES, LLC**STATEMENTS OF OPERATIONS****for the years ending December 31, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
Revenues:		
Commissions	\$ 2,245,225	\$ 1,358,065
Trails & Other fee income	<u>833,498</u>	<u>654,813</u>
Total revenues	<u>3,078,723</u>	<u>2,012,878</u>
Expenses:		
Exchange and processing support fees	10,027	9,778
Bank charges	3,456	75
Legal and professional fees	11,500	10,000
Regulatory fees, licenses, and permits	34,972	33,021
Office supplies, postage, and delivery	22,504	18,145
Rent	20,756	20,756
Salaries and benefits	157,765	157,765
Commissions paid to other broker dealers	12	3,279
Travel and entertainment	5,400	5,400
Telephone	630	630
Total expenses	<u>267,022</u>	<u>258,849</u>
Other income:		
Interest income	<u>17,555</u>	<u>21,213</u>
	<u>17,555</u>	<u>21,213</u>
Net income	<u>\$ 2,829,256</u>	<u>\$ 1,775,242</u>

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

INVERNESS SECURITIES, LLC

**STATEMENT OF CHANGES IN MEMBER'S EQUITY
for the years ending December 31, 2024 and 2023**

Member's equity, December 31, 2022	\$ 1,642,502
Net income	1,775,242
Contributions from member	-
Distributions to member	<u>(1,242,950)</u>
Member's equity, December 31, 2023	2,174,794
Net income	2,829,256
Contributions from member	-
Distributions to member	<u>(3,435,536)</u>
Member's equity, December 31, 2024	<u>\$ 1,568,514</u>

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

INVERNESS SECURITIES, LLC**STATEMENTS OF CASH FLOWS****for the years ending December 31, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Net income	\$ 2,829,256	\$ 1,775,242
Adjustments to reconcile net income to net cash provided by operating activities:		
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	(419,931)	83,207
(Increase) decrease in other assets	(17,766)	(2,213)
Increase (decrease) in accounts payable and accrued expenses	<u>(423)</u>	<u>1,316</u>
Net cash provided by operating activities	<u>2,391,136</u>	<u>1,857,552</u>
Cash flows from financing activities:		
Distributions to member	<u>(3,435,536)</u>	<u>(1,242,950)</u>
Net cash used by financing activities	<u>(3,435,536)</u>	<u>(1,242,950)</u>
Net increase (decrease) in cash and cash equivalents	(1,044,400)	614,602
Cash and cash equivalents, beginning of year	<u>2,001,306</u>	<u>1,386,704</u>
Cash and cash equivalents, end of year	<u>\$ 956,906</u>	<u>\$ 2,001,306</u>

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

INVERNESS SECURITIES, LLC

NOTES TO FINANCIAL STATEMENTS
for the years ended December 31, 2024 and 2023

1. Summary of Significant Accounting Policies:

Company Activities – Inverness Securities, LLC (the Company) is a broker-dealer registered with the Securities and Exchange Commission (SEC) and the State of Ohio, and is a member of the Financial Industry Regulatory Authority (FINRA).

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

Securities Transactions – Customers’ securities transactions and related commission income and expenses are reported on a trade date basis. Amounts receivable and payable for securities transactions that have not reached their contractual settlement date are recorded net on the statements of financial condition.

Cash and Cash Equivalents – The Company maintains its cash in deposit accounts, which, at times, may exceed federally insured limits. The Company has not experienced any significant losses in such accounts. Management of the Company believes it is not exposed to any significant credit risk. The Company considers certificates of deposit to be cash equivalents.

Concentration of Credit Risk – The Company is engaged in various trading and brokerage activities in which counterparties primarily include broker-dealers, 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 the creditworthiness of the counterparty or issuer of the instrument. It is the Company’s policy to review, as necessary, the credit standing of each counterparty.

Accounts Receivable – Accounts receivable are uncollateralized commission obligations due under normal trade terms requiring payments within 30 days from the report date. The Company generally collects receivables within 30 days and does not charge interest on accounts receivable with invoice dates over 30 days old. Accounts receivable are stated at the amount billed. Payments of accounts receivable are allocated to the specific invoices identified on the remittance advice or, if unspecified, are applied to the earliest unpaid invoices.

The carrying amount of accounts receivable is reduced by a valuation allowance that reflects management’s best estimate of the amounts that will not be collected. Management individually reviews all accounts receivable balances that exceed 90 days from the invoice date and based on an assessment of current credit worthiness, estimates the portion, if any, of the balance that will not be collected. Additionally, management estimates an allowance for the aggregate remaining accounts receivable based on historical collectability. At December 31, 2024 and 2023, there were no accounts receivable that exceeded 90 days past due. In the opinion of management, at December 31, 2024 and 2023, all accounts were considered collectible and no allowance was necessary.

Beginning and ending accounts receivable balances were as follows:

	December 31, 2024	December 31, 2023	December 31, 2022
Accounts Receivable	\$577,681	\$157,750	\$240,957

NOTES TO FINANCIAL STATEMENTS, Continued
for the years ended December 31, 2024 and 2023

1. **Summary of Significant Accounting Policies, Continued:**

Income Taxes – The Company has elected to be taxed under the provisions of the Internal Revenue Code as a limited liability company. Under those provisions and similar provisions of state law, the Company does not pay income taxes on its taxable income. Instead, the member is liable for individual income taxes on the Company's taxable income. Accordingly, there is no provision for income taxes in the financial statements.

The Company accounts for uncertainties in income taxes in accordance with accounting principles generally accepted in the United States of America, which provides for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return that have a greater than 50% chance of not being allowed under examination. No such positions have been recorded in the December 31, 2024 and 2023 financial statements. If such positions were taken, the resulting interest and penalties would be recognized as income tax expense.

As of December 31, 2024, the Company's federal income tax returns are subject to examination by the Internal Revenue Service for the years 2019 and thereafter.

Estimates – Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates that were used.

Subsequent Events – Management of the Company has evaluated subsequent events through February 25, 2025, the date which the financial statements were available to be issued.

2. **Related Parties:**

The Company is affiliated through common management and ownership with another limited liability corporation. The Company has an expense sharing agreement with the affiliated company for certain expenses related to rent, salaries and benefits, technology, utilities, and supplies. The Company's allocation of shared expenses totaled approximately \$194,000 in 2024 and \$194,000 in 2023.

3. **Net Capital Provision of Rule 15c3-1:**

Pursuant to the net capital provisions of Rule 15c3-1 of the Securities Exchange Act of 1934, the Company is required to maintain a minimum net capital balance, as defined, under such provisions.

The Company's minimum capital requirement is the greater of \$5,000 or 6⅓% of aggregate indebtedness, as defined, under Securities and Exchange Commission Rule 15c3-1(a)(1), as it does not maintain customer accounts. Net capital may fluctuate on a daily basis. At December 31, 2024 and 2023, the Company had net capital of \$946,387 and \$1,993,448, respectively, which was \$941,387 and \$1,988,448, respectively, in excess of its required net capital of \$5,000.

NOTES TO FINANCIAL STATEMENTS, Continued
for the years ended December 31, 2024 and 2023

3. **Net Capital Provision of Rule 15c3-1, Continued:**

In addition to the minimum net capital provisions, Rule 15c3-1 requires that the Company maintain a ratio of aggregate indebtedness, as defined, to net capital, of not more than 15 to 1. At December 31, 2024 and 2023, the ratio was .001 to 1 and .001 to 1, respectively.

4. **Exemption From Rule 15c3-3:**

The Company is filing an 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. The Company acted as limited business broker dealer transacting directly with various mutual funds, proprietary trading and variable annuities companies.

5. **Revenue from Contracts with Customers:**

Significant Judgments

Revenue from contracts with customers includes commission income and trails & other fee income. 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.

Commissions. The Company buys and sells securities on behalf of its customers. Each time a customer enters into a buy or sell transaction, the Company may receive a commission. Commissions are recorded on the trade date (the date that the trade order is filled). The Company believes that the performance obligation is satisfied on the trade date because that is when the underlying financial instrument or purchaser is identified, the pricing is agreed upon and the risks and rewards of ownership have been transferred to/from the customer.

Trails & Other Fee Income. The Company enters into arrangements with mutual funds or other pooled investment vehicles (funds) to distribute shares to investors. The Company may receive distribution fees paid by the fund up front, over time, upon the investor's exit from the fund, or as a combination thereof. The Company believes that its performance obligation is the sale of securities to investors and as such this is fulfilled on the trade date. Any fixed amounts are recognized on the trade date and variable amounts are recognized to the extent it is probable that a significant revenue reversal will not occur once the uncertainty is resolved. For variable amounts, as the uncertainty is dependent on the value of the shares at future points in time as well as the length of time the investor remains in the fund, both of which are highly susceptible to factors outside the Company's influence, the Company does not believe that it can overcome this constraint until the market value of the fund and the investor activities are known, which are usually monthly or quarterly. Distribution fees recognized in the current period are primarily related to performance obligations that have been satisfied in prior periods including the continuing service on the account.

NOTES TO FINANCIAL STATEMENTS, Continued
for the years ended December 31, 2024 and 2023

6. Commitments and Contingencies:

The Company did not have any commitments or contingencies as of December 31, 2024 and 2023.

7. Change of Ownership:

The Company is a wholly owned subsidiary of Focus Financial Partners, LLC. On August 31, 2023, Focus LLC and other related entities were party to a transaction whereby Ferdinand FFP Ultimate Holdings, L.P., an entity that is affiliated with Clayton, Dubilier & Rice, LLC and Stone Point Capital LLC became the indirect owner of the Company.

8. Broker Dealer – Single Reportable Segment:

The Company is engaged in business as a securities broker-dealer and insurance agency, offering limited non-discretionary investment options inclusive of the purchase and sale of securities via fund direct relationships. The Company has identified its President as the chief operating decision maker ("CODM"), who uses net income to evaluate the results of the business, predominantly in the forecasting process, to manage the Company. Additionally, the CODM uses excess net capital (see Note 3), which is not a measure of profit and loss, to make operational decisions while maintaining capital adequacy. The Company's operations constitute a single operating segment and therefore, a single reportable segment, because the CODM manages the business activities using information of the Company as a whole. The accounting policies used to measure the profit and loss of the segment are the same as those described in the summary of significant accounting policies.

INVERNESS SECURITIES, LLC

**SUPPLEMENTAL SCHEDULE OF COMPUTATION OF NET CAPITAL
PURSUANT TO RULE 15c3-1 OF THE SECURITIES AND EXCHANGE COMMISSION
December 31, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
Net capital:		
Total member's equity from statement of financial condition	\$ 1,568,514	\$ 2,174,794
Less nonallowable assets	<u>(613,297)</u>	<u>(175,600)</u>
Net capital before haircuts on securities	955,217	1,999,194
Haircuts on securities	<u>(8,830)</u>	<u>(5,746)</u>
Net capital	<u>\$ 946,387</u>	<u>\$ 1,993,448</u>
Computation of aggregate indebtedness - total liabilities from statement of financial condition	<u>\$ 1,689</u>	<u>\$ 2,112</u>
Computation of basic net capital requirement - 6-2/3% of aggregate indebtedness	<u>\$ 113</u>	<u>\$ 141</u>
Minimum required net capital	<u>\$ 5,000</u>	<u>\$ 5,000</u>
Net capital requirement	<u>\$ 5,000</u>	<u>\$ 5,000</u>
Excess net capital	<u>\$ 941,387</u>	<u>\$ 1,988,448</u>
Ratio of aggregate indebtedness to net capital	<u>.002 to 1</u>	<u>.001 to 1</u>

A reconciliation of the computation of net capital under Rule 15c3-1 as included in the Company's unaudited Form X-17a-5 as of December 31, 2024, filed with the Securities and Exchange Commission and the amount included in the above computation is not required as there were no audit adjustments.

INVERNESS SECURITIES, LLC

**SUPPLEMENTAL SCHEDULES OF COMPUTATION FOR DETERMINATION
OF RESERVE REQUIREMENTS AND INFORMATION RELATING TO THE
POSSESSION OR CONTROL REQUIREMENTS PURSUANT TO RULE 15c3-3
OF THE SECURITIES AND EXCHANGE COMMISSION
for the years ended December 31, 2024 and 2023**

The Company is not required to present the schedules “Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3” and “Information Relating to the Possession or Control Requirements Under Rule 15c3-3” as it 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: (1) effecting securities transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Company; and 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); (2) did not carry accounts of or for customers; and (3) did not carry PAB accounts (as defined in Rule 15c3-3) throughout the most recent fiscal year without exception.