



December 31, 2016

STATEMENT OF FINANCIAL CONDITION

Rand Financial Services, Inc.

(A Wholly Owned Subsidiary of Tewksbury Investment Fund Ltd.)

With Report of Independent Registered Public Accounting Firm and
Supplementary Information

Name of Company: Rand Financial Services, Inc. 0010	Employer ID No: 36-3849442 0020	NFA ID No: 0244931 0030
Address of Principal Place of Business: 111 W. Jackson, Suite 1250, Chicago, IL 60604	Person to Contact Concerning This Report: Mary Ellen Heim 0040	
0050	Telephone No: (312) 559-8803 0060	

1. Report for the period beginning January 1, 2016 0070 and ending December 31, 2016 0080

2. Type of report 0090 : Certified Regular quarterly/semiannual Monthly 1.12(b)
 Special call by: _____ Other - Identify: _____

3. Check whether 0095 : Initial filing

4. Name of FCM's Designated Self-Regulatory Organization: Chicago Mercantile Exchange 0100

5. Names(s) of consolidated subsidiaries and affiliated companies:

Name	Percentage Ownership	Line of Business
_____	0110	_____
_____	0140	_____
_____	0170	_____
_____	0200	_____
_____	0230	_____
_____	0120	_____
_____	0150	_____
_____	0180	_____
_____	0210	_____
_____	0240	_____
_____	0130	_____
_____	0160	_____
_____	0190	_____
_____	0220	_____
_____	0250	_____

The futures commission merchant, or applicant for registration therefor, submitting this Form and its attachments and the person whose signature appears below represent that, to the best of their knowledge, all information contained therein is true, correct and complete. It is understood that all required items, statements and schedules are integral parts of this Form and that the submission of any amendment represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted. It is further understood that any intentional misstatements or omissions of facts constitute Federal Criminal Violation (see 18 U.S.C. 1001).

Signed this 27th day of February, 2017

Manual signature 
 Type or print name Mary Ellen Heim

Chief Executive Officer Chief Financial Officer Corporate Title _____
 General Partner Sole Proprietor

RAND FINANCIAL SERVICES, INC.
STATEMENT OF FINANCIAL CONDITION
AT DECEMBER 31, 2016

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Report of Independent Registered Public Accounting Firm

The Shareholder and Board of Directors
Rand Financial Services, Inc.

We have audited the accompanying statement of financial condition of Rand Financial Services, Inc., a wholly owned subsidiary of Tewksbury Investment Fund Ltd., (the Company) as of December 31, 2016. This statement of financial condition is the responsibility of the Company's management. Our responsibility is to express an opinion on this statement of financial condition based on our audit.

We conducted our audit 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 statement of financial condition is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial condition. 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 audit provides a reasonable basis for our opinion.

In our opinion, the statement of financial condition referred to above present fairly, in all material respects, the financial position of Rand Financial Services, Inc. at December 31, 2016, in conformity with U.S. generally accepted accounting principles.

The accompanying supplementary information has been subjected to audit procedures performed in conjunction with the audit of the Company's statement of financial condition. Such information is the responsibility of the Company's management. Our audit procedures included determining whether the information reconciles to the statement of financial condition 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 Regulation 1.10 under the Commodity Exchange Act. In our opinion, the information is fairly stated, in all material respects, in relation to the statement of financial condition as a whole.

Ernst + Young LLP

February 27, 2017

Rand Financial Services, Inc.
Statement of Financial Condition

December 31, 2016

Assets

Cash and cash equivalents:	
Cash deposited with banks	\$ 16,935,000
Cash segregated or secured under CFTC regulations, deposited with banks	117,261,700
Cash segregated or secured under CFTC regulations, deposited with exchanges and clearing associations	4,170,500
Cash deposited with exchanges and clearing associations-non-segregated	<u>15,429,600</u>
	153,796,800
Investment securities segregated or secured with banks, at fair value	5,054,300
Investment securities deposited with exchanges and clearing associations segregated or secured, at fair value	113,745,000
Stock of exchange non-segregated, at fair value	5,190,800
Receivable from other brokers	23,192,800
Receivable from clearing associations	4,985,400
Fixed assets, at cost (net of accumulated depreciation and amortization of \$762,800)	212,600
Exchange memberships and stock of exchange, at cost (fair value of \$3,596,100)	757,900
Guaranty fund deposits with exchanges	9,065,800
Prepays and other assets	<u>1,308,800</u>
Total assets	<u><u>\$ 317,310,200</u></u>

Liabilities and shareholder's equity

Payable to customers	\$ 192,123,900
Payable to noncustomers	2,633,800
Payable to Parent	30,926,300
Payable to clearing associations	12,000
Accounts payable and other liabilities	<u>4,291,100</u>
Total liabilities	229,987,100

Shareholder's equity:

Common stock, \$.01 par value; 10,000 shares authorized; 100 shares issued and outstanding	1
Additional paid-in capital	18,139,999
Retained earnings	<u>69,183,100</u>
Total shareholder's equity	<u>87,323,100</u>
Total liabilities and shareholder's equity	<u><u>\$ 317,310,200</u></u>

See accompanying notes.

CONFIDENTIAL

RAND FINANCIAL SERVICES, INC.
NOTES TO STATEMENT OF FINANCIAL CONDITION

1. Nature of Business and Operations

Rand Financial Services, Inc. (the Company) is a wholly owned subsidiary of Tewksbury Investment Fund Ltd. (the Parent – a Bermuda corporation). The Company is registered with the Commodity Futures Trading Commission (CFTC) as a Futures Commission Merchant. The Company is a member of the National Futures Association and is a clearing member of all major United States (U.S.) commodity exchanges.

The Company's primary source of revenue is from commissions derived from clearing and executing orders for futures and options on futures contracts on behalf of its customers, noncustomers and Parent.

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of the statement of financial condition in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts in the statement of financial condition and accompanying notes. Management believes that estimates utilized in preparing its statement of financial condition are reasonable and prudent. Actual results may differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid instruments with original maturities of less than 90 days.

Investment Securities

Investment securities consist primarily of U.S. Treasury obligations and overnight cash deposits with financial institutions and are recorded on a trade-date basis. All such securities are carried at fair value based on quoted market prices or observable market inputs, at the date of the statement of financial condition. Interest on investment securities is accrued as income when earned. Customer and noncustomer-owned securities held by the Company and the related liabilities are excluded from the statement of financial condition.

Fixed Assets

Fixed assets are recorded at cost less accumulated depreciation and amortization. Furniture and computer equipment and software are depreciated over their estimated useful lives using the straight-line method. Leasehold improvements are amortized over the shorter of their respective lease term or useful life using the straight-line method.

RAND FINANCIAL SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

2. Summary of Significant Accounting Policies (continued)

Exchange Memberships and Stock of Exchanges

Exchange memberships and stock of exchange held for operating purposes are carried at cost or at a lesser amount where there is other-than-temporary impairment in value. The disclosed fair value of exchange memberships is generally determined using the lower of bid or last sale as reported by the exchange for the date of determination. Stock of exchange not held for operating purposes is carried at fair value based on quoted prices and is included in stock of exchange non-segregated in the statement of financial condition.

Foreign Currency Transactions

The Company's functional currency is the U.S. dollar. However, it transacts business in currencies other than the U.S. dollar. Assets and liabilities denominated in currencies other than the U.S. dollar are translated into U.S. dollars at the rates in effect at the date of the statement of financial condition.

Income Taxes

The Company records its income taxes using the asset and liability method specified by Accounting Standards Codification (ASC) 740, *Income Taxes*. Under this method, deferred tax assets and liabilities are recognized for future tax consequences of existing differences between financial reporting and tax reporting bases of assets and liabilities, as well as for net operating losses and tax credit carryforwards, using enacted tax laws and rates.

The Company accounts for uncertainty in income taxes recognized in its statement of financial condition by using a more-likely-than-not recognition threshold based on the technical merits of the tax position taken or expected to be taken.

Fair Value of Financial Instruments

The Company follows ASC 820-10, *Fair Value Measurement*, for financial assets and liabilities and nonfinancial assets and liabilities that are recognized or disclosed at fair value in the statement of financial condition on a recurring basis. ASC 820-10 clarifies the definition of fair value, the methods used to measure fair value and expands disclosures about fair value measurements and methodologies.

ASC 820-10 defines fair value as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants at the measurement date.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, that requires lessees to recognize assets and liabilities on their balance sheets for many leases similar to today's accounting; it does not materially change lessor accounting. ASU 2016-02 is effective for

RAND FINANCIAL SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

2. Summary of Significant Accounting Policies (continued)

annual periods beginning after December 15, 2019, and interim periods within that year. The Company is evaluating the impact this will have on its statement of financial condition.

In June 2016, the FASB issued ASU 2016-13, Financial Instruments – Credit Losses (Topic 326), that changes the impairment model for most financial assets and certain other instruments. For trade and other receivables, entities will be required to use a new forward-looking “expected loss” model that generally will result in earlier measurement of credit losses than under today’s incurred loss model. ASU 2016-13 is effective for fiscal years beginning after December 15, 2020. The Company is evaluating the impact this will have on its statement of financial condition.

3. Segregation of Funds

The Company is required under the Commodity Exchange Act to segregate all balances due to customers trading in regulated futures and options on futures contracts and U.S. domiciled customers trading in foreign futures markets. At December 31, 2016, segregated assets exceeded segregation requirements by \$42,455,000, and assets in separate CFTC Regulation 30.7 accounts exceeded foreign secured requirements by \$23,195,300.

At December 31, 2016, the statement of financial condition excludes securities deposited by customers in lieu of cash margins and customer-owned long and short options on futures contracts. The approximate market value of customer-owned securities and the net value of customer open options on futures contracts was \$6,078,500 at December 31, 2016.

4. Fixed Assets

Fixed assets at December 31, 2016, consisted of the following:

	Estimated Useful Lives	Value
Computer equipment and software	1-5 Years	\$ 752,300
Leasehold improvements	1-6 Years	94,600
Furniture	1-6 Years	128,500
Less accumulated depreciation and amortization		(762,800)
		<u>\$ 212,600</u>

RAND FINANCIAL SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

5. Employment Benefit Plan

The Company offers an employee savings plan under Section 401(k) of the Internal Revenue Code (the Plan). The Plan covers substantially all employees and was last amended in December 2016. The Company may match a percentage of each employee's contributions annually. In addition, the Company may make a contribution to the Plan based on profitability of the Company and other factors. The amount of profit-sharing contributions, if any, is determined by the Board of Directors of the Company.

6. Counterparty Credit Risk and Concentrations

The Company is engaged in various brokerage and clearing activities with custodial banks, exchanges, clearing associations and other brokers. Credit risk arises from the possible inability of counterparties to meet the terms of their contracts.

In the normal course of business, the Company executes and clears futures contracts and options on futures contracts for its customers. In doing so, the Company guarantees to the respective clearing association, futures commission merchant or foreign broker its customers' performance under these contracts. The Company may have credit exposure if its customers are unable to meet commitments which could occur in the event of volatile trading markets. The Company requires its customers to meet, at a minimum, the margin requirements established by each of the exchanges at which the contracts are traded. These margin deposits represent good faith deposits by the customers, which reduce the risk to the Company of a failure on the part of the customers to fulfill any obligation under these contracts. The Company seeks to control such credit risks by monitoring its exposure to the risk of loss daily, on an account-by-account basis, and by adjusting margin requirements as needed. Under certain circumstances, customers may be required to deposit additional funds, securities, or other collateral. The Company may liquidate certain open commodity positions to reduce the risk of loss. It is the Company's policy to review, as necessary, the credit standing of each counterparty with which it conducts business.

7. Commitments and Clearing Guarantees

Commitments

The Company has entered into certain noncancelable leases for the rental of office space and equipment, which expire through the year 2022.

RAND FINANCIAL SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

7. Commitments and Clearing Guarantees (continued)

At December 31, 2016, aggregate future minimum lease payments under noncancelable leases are as follows:

Noncancelable Leases		
2017	\$	393,400
2018		380,900
2019		318,400
2020		269,000
2021		273,300
2022		230,700
	\$	<u>1,865,700</u>

Other Matters

The Company is a party to various administrative proceedings, legal actions and claims. Based on investigations to date and advice from legal counsel, the Company believes that any such legal actions are without merit. While the ultimate results of any such proceedings against the Company cannot be predicted with certainty, the Company believes that the resolution of any of these matters will not have a material adverse effect on its financial position or results of operations.

Guarantees

The Company is a member of various exchanges that clear futures and options on futures contracts. Associated with its memberships, the Company may be required to pay a proportionate share of the financial obligations of another member who may default on its obligations to the exchange. While the rules governing different exchange memberships vary, in general, the Company's guarantee obligations would arise only if the exchange had previously exhausted its resources. In addition, any obligation arising from such a default would be apportioned among the non-defaulting members of the exchange. Any potential contingent liability under these membership agreements cannot be estimated. The Company has not recorded any contingent liability in its statement of financial condition for these agreements and management believes that any potential requirement to make payments under these agreements is remote.

RAND FINANCIAL SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

8. Income Taxes

The net deferred tax payable at December 31, 2016 is \$1,517,800. The net amount includes deferred tax liabilities of \$1,985,400 that are comprised mainly of depreciation expense and unrealized gain on securities and deferred tax assets of \$467,600 that are comprised mainly of unrealized loss on securities and the allowance for doubtful accounts. The net deferred tax liability and a current income tax receivable of \$78,300 are included in accounts payable and other liabilities in the statement of financial condition.

The Company has evaluated tax positions taken or expected to be taken in the course of normal operations and determined the tax positions are more-likely-than-not to be sustained by the applicable tax authority. Based on this analysis of all significant tax jurisdictions and open tax years subject to examination, there were no material tax positions not deemed to meet a more-likely-than-not threshold. The Company does not anticipate that the unrecognized tax benefits will change in the next 12 months. Tax years that remain open and subject to audit include the federal 2013-2016 years and the Illinois 2013-2016 years.

9. Fair Value Measurements

ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under which financial assets and liabilities will be classified are as follows:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities.

Level 2: Quoted prices for identical or similar assets and liabilities in active markets and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3: Prices or valuation techniques that require inputs (including the Company's own assumptions) that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

In certain cases, the inputs used to measure the 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. In general, the Company uses quoted prices in active markets for identical assets to determine the fair value of investment securities.

RAND FINANCIAL SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

9. Fair Value Measurements (continued)

The following table sets forth, by level within the fair value hierarchy, the Company's financial instruments owned, at fair value as of December 31, 2016:

Assets	Level 1	Level 2	Level 3	Total
Investment securities segregated or secured with banks:				
U.S. Treasuries	\$ 5,054,300	\$ -	\$ -	\$ 5,054,300
Investment securities deposited with exchanges and clearing associations segregated or secured:				
U.S. Treasuries	113,745,000	-	-	113,745,000
Non-segregated:				
Stock of exchange	5,190,800	-	-	5,190,800
Guaranty fund deposits with exchanges: ⁽¹⁾				
U.S. Treasuries	6,083,200	-	-	6,083,200
Totals	\$130,073,300	\$ -	\$ -	\$130,073,300

(1) Excludes cash classified as guaranty fund deposits with exchanges of \$2,982,600.

There have been no transfers of assets or liabilities between Levels 1, 2, or 3 of the fair value hierarchy and no Level 2 or 3 securities during the year ended December 31, 2016.

10. Related-Party Transactions

Assets in trading accounts of the Parent are not customer funds subject to CFTC segregation requirements. The Company's liability to the Parent at December 31, 2016, and pertaining to its trading accounts of \$30,926,300, is shown in the statement of financial condition as payable to Parent. At December 31, 2016, the statement of financial condition excludes securities deposited by the Parent in lieu of cash margins and any long and short options on futures contracts as well as noncustomer securities and long and short options on futures contracts. The aggregate net value of such amounts was approximately \$75,602,200 at December 31, 2016.

RAND FINANCIAL SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

11. Net Capital Requirements

The Company is subject to the net capital requirements of the CFTC and the exchanges on which it is a clearing member. The Company is required by the CFTC to maintain adjusted net capital equivalent to 8% of customer risk maintenance margin plus 8% of noncustomer risk maintenance margin, as those terms are defined. Adjusted net capital and funds required to be segregated and secured change daily. At December 31, 2016, the Company had adjusted net capital of \$84,537,700, which was \$70,601,200 in excess of the CFTC requirement. The Company is also subject to equity withdrawal restrictions imposed by certain exchange organizations, which are greater than the net capital requirements stated above. These equity withdrawal rules restrict withdrawals of capital and the issuance of unsecured loans to the Parent company.

12. Subsequent Events

The Company has evaluated subsequent events through February 27, 2017, the date the financial statements were available to be issued and none required disclosure.

Supplementary Information

CFTC FORM 1-FR-FCM
STATEMENT OF SEGREGATION REQUIREMENTS AND FUNDS IN SEGREGATION
FOR CUSTOMERS TRADING ON U.S. COMMODITY EXCHANGES
AS OF 12/31/16

SEGREGATION REQUIREMENTS (Section 4d(2) of the CEAAct)

1. Net ledger balance:			
A. Cash		\$ 164,316,200	5000
B. Securities (at market)		6,272,400	5010
2. Net unrealized profit (loss) in open futures contracts traded on a contract market		14,051,700	5020
3. Exchange traded options:			
A. Market value of open option contracts purchased on a contract market		8,618,700	5030
B. Market value of open option contracts granted (sold) on a contract market		(8,812,600)	5040
4. Net equity (deficit) (add lines 1, 2 and 3)		184,446,400	5050
5. Accounts liquidating to a deficit and accounts with debit balances - gross amount	\$ 0	5060	
Less: amount offset by customer owned securities	0	5070	0 5080
6. Amount required to be segregated (add lines 4 and 5)		\$ 184,446,400	5090

FUNDS IN SEGREGATION ACCOUNTS

7. Deposited in segregated funds bank accounts:			
A. Cash		\$ 92,482,900	5100
B. Securities representing investments of customers' funds (at market)		5,054,300	5110
C. Securities held for particular customers or options customers in lieu of cash (at market)		998,200	5120
8. Margins on deposit with clearing associations of contract markets:			
A. Cash		1,940,100	5130
B. Securities representing investments of customers' funds (at market)		113,745,000	5140
C. Securities held for particular customers or options customers in lieu of cash (at market)		0	5150
9. Net settlement due from (to) clearing organizations of contract markets		4,186,200	5160
10. Exchange traded options:			
A. Value of open long option contracts		8,618,700	5170
B. Value of open short option contracts		(8,812,600)	5180
11. Net equities with other FCMs:			
A. Net liquidating equity		3,414,400	5190
B. Securities representing investments of customers' funds (at market)		0	5200
C. Securities held for particular customers or option customers in lieu of cash (at market)		0	5210
12. Segregated funds on hand (describe: securities held in lieu of cash)		5,274,200	5215
13. Total amount in segregation (add lines 7 through 12)		\$ 226,901,400	5220
14. Excess (deficiency) funds in segregation (subtract line 6 from line 13)		\$ 42,455,000	5230
15. Management Target Amount Excess funds in segregation (unaudited)		\$ 5,533,400	5240
16. Excess (deficiency) funds in segregation over (under) Management Target Amount Excess (unaudited)		\$ 36,921,600	5250

There is no material difference between the audited computation of segregation requirements above and that reported by the Company in the unaudited Form 1-FR-FCM as of December 31, 2016.

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CFTC FORM 1-FR-FCM
STATEMENT OF SEGREGATION REQUIREMENTS AND FUNDS
IN SEGREGATION FOR CUSTOMERS' DEALER OPTIONS ACCOUNTS
AS OF 12/31/16

1.	Amount required to be segregated in accordance with Commission regulation 32.6	\$	0	5400
2.	Funds in segregated accounts:			
	A. Cash	\$	0	5410
	B. Securities (at market)		0	5420
	C. Total			0 5430
3.	Excess (deficiency) funds in segregation (subtract line 1 from line 2.C.)	\$	0	5440

There is no material difference between the audited computation of segregation requirements above and that reported by the Company in the unaudited Form 1-FR-FCM as of December 31, 2016.

CFTC FORM 1-FR-FCM
STATEMENT OF SECURED AMOUNTS AND FUNDS HELD IN SEPARATE ACCOUNTS
FOR FOREIGN FUTURES AND FOREIGN OPTIONS CUSTOMERS
PURSUANT TO COMMISSION REGULATION 30.7
AS OF 12/31/16

FOREIGN FUTURES AND FOREIGN OPTIONS SECURED AMOUNTS

Amount required to be set aside pursuant to law, rule or regulation of a foreign government or a rule of a self-regulatory organization authorized thereunder	\$	0	5605
1. Net ledger balance - Foreign Futures and Foreign Option Trading - All Customers:	\$	10,940,200	5615
A. Cash		0	5617
B. Securities (at market)		0	5625
2. Net unrealized profit (loss) in open futures contracts traded on a foreign board of trade		2,815,900	5625
3. Exchange traded options:			
A. Market value of open option contracts purchased on a foreign board of trade		0	5635
B. Market value of open option contracts granted (sold) on a foreign board of trade		0	5627
4. Net equity (deficit) (add lines 1,2, and 3)		13,756,100	5625
5. Accounts liquidating to a deficit and accounts with debit balances - gross amount	\$	0	5651
Less: amount offset by customer owned securities		0	5652
6. Amount required to be set aside as the secured amount - Net Liquidating Equity Method (add lines 4 and 5)	\$	13,756,100	5655
7. Greater of amount required to be set aside to a foreign jurisdiction (above) or line 6.	\$	13,756,100	5660

FUNDS DEPOSITED IN SEPARATE REGULATION 30.7 ACCOUNTS

1. Cash in banks:			
A. Banks located in the United States	\$	22,066,800	5700
B. Other banks qualified under Regulation 30.7			
Names(s):		2,712,000	5720
		24,778,800	5730
2. Securities:			
A. In safekeeping with banks located in the United States		0	5740
B. In safekeeping with other banks qualified under Regulation 30.7			
Names(s):		0	5760
		0	5770
3. Equities with registered futures commission merchants:			
A. Cash		4,086,700	5780
B. Securities		0	5790
C. Unrealized gain (loss) on open future contracts		535,700	5800
D. Value of long option contracts		0	5810
E. Value of short option contracts		0	5815
		4,622,400	5820
4. Amounts held by clearing organizations for foreign boards of trade:			
Names(s):			5830
A. Cash		2,230,400	5840
B. Securities		0	5850
C. Amount due to(from) clearing organization - daily variation		94,700	5860
D. Value of long option contracts		0	5870
E. Value of short option contracts		0	5875
		2,325,100	5880
5. Amounts held by members of foreign boards of trade:			
Names(s):			5890
A. Cash		3,594,700	5900
B. Securities		0	5910
C. Unrealized gain (loss) on open futures contracts		1,630,400	5920
D. Value of long option contracts		0	5930
E. Value of short option contracts		0	5935
		5,225,100	5940
6. Accounts with other depositories designated by a foreign board of trade			
Names(s):		0	5960
7. Segregated funds on hand (describe: _____)		0	5965
8. Total funds in separate section 30.7 accounts		36,951,400	5970
9. Excess (deficiency) Set Aside Funds for Secured Amount (Subtract line 7 Secured Statement Page 1 from line 8)	\$	23,195,300	5680
10. Management Target Amount for Excess funds in separate 30.7 accounts (unaudited)	\$	412,700	5980
11. Excess (deficiency) funds in separate 30.7 accounts over (under) Management Target Excess (unaudited)	\$	22,782,600	5985

There is no material difference between the audited computation of secured requirements above and that reported by the Company in the unaudited Form 1-FR-FCM as of December 31, 2016.

CONFIDENTIAL

CFTC FORM 1-FR-FCM
STATEMENT OF CLEARED SWAPS CUSTOMER SEGREGATION REQUIREMENTS AND
FUNDS IN CLEARED SWAPS CUSTOMER ACCOUNTS UNDER 4D(F) OF CEA
AS OF 12/31/16

CLEARED SWAPS CUSTOMER REQUIREMENTS

1. Net ledger balance:			
A. Cash		\$	0 8500
B. Securities (at market)			0 8510
2. Net unrealized profit (loss) in open cleared swaps derivatives			0 8520
3. Cleared swaps options:			
A. Market value of open cleared swaps option contracts purchased			0 8530
B. Market value of open cleared swaps option contracts granted (sold)			0 8540
4. Net equity (deficit) (add lines 1, 2 and 3)			0 8550
5. Accounts liquidating to a deficit and accounts with debit balances - gross amount	\$	0	8560
Less: amount offset by customer owned securities		0	8570
6. Amount required to be segregated for cleared swaps customers (add lines 4 and 5)		\$	0 8590

FUNDS IN CLEARED SWAPS CUSTOMER SEGREGATED ACCOUNTS

7. Deposited in cleared swaps customer segregated accounts at banks:			
A. Cash		\$	0 8600
B. Securities representing investments of cleared swaps customers' funds (at market)			0 8610
C. Securities held for particular cleared swaps customers in lieu of cash (at market)			0 8620
8. Margins on deposit with derivatives clearing organizations in cleared swaps customer segregated accounts:			
A. Cash			0 8630
B. Securities representing investments of cleared swaps customers' funds (at market)			0 8640
C. Securities held for particular cleared swaps customers in lieu of cash (at market)			0 8650
9. Net settlement from (to) derivatives clearing organizations			0 8660
10. Cleared swaps options:			
A. Value of open cleared swaps long option contracts			0 8670
B. Value of open cleared swaps short option contracts			0 8680
11. Net equities with other FCMs:			
A. Net liquidating equity			0 8690
B. Securities representing investments of cleared swaps customers' funds (at market)			0 8700
C. Securities held for particular cleared swaps customers in lieu of cash (at market)			0 8710
12. Cleared swaps funds on hand (describe:)			0 8715
13. Total amount in cleared swaps customer segregation (add lines 7 through 12)		\$	0 8720
14. Excess (deficiency) funds in cleared swaps customer segregation (subtract line 6 from line 13)		\$	0 8730
15. Management Target Amount for Excess funds in cleared swaps segregation accounts (unaudited)		\$	0 8760
16. Excess (deficiency) funds in cleared swaps customer segregated accounts over (under) Management Target Excess (unaudited)		\$	0 8770

There is no material difference between the audited computation of swaps requirements above and that reported by the Company in the unaudited Form 1-FR-FCM as of December 31, 2016.

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