



**Assent LLC**  
5 Marine View Plaza  
Hoboken, NJ 07030  
(201) 356-1400

September 5, 2006

Dear Customer,

Pursuant to SEC Rule 17a-5, Assent LLC is pleased to provide its most recent unaudited balance sheet for the period ending June 30, 2006. Please be advised that the Statement of Financial Condition of the most recent annual audit of Assent LLC is available for examination at our principal office in Hoboken, NJ and at the regional or district office of the Securities and Exchange Commission. Thank you.

Sincerely,

*John Allen*

John Allen  
Chief Executive Officer

# **Assent LLC**

**Statement of Financial Condition  
June 30, 2006 (UNAUDITED)**

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**Statement of Financial Condition**  
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**Assets**

Cash	\$ 8,815,741
Cash and securities segregated under Federal regulations	36,686,847
Deposits with clearing organizations	7,883,663
Receivable from brokers, dealers and clearing organizations	294,567,238
Receivable from customers	14,798,597
Securities owned, at market value (\$18,963,000 of which is pledged)	51,080,924
Furniture, fixtures and leasehold improvements, at cost less accumulated depreciation and amortization of \$5,323,159	5,027,487
Receivable from affiliates	3,822,957
Other assets	1,271,619
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Total assets	\$ 423,955,073

**Liabilities and Members' Equity**

Payable to brokers, dealers and clearing organizations	\$ 286,361,122
Securities sold, but not yet purchased, at market value	22,245,111
Payable to customers	43,560,711
Payable to parent and affiliates	3,550,195
Accounts payable, accrued expenses and other liabilities	9,197,333
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	364,914,472
Commitments and contingencies (Note 10)	
Members' equity	59,040,601
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Total liabilities and members' equity	\$ 423,955,073

The accompanying notes are an integral part of this financial statement.

**Assent LLC**  
**Notes to Statement of Financial Condition**  
**June 30, 2006 (UNAUDITED)**

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**1. Organization and Nature of Business**

Assent LLC (“the Company”) is a Delaware limited liability company, whose Class A member is an indirect wholly owned subsidiary of SunGard Data Systems Inc. (“SunGard”). On August 11, 2005, SunGard, completed its merger agreement to be acquired by a consortium of private equity firms. SunGard is an indirect wholly owned subsidiary of SunGard Capital Corp II., which is a wholly owned subsidiary of SunGard Capital Corp. SunGard Capital Corp. II and SunGard Capital Corp. are collectively referred to as the “Parent Companies”. The Company is a registered broker-dealer in securities under the Securities and Exchange Act of 1934 and is a member of the National Association of Securities Dealers, Inc. (NASD). The Company engages in proprietary trading, securities execution, clearance, and corresponding clearing services to other firms.

**2. Summary of Significant Accounting Policies**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America 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.

Securities owned and securities sold, but not yet purchased, are valued at market based upon quoted prices. Principal securities transactions are recorded on a trade date basis. Customers’ securities transactions are recorded on a settlement date basis.

Furniture and equipment are depreciated using straight-line method over their estimated useful lives. Leasehold improvements are amortized using the straight-line method over the lesser of the economic life of the improvement or the life of the lease.

Cash and cash equivalents consist of highly liquid investments with original maturities of three months or less that are not held for resale in the ordinary course of business.

The Company is not subject to federal or state income taxes. The members of the Company are individually liable for the taxes on their share of the Company’s income. The Company is subject to local unincorporated business taxes in the jurisdictions in which it operates.

**3. Cash and Securities Segregated Under Federal Regulations**

At June 30, 2006, the Company had U.S. Treasury securities with a market value of \$36,669,803 and cash of \$16,964 segregated in special reserve bank accounts for the exclusive benefit of customers under Rule 15c3-3 of the Securities and Exchange Commission. The Company also had cash of \$80 in a special bank account for the Proprietary Accounts of Introducing Brokers (PAIB) at June 30, 2006. There was no PAIB reserve requirement at June 30, 2006.

**Assent LLC**  
**Notes to Statement of Financial Condition**  
**June 30, 2006 (UNAUDITED)**

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**4. Receivable From and Payable to Brokers, Dealers And Clearing Organizations**

At June 30, 2006, the Company had receivable from and payable to brokers, dealers and clearing organizations consisting of the following;

**Receivable**

Securities failed to deliver	\$ 7,200,872
Securities borrowed	277,914,700
Clearing organizations	<u>9,451,666</u>
	<u>\$ 294,567,238</u>

**Payable**

Securities failed to receive	\$ 31,659
Securities loaned	280,879,800
Other	<u>5,449,663</u>
	<u>\$ 286,361,122</u>

Securities failed to deliver represent receivables for securities sold that have not been delivered by the Company for which settlement date has passed. Securities failed to receive represent payables for securities purchased that have not been received for which settlement date has passed.

Securities borrowed and securities loaned transactions are reported as collateralized financing transactions. Securities borrowed transactions require the Company to deposit cash with the lender. With respect to securities loaned, the Company receives collateral in the form of cash in an amount generally in excess of the market value of the securities loaned. The Company monitors the market value of the securities borrowed and loaned on a daily basis and may require counterparties to deposit additional collateral or return collateral pledge as necessary. The Company has received collateral of approximately \$271,975,000 under securities borrow agreements of which the company has repledged approximately \$274,541,000 under securities loan agreements.

The Company's customer financing and securities lending activities require the Company to pledge customer securities as collateral for various financing sources such as bank loans and securities lending. At June 30, 2006, the Company had approximately \$28,498,000 of customer securities under customer margin loans and \$17,115,000 of other broker-dealer securities that were available to be pledged, of which the Company has pledged approximately \$10,546,000 under securities loan agreements.

**Assent LLC**  
**Notes to Statement of Financial Condition**  
**June 30, 2006 (UNAUDITED)**

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**5. Securities Owned and Securities Sold, Not Yet Purchased**

Marketable securities owned and securities sold, not yet purchased, consist of trading and investment securities at market values, as follows:

	<b>Owned</b>	<b>Sold, Not Yet Purchased</b>
Corporate stocks	\$ 49,776,497	\$ 21,288,598
Options	<u>1,304,427</u>	<u>956,513</u>
	<u>\$ 51,080,924</u>	<u>\$ 22,245,111</u>

**6. Receivable from and Payable to Customers**

Receivable from and payable to customers represents amounts due on cash and margin securities transactions. Securities owned by customers that collateralize the receivables are not reflected in the accompanying statement of financial condition.

**7. Stock Option and Award Plans**

**Equity Incentive Plans**

Under the Parent Companies time-based and performance-based equity incentive plans, awards or options to purchase shares of stock may be granted to key employees. Time-based options are subject to a five-year vesting schedule. Performance-based options vest upon attainment of certain annual and cumulative earnings goals. Both time-based and performance-based options are granted for a ten year term.

The Financial Accounting Standards Board (FASB) SFAS Number 123R “Share-Based Payment” (SFAS 123R). requires companies to expense the fair value of employee stock options and similar awards over the employee requisite service period. Under the fair value recognition provisions of SFAS 123R, stock based compensation expense is measured at the grant date based upon the value of the award. For time-based options, compensation expense is recorded on a straight line basis over the requisite service period of five years. For the performance-based options, compensation expense is recorded at the time that the achievement of financial performance goals becomes probable, and then is recorded over the requisite performance and service periods.

**8. Retirement Plan**

SunGard offers a 401(k) plan to eligible employees of the Company.

**Assent LLC**  
**Notes to Statement of Financial Condition**  
**June 30, 2006 (UNAUDITED)**

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**9. Regulatory Requirements**

The Company is subject to the Securities and Exchange Commissions Uniform Net Capital Rule, (Rule 15c3-1) which requires the maintenance of minimum net capital. The Company has elected to use the alternative method, permitted by the rule, which requires that it maintain minimum net capital, equal to the greater of \$250,000 or 2% of aggregate debit balances, as defined. At June 30, 2006, the Company had net capital of \$39,928,343, which exceeded its minimum requirement of \$660,388 by \$39,267,955.

The Company is subject to Rule 15c3-3 of the Securities and Exchange Commission. At June 30, 2006 the Company computed the reserve requirement for customers and was required to segregate \$29,314,494 in the special reserve bank account for the exclusive benefit of customers. At June 30, 2006 the amount held on deposit in the special reserve bank account was \$36,686,767.

The Company also computed the reserve requirement for PAIB. At June 30, 2006 the Company's calculation required \$0 to be segregated in the special reserve account for the exclusive benefit of our introducing broker-dealers. The amount on deposit in the reserve bank account at June 30, 2006 was \$80.

**10. Commitments and Contingencies**

The Company leases office space and, equipment under lease agreements and has other operating commitments expiring on various dates through 2011. Certain leases contain provisions for rent escalation. The Company also has capital leases for equipment. Other commitments represent cancellation charges due in the event of early termination of certain contractual obligations. At June 30, 2006, the future minimum commitments were as follows:

	<b>Operating</b>	<b>Other</b>	<b>Total</b>
2007	\$ 3,264,660	\$ 945,799	\$ 4,210,459
2008	2,822,867	-	2,822,867
2009	2,551,912	-	2,551,912
2010	2,017,815	-	2,017,815
2011	1,137,011	-	1,137,011
	<u>\$ 11,794,265</u>	<u>\$ 945,799</u>	<u>\$ 12,740,064</u>

In the normal course of business, the Company was named as a defendant in certain litigation, arbitrations and regulatory actions arising out of its activities as a broker dealer in securities. Management believes, based on information currently available, that the results of such proceedings will not have a material adverse effect on the Company's financial condition.

The Company has obtained an uncollateralized letters of credit in the amount of \$888,775 in order to satisfy the requirements of a lease for two of the Company's existing facilities.

The Company has a collateralized credit facility for \$20,000,000 with a money center bank. As of June 30, 2006 there were no outstanding borrowings under the line of credit.

**11. Financial Instruments with Off-Balance Sheet Risk and Concentrations of Credit Risk**

In the normal course of business, the Company securities activities involve execution, settlement and financing of various securities transactions. These activities may expose the Company to off balance sheet credit and market risk in the event customers, or other counterparties are unable to fulfill their contractual obligations. It is the Company's policy to review, as necessary, the credit standing of each counterparty with which it conducts business.

As part of its normal brokerage activities, the Company may sell securities not yet purchased. Securities sold, but not yet purchased represent obligations of the Company to deliver the specified security at the contracted price and thereby creating a liability to repurchase the security in the market at prevailing prices. Accordingly these transactions result in off-balance-sheet risk, as the Company's ultimate obligation to satisfy the sale of securities sold, but not yet purchased may exceed the amount recognized in the statement of financial condition. Securities positions are monitored on a daily basis.

Derivative contracts are financial instruments whose value is based upon the value of the underlying asset, index, reference rate, or any combination of these factors. The Company uses derivative financial instruments as part of its trading business. These financial instruments, which generally include exchange-traded options, expose the Company to varying degrees of market and credit risk. The Company records its derivative-trading activities at market value and unrealized gains and losses are recognized currently on the Statement of Operations. The notional amount of short options is \$10,134,500.

The Company's customer securities transactions are transacted on either cash or margin basis. In margin transactions, the Company extends credit to customers, subject to various regulatory and internal margin requirements, collateralized by cash and securities in the customer's accounts. The Company seeks to control the risks associated with its customer activities by requiring customers to maintain margin collateral in compliance with various regulatory and internal margin guidelines. The Company monitors required margin levels daily and pursuant to such guidelines, requests the customer to deposit additional collateral or to reduce positions when necessary.

The Company records customer transactions on a settlement date basis, generally three days after trade-date. The Company is exposed to off-balance sheet risk of loss on unsettled transactions in the event customers or other counterparties are unable to meet the terms of their contracts, in which case the Company may have to purchase or sell financial instruments at prevailing market prices. It is the Company's policy to review as necessary, the credit standing of each counterparty with which it conducts business.

**12. Related Party Transactions**

The Company settles all intercompany expenses and income allocations with SunGard and its subsidiaries throughout the year. At June 30, 2006, the amount payable to parent and affiliates represent such amount due to or from the Company for unsettled items.

The Company provides clearance services to an affiliated broker dealer. The Company also utilized the service of an affiliated NYSE broker dealer for its floor brokerage services.

**Assent LLC**  
**Notes to Statement of Financial Condition**  
**June 30, 2006 (UNAUDITED)**

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The Company pays management fees to SunGard and administrative fees to an affiliate for administrative and other expenses. The Company also reimburses SunGard for medical and dental insurance premiums, professional services and other expenses paid on its behalf.

The Company pays various affiliates for service bureau services for securities transaction processing, data storage and communications. In addition, the Company also paid affiliates consulting fees and facilities fees.

The Company charged an affiliate for reimbursement of employee compensation (in addition to the stock compensation charge) and benefits and charged another affiliate for reimbursement of communications and data processing fees.

**13. Members' Equity**

The Company has three classes of members' interest as follows:

Class A members receive an allocation of profits and losses after a special allocation is made to Class C members based upon the proportion of the number of Class A units held by each such Class A member to the number of Class A units held by all Class A members.

Class B members receive a special allocation based upon the trading activity generated for the Company through their Coordinated Trading Group, as defined associated with such Class B members. The Class B special allocation is the difference between the commissions generated and the special allocation collected from Class C members' trading profits, less the processing charges associated with such Coordinated Trading Group. Any amounts that are expected to be paid have been included in accounts payable, accrued expenses and other liabilities.

Class C members trade the Company's proprietary accounts. Allocation of profits and losses are based upon the Class C members' trading results net of the Class A allocation. Losses are allocated to the extent of the members' equity and profits.