Rosenthal Collins Group, L.L.C. and Subsidiaries

Consolidated Statement of Financial Condition
December 31, 2011

This report is deemed PUBLIC in accordance with Regulation 1.10(g) under the Commodity Exchange Act.

March 29, 2012

Rosenthal Collins Group, L.L.C. and Subsidiaries, a registered futures commission merchant, is submitting this audited annual report and its attachments as of and for the year ended December 31, 2011. The person whose signature appears below represents that, to the best of their knowledge, all information contained therein is true, correct and complete.

J. Robert Collins, Class A Member

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McGladrey

Independent Auditor's Report

To the Class A Members
Rosenthal Collins Group, L.L.C. and Subsidiaries

We have audited the accompanying consolidated statement of financial condition of Rosenthal Collins Group, L.L.C. and Subsidiaries (the Company) as of December 31, 2011 that you are filing pursuant to Regulation 1.10 under the Commodity Exchange Act (CEAct). This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 statement of financial condition presentation. We believe that our audit of the statement of financial condition provides a reasonable basis for our opinion.

In our opinion, the consolidated statement of financial condition referred to above presents fairly, in all material respects, the financial position of Rosenthal Collins Group, L.L.C. and Subsidiaries as of December 31, 2011 in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statement as a whole. The supplementary information contained in Schedules I, II, III and IV required by regulations under the CEAct is presented for purposes of additional analysis and is not a required part of the consolidated financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statement as a whole.

McGladrey & Pullen, LLP

Chicago, Illinois
March 29, 2012

Rosenthal Collins Group, L.L.C. and Subsidiaries

Consolidated Statement of Financial Condition
December 31, 2011

Assets	
Cash and cash equivalents	$ 387,796,000
Deposits with exchange clearing organizations	929,344,000
Securities purchased under the agreements to resell	6,188,058,000
Securities owned ($6,959,667,000 pledged)	8,162,687,000
Cash commodities, pledged	23,841,000
Receivables:	
Customers and noncustomers, net	61,730,000
Clearing organizations	44,584,000
Brokers	55,267,000
Dealers	970,000
Other	2,506,000
Exchange memberships, at cost (fair value $2,489,000)	1,834,000
Shares in exchange, at fair value	1,949,000
Computer software, equipment and leasehold improvements, net	4,989,000
Other assets	189,000
Total assets	$ 15,865,744,000
Liabilities and Members' Equity	
Liabilities	
Securities sold under the agreements to repurchase	$ 7,260,821,000
Securities sold, not yet purchased	6,081,069,000
Payables	
Customers and noncustomers	1,705,426,000
Broker	625,806,000
Accounts payable, accrued expenses and other liabilities	20,818,000
Borrowings on line of credit	25,000,000
	15,718,940,000
Liabilities subordinated to claims of general creditors	42,000,000
Members' equity	104,804,000
Total liabilities and members' equity	$ 15,865,744,000

See Notes to Consolidated Statement of Financial Condition.

Note 1. Nature of Operations and Significant Accounting Policies

Principles of consolidation: The consolidated financial statements include the accounts of Rosenthal Collins Group, L.L.C. (RCG), an Illinois limited liability company, and its subsidiaries, Rosenthal Global Securities, L.L.C. (RGS), Rosenthal Collins Capital Management, L.L.C. (RCCM) and Rosenthal Collins Group (U.K.) Limited (RCG UK) (collectively, the Company). All significant intercompany accounts and transactions have been eliminated in consolidation.

Nature of operations: RCG is registered as a futures commission merchant (FCM) with the Commodity Futures Trading Commission (CFTC) and a member of the National Futures Association (NFA). RCG is a clearing member of all principal commodity exchanges in the United States and certain exchanges in Europe, and the Fixed Income Clearing Corporation (FICC). RCG primarily executes and/or clears customer and principal transactions in exchange-traded futures and options on futures contracts. RCG's customers are located worldwide, primarily in North America and Europe.

RGS is a registered broker-dealer and futures commission merchant engaged in the business of buying, selling and dealing in securities backed or guaranteed by the full faith and credit of the United States Government for its own account. RGS clears its transactions through RCG. RGS does not have any customers as defined by Rule 15c3-3(a)(1). Accordingly, RGS is exempt from the requirements of the provisions of Rule 15c3-3(e) (The Customer Protection Rule), based on the exemption provided in Rule 15c3-3(k)(2)(i), and does not maintain any “Special Account for the Exclusive Benefit of Customers.” In March 2012, RGS has filed a request to withdraw its status as a futures commission merchant.

RCCM is a broker-dealer registered with the Securities and Exchange Commission and is a member of the Financial Industry Regulatory Authority. RCCM intends to participate in underwritings on a “best-efforts” basis and to act as an agent in private equity placements of direct participation programs. RCCM has not yet commenced operations.

RCG UK is a London-based entity licensed by the Financial Services Authority. RCG UK introduces customer business to RCG, which facilitates trading of foreign exchange and foreign exchange derivative transactions for these introduced customers.

The operating agreement of RCG provides, among other things, that RCG shall dissolve no later than December 1, 2028.

Accounting policies: The Company follows the accounting standards set by the Financial Accounting Standards Board (FASB). The FASB sets generally accepted accounting principles (GAAP) that the Company follows to ensure consistent reporting of financial condition, results of operations, and cash flows.

Use of estimates: The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Note 1. Nature of Operations and Significant Accounting Policies (Continued)

Securities and derivative financial instruments: Transactions in securities and derivative financial instruments are recorded on trade date. Securities owned and sold, not yet purchased and derivative financial instruments are carried at fair value with unrealized gains and losses reflected in revenue.

Amounts receivable and payable for securities transactions that have not reached their contractual settlement date are recorded net in the consolidated statement of financial condition.

Resale and repurchase agreements: The Company enters into transactions with broker-dealers and other financial institutions to purchase securities under agreements to resell (resale agreements) and sell securities under agreements to repurchase (repurchase agreements). Substantially all such transactions are entered into on a matched basis utilizing the same collateral and are accounted for as collateralized financing transactions. These transactions are carried at their contracted resale or repurchase amounts as specified in the respective agreements; such amounts include accrued interest. The Company takes possession of collateral under resale agreements with a fair value equal to or in excess of the principal amount loaned, monitors the fair value of the underlying collateral as compared to the related receivable, and obtains additional collateral as appropriate.

Exchange memberships and shares in exchange: Exchange memberships include trading rights and publicly traded shares of exchange stock required to be held for membership privileges. Trading rights are carried at cost and are evaluated periodically for impairment. Shares of exchange stock held for membership privileges are carried at fair value as the Company has elected the fair value option (Note 3).

Computer software: The Company capitalizes certain costs associated with computer software developed for internal use. Capitalization begins when both the preliminary project is completed and management authorizes further funding of the project. Capitalized costs include external direct costs of materials and services consumed in developing or obtaining internal-use software, and payroll and payroll-related costs for employees directly associated with, and who devoted time to, the development of the internal-use software. Capitalization of such costs ceases when the project is completed and ready for its intended purpose. Computer software, tested annually for impairment, is amortized on a straight-line basis over three years.

Equipment and leasehold improvements: Equipment is depreciated using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized using the straight-line method over the lesser of the lease term or the estimated useful life of the improvement.

Commissions: Commission income and related expenses are recognized on trade date.

Foreign exchange translation: Assets and liabilities denominated in foreign currencies are translated at year-end rates of exchange. Income and expense items are translated at month-end rates. Gains or losses resulting from foreign currency translations are not significant and are included in net income.

Note 1. Nature of Operations and Significant Accounting Policies (Continued)

Income taxes: The consolidated financial statements do not reflect any U.S. income tax provision or liability for the Company since the income or loss of the Company is includable in the federal income tax returns of the individual members. The Company is subject to certain foreign and state income taxes.

FASB provides guidance for how uncertain tax positions should be recognized, measured, disclosed and presented in the consolidated financial statements. This requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Company's tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained "when challenged" or "when examined" by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit or expense and liability in the current year. Management has determined that there are no material uncertain income tax positions through December 31, 2011. The Company is generally not subject to examination by U.S. federal, state, and foreign tax authorities for tax years before 2008.

Cash equivalents: Cash equivalents include short-term, highly liquid investments, with original maturities of three months or less, that are not held for sale in the ordinary course of business.

Note 2. Assets Segregated or Held in Separate Accounts Under Federal and Other Regulations

At December 31, 2011, included in the consolidated statement of financial condition are assets segregated or held in separate accounts under the Commodity Exchange Act as follows:

Cash and cash equivalents	$ 338,301,000
Deposits with exchange clearing organizations	866,565,000
Securities purchased under the agreement to resell	374,813,000
Receivables from clearing organizations	38,350,000
Receivable from brokers	48,626,000
	$ 1,666,655,000

Note 3. Assets and Liabilities Reported at Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value guidance requires use of a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels: quoted market prices in active markets for identical assets or liabilities (Level 1); inputs other than quoted market prices that are observable for the asset or liability, either directly or indirectly (Level 2); and unobservable inputs for an asset or liability (Level 3).

The Company's assets and liabilities measured at fair value are reported using quoted market prices. Securities that trade in active markets and are valued using quoted market prices, broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency are classified within Level 1. Exchange-traded derivative contracts are valued using exchange settlement prices and are classified within Level 1. U.S. Government Securities are based on amortized cost plus accrued interest, which approximates fair value based on the quoted market yield for applicable U.S. Government Security, and are classified within Level 1. Cash commodities are valued at quoted spot commodity prices, and are classified within Level 2.

Note 3. Assets and Liabilities Reported at Fair Value (Continued)

There are no Level 3 instruments as of and during the year ended December 31, 2011.

The Company elected the fair value option for shares of exchange stock held for membership privileges, which would otherwise be reflected at cost under applicable accounting guidance.

The following summarizes the Company's assets and liabilities measured at fair value at December 31, 2011. Substantially all assets and liabilities use Level 1 inputs under the fair value hierarchy.

	Level 1	Level 2
Assets		
Deposits with exchange clearing organizations		
Margins		
U.S. Government securities	$ 451,774,000	$ -
Guarantee deposits		
U.S. Government securities	23,198,000	-
Total deposits with exchange clearing organizations	474,972,000	-
Securities owned		
U.S. Government securities	8,160,498,000	-
Equity options	1,117,000	
Other	1,072,000	-
Total securities owned	8,162,687,000	-
Cash commodities	-	23,841,000
Receivables		
Clearing organizations		
Futures contracts	(4,677,000)	
Options on futures contracts	1,430,000	
Brokers		
U.S. Government securities	34,997,000	
Futures contracts	1,508,000	
Money market fund	606,000	
Total receivables	33,864,000	-
Shares in exchange	1,949,000	-
Total assets	$ 8,673,472,000	$ 23,841,000

Note 3. Assets and Liabilities Reported at Fair Value (Continued)

	Level 1	Level 2
Liabilities		
Securities sold, not yet purchased		
U.S. Government securities	$ 6,079,091,000	$ -
Equity options	272,000	
Shares in exchange	1,706,000	-
Total securities sold short, not yet purchased	6,081,069,000	-
Total liabilities	$ 6,081,069,000	$ -

Substantially all of the Company's assets and liabilities are considered financial instruments and are either reflected at fair value, or at carrying amounts that approximate fair value because of the short maturity of the instruments.

Note 4. Derivative Instruments

Disclosure is presented below to provide the users of the financial statements with an enhanced understanding of the use of derivative instruments, and how derivatives affect the financial position, results of operations, and cash flows.

The Company's activities in derivative instruments include trading of exchange-traded futures, options on futures, and equity options. These derivative instruments are recorded on the consolidated statement of financial condition at fair value and the associated net trading gains and losses are reflected in the consolidated statement of operations. The Company does not utilize and does not consider any derivative instruments to be hedging instruments, as those terms are generally understood for accounting purposes.

At December 31, 2011 and for the year then ended, the Company's derivative activities had the following impact on the consolidated statement of financial condition:

Market Segment	Statement of Financial Condition Location	Assets	Liabilities	Net
Interest rates	Receivables, clearing organizations	$ 506,000	$ 3,816,000	$ (3,310,000)
Metals	Receivables, brokers	7,392,000	5,880,000	1,512,000
Equity Indices	Securities owned, and sold, not yet purchased	1,117,000	272,000	845,000
Currencies	Receivables, clearing organizations	1,943,000	1,387,000	556,000
Equity Indices	Receivables, clearing organizations	170,000	618,000	(448,000)
Agricultural	Receivables, clearing organizations	255,000	575,000	(320,000)
Soft Commodities	Receivables, clearing organizations	255,000	75,000	180,000
Metals	Receivables, clearing organizations	172,000	11,000	161,000
Energy	Receivables, clearing organizations	1,636,000	1,703,000	(67,000)
Currencies	Receivables, brokers	23,000	29,000	(6,000)
Agricultural	Receivables, brokers	19,000	17,000	2,000
Other	Receivables, clearing organizations	1,000	-	1,000

Note 4. Derivative Instruments (Continued)

The Company's activities in derivative instruments often include trading strategies whereby trading gains and losses on derivative instruments are offset by trading gains and losses on non-derivative instruments, which are not included above.

For the year ended December 31, 2011, the total volume of derivative contracts bought and sold by the Company for trading purposes was approximately 80,000,000.

Note 5. Deposits with Clearing Organizations

Deposits with clearing organizations at December 31, 2011 consist of:

Margins		
U.S. Government securities	$	451,774,000
Cash		446,081,000
Guarantee deposits		
U.S. Government securities		23,198,000
Cash		8,291,000
	$	929,344,000

Note 6. Receivables from and Payables to Brokers

Receivable from and payable to brokers at December 31, 2011 consists of:

		Receivables		Payables
Clearing brokers	$	55,267,000	$	-
Net payable for unsettled trades		-		625,806,000
	$	55,267,000	$	625,806,000

Securities owned, cash and financial instruments held at the Company's brokers collateralize securities sold, not yet purchased and amounts due to brokers, if any, and may serve to satisfy regulatory or margin requirements.

Note 7. Collateral

Resale and repurchase agreements are carried at contract values that are substantially equal to the aggregate fair values of collateral obtained under resale agreements and pledged under repurchase agreements.

Collateral obtained under resale agreements is in the form of U.S. Government securities. At December 31, 2011, the fair value of such collateral was approximately $6,192,469,000 (including collateral delivered to satisfy delivery obligations from short positions of $4,965,195,000). The approximate fair value of assets pledged as collateral under repurchase agreements arose from the following:

Securities owned	$ 6,958,551,000
Securities owned that were sold, not yet settled	308,775,000
	$ 7,267,326,000

Pledged securities that can be sold or repledged by the secured party are identified in the consolidated statement of financial condition.

Note 8. Receivables from and Payables to Customers

Receivables from and payables to customers arise primarily from futures and options on futures transactions and include gains and losses on open trades. At December 31, 2011, receivable from customers is reflected net of an allowance for doubtful accounts of $382,000. Securities, primarily U.S. Government securities, and cash commodities owned by customers and held by the Company as collateral or as margin, and the fair value of customers' options on futures contracts are not reflected in the consolidated statement of financial condition. At December 31, 2011, the fair value of customer securities and cash commodities that the Company held was $160,587,000, of which $44,102,000 was deposited as margin with exchange clearing organizations. At December 31, 2011, the Company also held $45,795,000 of customer owned net short options on futures contracts, which are pledged at the exchange clearing organizations.

Note 9. Computer Software, Equipment and Leasehold Improvements

Computer software, equipment and leasehold improvements at December 31, 2011 consist of:

Computer software	$ 11,704,000
Accumulated amortization	(9,391,000)
	2,313,000
Computer equipment	6,120,000
Accumulated depreciation	(4,224,000)
	1,896,000
Leasehold improvements	4,185,000
Accumulated amortization	(3,405,000)
	780,000
	$ 4,989,000

Note 10. Line of Credit

The Company has a $50,000,000 revolving line of credit with a bank at an interest rate of Fed Funds rate plus 2.5 percent (2.75 percent at December 31, 2011). Borrowings, if any, under this line of credit are due on demand and are generally collateralized by customer and firm owned cash commodities.

At December 31, 2011, the Company has drawn $25,000,000 on the line of credit.

Note 11. Liabilities Subordinated to Claims of General Creditors

Liabilities subordinated to claims of general creditors at December 31, 2011 consist of borrowings from several banks pursuant to a revolving loan agreement that expires June 15, 2012. The revolving loan agreement provides for borrowings of up to $55,000,000 that mature one year from the date of the advance. Outstanding borrowings at December 31, 2011 of $42,000,000 mature in December 2012 and bear interest at the prime rate plus 5 percent (8.25 percent at December 31, 2011). The agreement, among other things, requires the Company to maintain minimum amounts of members' equity and adjusted net capital, as defined.

The subordinated borrowings are available in computing adjusted net capital under the minimum capital requirements. To the extent that such borrowings are required for the Company's continued compliance with minimum capital requirements, they may not be repaid (see Note 18).

Note 12. Employee Benefit Plan

The Company maintains a 401(k) plan for qualified employees. The Company is required to match a percentage of employees' contributions up to a defined maximum, and may elect to make further discretionary contributions, subject to certain limitations as set forth in the plan agreement.

Note 13. Commitments and Contingencies

The Company leases office space and equipment under noncancelable operating lease agreements that expire at various dates through December 2015. At December 31, 2011, the aggregate minimum annual commitments under these leases, exclusive of additional payments that may be required for certain increases in operating expenses and taxes, are as follows:

2012	$	3,886,000
2013		3,190,000
2014		1,118,000
Thereafter		955,000
	$	9,149,000

During 2011, the Company has settled its patent infringement disputes with Trading Technologies International Inc. (TT). The financial terms of the settlement are subject to a confidentiality agreement.
In March 2012, the Company settled an outstanding litigation matter related to brokerage operations. The financial terms of the settlement are subject to a confidentiality agreement. The related amount has been recognized as an expense by the Company in 2011.

In March 2012, the Company settled an outstanding litigation matter related to brokerage operations. The financial terms of the settlement are subject to a confidentiality agreement. The related amount has been recognized as an expense by the Company in March 2012.

Note 13. Commitments and Contingencies (Continued)

The Company is also subject to litigation, arbitration and regulatory matters in the normal course of business. The Company vigorously defends against these claims and, in the opinion of management, the resolution of these matters will not result in any material adverse effect upon the Company's financial position.

Note 14. Related-Party Transactions

The Company provides clearing services to its members.

Certain members introduce customers to the Company.

Note 15. Guarantees and Indemnifications

At December 31, 2011, the Company has guaranteed bank loans of $1,086,000 for certain customers who are members of commodity futures exchanges. These guarantees expire on various dates through July 29, 2015 and are secured by exchange memberships with approximate fair value of $2,977,000. In the event these parties default on their loans and the value of the collateral is insufficient to pay the loans in full, the Company would be required to perform under these guarantees. Management believes that proceeds from liquidation of the collateral would cover the maximum potential amount of future payments under these guarantees.

The Company is a member of various commodity exchanges. 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 these exchanges. 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 such guarantee obligation would be apportioned among the other nondefaulting members of the exchange. Any potential contingent liability under these membership agreements cannot be estimated and the risk of loss is remote.

In the normal course of business, the Company enters into contracts that contain a variety of representations and warranties that provide indemnifications under certain circumstances. The Company’s maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Company that have not yet occurred. The Company expects the risk of future obligations under these indemnifications to be remote.

Note 16. Financial Instruments

Gains and losses from exchange-traded derivatives are computed based on quoted market prices. Gains and losses from spot foreign exchange transactions are computed using a pricing model that is intended to approximate the market value of the contracts. Unrealized gains and losses arising from futures, options on futures and equity options, securities and spot foreign exchange transactions are netted by counterparty and reflected as receivables or payables, securities owned and securities sold, not yet purchased, as appropriate.

Financial Instruments with Off-Balance Sheet Risk

Customer activities: The Company's primary activities include the execution and/or clearance of exchange-traded futures and options on futures contracts for institutional, commercial, professional and retail customers. As such, the Company guarantees to the respective clearing house or counterparty its customers' performance under these contracts. The Company seeks to control the risk associated with its customer activities by requiring customers to maintain margin collateral in compliance with various regulatory and internal guidelines. Margin deposits represent good faith deposits by customers that reduce the risk to the Company of a failure to fulfill any obligations under these contracts on the part of customers. The Company monitors its exposure to risk of loss on an account-by-account basis. Pursuant to regulatory and internal guidelines, the Company requires customers to deposit additional collateral, or reduce or liquidate positions, when necessary. The Company believes that the deposits and collateral held at December 31, 2011 were adequate to minimize the risk of material loss that could be created by positions held at that time.

Financial instruments used for trading purposes: The Company enters into principal transactions in U.S. Government securities, futures, options on futures contracts and equity options. Futures, options on futures and equity options contracts represent future commitments to purchase or sell other financial instruments at specific terms at specified future dates. Certain options held and written provide the Company the opportunity or the obligation to deliver or take delivery of specified financial instruments at a contract price. These financial instruments may have market risk and/or credit risk in excess of amounts recorded in the consolidated statement of financial condition.

The Company also enters into principal transactions to facilitate cash foreign currency customer activities. The market risk of these activities is monitored and managed through offsetting positions.

Market risk: Derivative financial instruments, such as futures, options on futures and equity options contracts, involve varying degrees of market risk whereby changes in the market values of the underlying financial instruments may result in changes in the value of the derivative financial instruments in excess of the amounts reflected in the consolidated statement of financial condition. Exposure to market risk is influenced by a number of factors, including the relationships between financial instruments and the Company's positions, and the volatility and liquidity in the markets in which the financial instruments are traded. In many cases, the use of financial instruments serves to modify or offset market risk associated with other transactions and, accordingly, serves to decrease the Company's overall exposure to market risk. The Company attempts to control its exposure to market risk arising from the use of these financial instruments through various analytical monitoring techniques.

The Company has also sold securities that it does not currently own and will, therefore, be obligated to purchase such securities at a future date. The Company has recorded these obligations at December 31, 2011, at fair values of the related securities and will incur a loss if the fair value of the securities increases subsequent to December 31, 2011.

Note 16. Financial Instruments (Continued)

Credit risk: The Company enters into transactions with clearing brokers, banks and other financial institutions. In the event these counterparties do not fulfill their obligations, the Company may be exposed to risk. Exchange-traded financial instruments, such as futures, options on futures and equity options contracts, generally do not give rise to significant counterparty exposure due to the cash settlement procedures for daily market movements or the margin requirements of the individual exchanges. It is the Company’s policy to monitor the creditworthiness of each party with which it conducts business.

Financial instruments used for purposes other than trading: The Company may be exposed to foreign currency fluctuations due to customer and principal trading activities. The Company enters into futures contracts to hedge against net exposure denominated in foreign currencies. Gains and losses on these contracts are recognized as adjustments to currency translation gains or losses.

Note 17. Members' Equity

The limited liability company operating agreement for RCG provides for three classes of members with varying rights, preferences, privileges and obligations. The Class A and Class B members have voting rights and authority to manage RCG's operations. The Class C members have no voting rights and do not participate in management by reason of such memberships. Any actions taken by the Class A or Class B members require the unanimous approval of the Class A members. The Class A members have the sole power and authority to carry out management responsibilities and control the day-to-day management of RCG's operations, including delegations of authority, distributions and admittance of new members. The Class A members have appointed officers to act in the usual and customary capacities of their respective offices for the day-to-day management of RCG's operations. Class A members also have the option to purchase the Class B and Class C membership interests, and the Class C members have the right to withdraw their membership interests subject to the minimum net capital rules (see Note 18). In the event of dissolution of RCG, Class C members are entitled to a liquidation preference.

As of December 31, 2011, members' equity balances were Class A $29,304,000 and Class C $75,500,000. As of December 31, 2011, there were no Class B members. Pursuant to the operating agreement, members' equity includes members' trading accounts and funds held. Members' equity may vary from day to day due to changes in operations and trading accounts, contributions, additions, distributions or withdrawals.

Note 18. Net Capital Requirements

RCG is subject to the net capital requirements of the CFTC (Regulation 1.17), the NFA, and several other commodities regulatory organizations. Under these requirements, RCG is generally required to maintain "adjusted net capital" equivalent to the greater of $1,000,000 or the sum of 8 percent of customer and noncustomer risk maintenance margin requirements on all positions, as these terms are defined. Adjusted net capital and risk maintenance margin requirements change from day to day, but at December 31, 2011, the Company had adjusted net capital of $91,412,000, which was $28,162,000 in excess of its required net capital of $63,250,000. The minimum capital requirements may effectively restrict the repayment of subordinated borrowings and the withdrawal of members' equity.

As a clearing member of the FICC, RCG is required to maintain minimum capital, as defined. Also, RGS, RCCM, and RCG UK are subject to the minimum capital requirements of various regulatory organizations. At December 31, 2011, RCG and these subsidiaries were in compliance with all such requirements.

Note 19. Subsequent Events

The Company has evaluated subsequent events for potential recognition and/or disclosure through March 29, 2012, the date these financial statements were available to be issued.

Subsequent to December 31, 2011, Class C members contributed additional equity.

Rosenthal Collins Group, L.L.C. and Subsidiaries

Statement of the Computation of the Minimum Capital Requirements **Schedule I**
December 31, 2011

Current assets			$ 15,962,999,000
Total liabilities			15,875,732,000
Deductions from liabilities			
Liabilities subject to satisfactory subordination agreements			42,000,000
Net capital			129,267,000
Charges against net capital:			
Charge against market value of uncovered inventories			247,000
Charge against securities owned by firm			14,790,000
Undermargin charge on commodities futures and commodity options accounts			483,000
Charge against open commodity positions in proprietary accounts, uncovered contracts			20,998,000
Charge on unsecured receivables from foreign brokers			47,000
Adjustment to eliminate benefits of consolidation			1,290,000
Adjusted net capital			91,412,000
Net capital required using the risk-based requirement			
Amount of customer risk maintenance margin	$ 786,955,000		
8% of customer risk maintenance margin		$ 62,956,000	
Amount of noncustomer risk maintenance margin	3,676,000		
8% of noncustomer risk maintenance margin		294,000	
		63,250,000	
Minimum requirement		1,000,000	
Amount required			63,250,000
Excess net capital			$ 28,162,000

NOTE: There are no material differences between the above computation and the Company's corresponding unaudited Form 1-FR-FCM filing.

Rosenthal Collins Group, L.L.C. and Subsidiaries

Reconciliation of the Consolidated Statement of Financial Condition to the Statement of the Computation of the Minimum Capital Requirements **Schedule II**
December 31, 2011

Current Assets		
Total assets reflected in consolidated statement of financial condition		$ 15,865,744,000
Market value of securities and cash commodities owned by customers and noncustomers		160,587,000
Market value of options on futures owned by customers and noncustomers		(45,795,000)
		15,980,536,000
Less noncurrent assets included in total assets:		
Cash equivalents	$ (5,080,000)	
Securities owned	(1,072,000)	
Receivables		
Brokers	(331,000)	
Customers	(619,000)	
Other	(1,474,000)	
Exchange memberships	(1,834,000)	
Shares in exchange	(1,949,000)	
Computer software, equipment and leasehold improvements	(4,989,000)	
Other assets	(189,000)	
		(17,537,000)
Total current assets		$ 15,962,999,000
Total Liabilities		
Total liabilities reflected in statement of financial condition		$ 15,718,940,000
Liabilities subordinated to claims of general creditors		42,000,000
Add items not reflected in the consolidated statement of financial condition:		
Market value of securities and cash commodities owned by customers and noncustomers		160,587,000
Market value of options on futures owned by customers and noncustomers		(45,795,000)
Total liabilities		$ 15,875,732,000

NOTE: There are no material differences between the above computation and the Company's corresponding unaudited Form 1-FR-FCM filing.

Rosenthal Collins Group, L.L.C. and Subsidiaries

Statement of Segregation Requirements and Funds in Segregation for Customers Trading on U.S. Commodity Exchanges **Schedule III**
December 31, 2011

Segregation requirements:	
Net ledger balance:	
Cash	$ 1,767,997,000
Securities, at market	71,804,000
Net unrealized gain in open futures contracts traded on a contract market	(190,191,000)
Exchange traded options:	
Market value of open option contracts purchased on a contract market	1,358,595,000
Market value of open option contracts granted (sold) on a contract market	(1,399,537,000)
Net equity	1,608,668,000
Accounts liquidating to a deficit and accounts with debit balances, gross amount	7,853,000
Less amount offset by customer-owned securities	(6,314,000)
Amount required to be segregated	1,610,207,000
Funds on deposit in segregation:	
Deposited in segregated funds bank accounts	
Cash	326,569,000
Securities representing investments of customers' funds (at market)	374,813,000
Securities held for particular customer or option customers in lieu of cash (at market)	-
Margins on deposit with clearing organizations of contract markets:	
Cash	442,438,000
Securities representing investments of customers' funds (at market)	424,127,000
Securities held for particular customers or option customers in lieu of cash (at market)	44,102,000
Net settlement due from clearing organizations of contract market	3,157,000
Exchange traded options:	
Unrealized receivables for open option contracts purchased on a contract market	1,358,462,000
Unrealized obligations for open option contracts sold on a contract market	(1,399,537,000)
Net equities with other futures commission merchants:	
Net liquidating equity	(969,000)
Securities representing investments of customers' fund (at market)	34,997,000
Segregated funds on hand	27,702,000
Total amount in segregation	1,635,861,000
Excess funds in segregation	$ 25,654,000

NOTE: There are no material differences between the above computation and the Company's corresponding unaudited Form 1-FR-FCM filing.

Rosenthal Collins Group, L.L.C. and Subsidiaries

Statement of Secured Amounts and Funds Held in Separate Accounts for Foreign Futures and Foreign Options Customers Pursuant to Commission Regulation 30.7 **Schedule IV**
December 31, 2011

Amount required to be set aside in separate Section 30.7 accounts	$	42,051,000
Funds on deposit in separate Section 30.7 accounts:		
Cash in banks located in the United States		11,732,000
Equities with registered futures commission merchants		4,045,000
Amounts held by clearing organizations of foreign boards of trade		29,572,000
Amounts held by members of foreign boards of trade - cash and long option contracts		10,686,000
Total funds in separate Section 30.7 accounts		56,035,000
Excess funds in separate Section 30.7 accounts	$	13,984,000

NOTE: There are no material differences between the above computation and the Company's corresponding unaudited Form 1-FR-FCM filing.