

Straits Financial LLC

Financial Report
December 31, 2020

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

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Members and Management of
Straits Financial LLC

Opinion on the Financial Statement

We have audited the accompanying statement of financial condition of Straits Financial LLC (the "Company") as of December 31, 2020 that you are filing pursuant to Regulation 1.10 under the Commodity Exchange Act, and the related notes and supplementary schedules (collectively referred to as the financial statement). In our opinion, the statement of financial position presents fairly, in all material respects, the financial position of Straits Financial LLC as of December 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

This financial statement is the responsibility of Straits Financial LLC's management. Our responsibility is to express an opinion on the Company's financial statement 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 Straits Financial LLC in accordance with U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission, the Commodity Futures Trading Commission ("CFTC"), and the PCAOB. We have served as Straits Financial LLC's auditor since 2018.

We conducted our audit in accordance with the standards of the PCAOB and the 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 financial statement is 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 statement, 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 statement. 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 statement. We believe that our audit provides a reasonable basis for our opinion.

Supplementary Schedules

The information contained in Schedules I through VII ("the supplementary schedules") has been subjected to audit procedures performed in conjunction with the audit of the Company's financial statement. The supplementary schedules are the responsibility of the Company's management. Our audit procedures included determining whether the supplementary schedules reconcile to the financial statement or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplementary schedules. In forming our opinion on the supplementary schedules, we evaluated whether the supplementary schedules, including their form and content, are presented in conformity with Regulation 1.10 of the Commodity Exchange Act. In our opinion, the supplementary schedules are fairly stated, in all material respects, in relation to the financial statement as a whole.

Ryan & Juraska LLP

Chicago, Illinois
February 18, 2021

Straits Financial LLC

Statement of Financial Condition December 31, 2020

Assets	
Cash and restricted cash	\$ 263,249
Cash segregated under federal and other regulations	167,113,209
Deposits with clearing organizations	200,136,563
Receivables:	
Clearing brokers	22,092,098
Customers	1,313,551
Related parties	1,964,432
Brokers	309,640
Other	2,836
Exchange memberships, at cost (fair value \$1,672,000)	2,778,000
Lease Right-of-Use Asset	134,053
Furniture, equipment and software, at cost (net of accumulated depreciation and amortization of \$352,586)	27,103
Other assets	330,280
	<hr/>
Total assets	\$ 396,465,014
	<hr/> <hr/>
Liabilities and Members' Equity	
Liabilities	
Payables:	
Customers	\$ 356,217,163
Noncustomers	247,704
Related parties	8,312
Lease Liability	144,598
Accounts payable, accrued expenses and other liabilities	4,376,938
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Total liabilities	360,994,715
Members' Equity	<hr/>
	35,470,299
	<hr/>
Total liabilities and members' equity	\$ 396,465,014
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See Notes to Statement of Financial Condition

Notes to Financial Statement

Note 1. Nature of Operations and Significant Accounting Policies

Nature of operations: Straits Financial LLC (SFL or the Company), an Illinois limited liability company organized on October 13, 2010, is registered as a futures commission merchant with the Commodity Futures Trading Commission and is a member of the National Futures Association. SFL is a full clearing member of the Chicago Mercantile Exchange, Chicago Board of Trade, New York Mercantile Exchange, Commodity Exchange, CBOE Futures Exchange, Nasdaq Futures Exchange, Dubai Mercantile Exchange, Clearport and New Zealand Exchange. SFL provides execution and clearing services for professional traders, institutional clients and individual investors. The majority owner of SFL is Straits (USA) Inc., an Illinois Corporation which is 100% owned by Straits Financial Group Pte, Ltd (SFG), a Singapore Corporation. SFG is primarily owned by CWT Limited (CWT), also a Singapore Corporation. CWT is a wholly-owned subsidiary of HNA Belt and Road Investments (Singapore) Pte. Ltd. (HNA), a Singapore Corporation that is wholly-owned by HNA Holding Group Co. Limited, a Hong Kong Corporation.

Accounting policies: The Company follows accounting principles generally accepted in the United States of America (GAAP), as established by the Financial Accounting Standards Boards (the FASB), 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 disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

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

Derivatives: Derivative contracts can be exchange-traded or over the counter (OTC). Exchange-traded derivatives typically fall within Level 1 or Level 2 of the fair value hierarchy depending on whether they are deemed to be actively traded or not. The Company defines an active market based on the liquidity of the product. OTC derivatives are valued using market transactions and other market evidence whenever possible, including market-based inputs to models, broker or dealer quotations, or alternative pricing sources with reasonable levels of price transparency.

Exchange memberships Exchange memberships which represent ownership in the exchanges and provide the Company with the right to conduct business on the exchanges, are reflected in the statement of financial condition at cost, net of impairment. GAAP requires that such memberships be recorded at cost or, if an other-than-temporary impairment in value has occurred, at a value that reflects management's estimate of fair value. In the opinion of management, no other-than-temporary impairment has occurred.

Revenue recognition: The Company recognizes revenue in accordance with ASC Topic 606 *Revenue from Contracts with Customers* effective in 2018. The recognition and measurement of revenue is based on the assessment of individual contract terms. Significant judgement is required to determine whether performance obligations are satisfied at a point in time or over time.

The Company buys and sells futures and options on behalf of customers. Each time a customer enters into a buy or sell transaction, the Company charges a commission. Commissions and related clearing expenses are recorded on the trade date. 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.

Straits Financial LLC

Notes to Financial Statement

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

Depreciation and amortization: Depreciation of furniture and equipment and amortization of software is computed using the straight-line method over the estimated useful lives of the assets.

Income taxes: The Company is taxed as a partnership under the provisions of the Internal Revenue Code and, accordingly, is not subject to federal income taxes. Instead, the members are liable for the federal income taxes on their respective shares of taxable income or loss. FASB provides guidance for how uncertain tax positions should be recognized, measured, disclosed and presented in the financial statements.

The guidance 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, 2020. The Company is not subject to examination by U.S. federal, state, and foreign tax authorities for tax years before 2017.

Translation of foreign currencies: Assets and liabilities denominated in foreign currencies are translated at year-end exchange rates.

Restricted cash: Restricted cash of \$27,000 is included in cash and restricted cash on the statement of financial condition. The restricted cash is held in the form of a certificate of deposit and represents funds set aside in accordance with the Company's irrevocable standby letter of credit pursuant to the terms of the Company's operating lease dated November 30, 2010 and amended on both July 29, 2015 and August 5, 2020. The restriction will lapse when the operating lease expires. The Company reports restricted cash in accordance with FASB Statement of Cash Flows ("ASC Topic 230").

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

At December 31, 2020, assets segregated or held in separate accounts under federal and other regulations included in the statement of financial condition are as follows:

Segregated for customers trading on U.S. futures exchanges:

Cash at bank	\$ 152,885,764
Deposits with clearing organizations	194,624,688
Receivable from clearing brokers	10,408,389
	<u>\$ 357,918,841</u>

Held in separate accounts for foreign futures and options customers:

Cash at bank	\$ 14,227,445
Receivable from clearing brokers	11,278,596
	<u>\$ 25,506,041</u>

Straits Financial LLC

Notes to Financial Statement

Note 3. Deposits with Clearing Organizations

At December 31, 2020, deposits with clearing organizations consisted of the following:

Margin deposits	
Cash	\$ 3,557,195
U.S. government securities	189,868,377
Settlement due from clearing organizations	1,244,406
Guarantee deposits	
Cash	2,469,315
U.S. government securities	2,997,270
	<u>\$ 200,136,563</u>

Note 4. Receivable From and Payable 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. Securities owned by customers and held by the Company as collateral or as margin and the value of option positions owned by customers are not reflected in the statement of financial condition. The Company holds customers' securities in either CFTC regulated bank safekeeping accounts or as margin with exchange clearing organizations or clearing brokers. The Company held customer owned spot commodities of \$181,306 at December 31, 2020. U.S. government securities representing investments of customers' funds have been deposited as margin with the exchange clearing organizations and clearing brokers. As of December 31, 2020, the fair value of securities on deposit was \$189,933,789. At December 31, 2020, the Company also held \$47,561,631 of customer net short options on futures contracts, which are pledged at the exchange clearing organizations. The fair value of net customers' options positions totaled (\$10,049,445).

Note 5. Furniture, Equipment and Software

At December 31, 2020, furniture, equipment and software consisted of the following:

Computers, equipment and software	\$ 295,876
Furniture and fixtures	83,813
	<u>379,689</u>
Accumulated depreciation and amortization	<u>(352,586)</u>
	<u>\$ 27,103</u>

Note 6. Related-Party Transactions

At and during the year ended December 31, 2020, the Company had the following related-party transactions:

Entity - Affiliated due to common ownership by CWT Limited	Amount	Receivable/ Payable	Nature of item
Straits (USA), Inc	\$ 1,428,105	Receivable	Reimbursement for operating expenses
Straits Financial Fund Management	\$ 518,262	Receivable	Reimbursement for start-up expenses
Straits Financial Services Pte Ltd (SFS)	\$ 8,333	Receivable	Trade receivables owed from SSPL
Orient Cache Limited (OCL)	\$ 6,353	Receivable	December commissions owed to affiliate
Straits Singapore Pte Ltd (SSPL)	\$ 3,379	Receivable	Trade receivables owed from SSPL
Straits Financial Indonesia (SFI)	\$ 8,272	Payable	Commissions owed to affiliate for 2020.
Straits Financial Group Pte Ltd (SFG)	\$ 41	Payable	Reimbursement for postage expenses.

Straits Financial LLC

Notes to Financial Statement

Note 7. Leases

The Company conducts its operations in leased office facilities, and annual rentals are charged to current operations. One such lease is subject to an escalation clause based on the operating expenses of the lessor.

At December 31, 2020, minimum annual rental commitments under leases which have an initial or remaining term of one year or more were as follows:

Year ending December 31:	Operating
2021	\$ 145,756
	<u>\$ 145,756</u>

The Company recognizes and measures its leases in accordance with FASB ASC 842, *Leases*. The Company is a lessee in multiple non-cancellable operating leases, for office space. The Company determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are changed. The Company recognizes a lease liability and a right of use (ROU) asset at the commencement date of the lease. The lease liability is initially and subsequently recognized based on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or a rate. The discount rate is the implicit rate if it is readily determinable or otherwise the Company uses its incremental borrowing rate. The implicit rates of the Company's leases are not readily determinable and accordingly, the Company uses an incremental borrowing rate based on the information available at the commencement date for all leases. The Company's incremental borrowing rate for a lease is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms and in a similar economic environment. The ROU asset is subsequently measured throughout the lease term at the amount of the re-measured lease liability (i.e., present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received, and any impairment recognized. Lease cost for lease payments is recognized on a straight-line basis over the lease term. The amendment is effective for the non-public companies beginning after December 15, 2021 with early adoption being permitted. The Company elected early adoption in 2019. Management believes the impact of Topic 842 has no material impact on its statement of operations.

The Company has elected, for all underlying classes of assets, to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement, and do not include an option to purchase the underlying asset that the Company is reasonably certain to exercise. The Company recognizes lease cost associated with the Company's short-term leases on a straight-line basis over the lease term. The Company made an accounting policy election by class of underlying asset, for computers and other office equipment, to account for each separate lease component of a contract and its associated non-lease components (lessor-provided maintenance) as a single lease component.

Note 8. Contingencies

The Company is subject to litigation, regulatory, and arbitration 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 have a material effect on the financial position of the Company.

Note 9. Fair Value Measurements and Disclosure

FASB ASC 820 defines fair value, establishes a framework for measuring fair value, and establishes a hierarchy of fair value inputs. U.S. government securities, commodity futures and options are carried 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. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the

Notes to Financial Statement

Note 9. Fair Value Measurements and Disclosure (Continued)

asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach, as specified by FASB ASC 820, are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.
- Level 2 Inputs other than quoted process included within level 1 that are observable for the asset or liability either directly or indirectly.
- Level 3 Unobservable inputs for the asset or liability.

The availability of observable inputs can vary from investment to investment and is affected by a wide variety of factors, including the type of investment, the liquidity of the markets and other characteristics particular to the investment. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment.

Accordingly, the degree of judgment exercised by the Company in determining fair value is greatest for investments categorized in level 3. The inputs used to measure 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 wherein the fair value measurement fails in its entirety is determined based on the lowest level input that is significant to the fair value measurement. U.S. government securities and other cash investments that trade in active markets and are valued using quoted market prices with reasonable levels of price transparency are classified within Level 1 of the fair value hierarchy. Instruments that are not actively traded and are valued based on quoted prices in markets or by reference to Company or dealer quotations are generally classified within Level 2 of the fair value hierarchy. Exchange traded futures and options contracts are valued based on exchange settlement prices and are typically categorized within Level 1 or Level 2 of the fair value hierarchy, depending on whether or not they are deemed to be actively traded.

Derivatives held for trading purposes include both OTC and exchange-traded derivatives. The fair values of exchange-traded derivatives measured using observable exchange prices are included in level 1 of the fair value hierarchy. For exchange-traded derivatives where the volume of trading is low, the observable exchange prices may not be considered executable at the reporting date. These derivatives are valued in the same manner as similar observable OTC derivatives and are included in level 2 of the fair value hierarchy. If the similar OTC derivative used for valuing the exchange-traded derivative is not observable, the exchange-traded derivative is included in level 3 of the fair value hierarchy.

The fair values of OTC derivative are determined on the basis of industry standard models. The model uses various observable and unobservable inputs in order to determine fair value. The inputs include those characteristics of the derivative that have a bearing on the economics of the instrument. Where observable inputs (prices from exchanges, dealers, brokers or market consensus data providers) are not available, attempts are made to infer values from observable prices through model calibration (spot and forward rates, mean reversion, benchmark interest rate curves and volatility inputs for commonly traded option products). For inputs that cannot be derived from other sources, estimates from historical data may be categorized as level 2 instruments, while those where the majority of the value is derived from unobservable inputs are categorized as level 3 of the fair value hierarchy.

Notes to Financial Statement

Note 9. Fair Value Measurements and Disclosure (Continued)

At December 31, 2020, the Company's Level 1 investments deposited at clearing organizations in segregated and non-segregated accounts consisted of U.S. government securities with a fair value of \$189,933,789 and \$2,997,933 respectively. The Company held Level 2 investments which consisted of OTC forward contracts of (\$56,039) and are included in payable to non-customers on Statement of Financial Condition. The Company held no Level 3 investments at December 31, 2020.

Note 10. Indemnifications and Guarantees

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 obligation under these indemnifications to be remote.

The Company is a member of a clearing house and various exchanges. Associated with these 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 may 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 non-defaulting members of the exchange. The Company has not recorded any contingent liability in the financial statements for these guarantees, and management believes that any potential requirement to make payments under these guarantees is remote.

Note 11. Off-Balance Sheet Risk and Concentration of Credit Risk

The Company executes customer transactions in the purchase and sale of commodity futures contracts (including options on futures contracts), substantially all of which are transacted on a margin basis subject to individual exchange regulations. Such transactions may expose the Company to significant off-balance-sheet risk in the event margin requirements are not sufficient to fully cover losses that customers may incur. In the event the customer fails to satisfy its obligations, the Company may be required to purchase or sell futures contracts at prevailing market prices in order to fulfill the customer's obligations.

The Company controls this risk by monitoring margin collateral levels on a daily basis for compliance with regulatory and internal guidelines and requires additional collateral when necessary. The Company requires a customer to deposit additional margin collateral, or reduce positions, if it is determined that the customer's activities may be subject to above normal market risks. The Company believes that the deposits and collateral held at December 31, 2019 were adequate to minimize the risk of material loss that would be created by positions held at that time.

The Company also enters into various transactions with futures commission merchants and other financial institutions. Cash and derivative financial instruments on deposit with futures commission merchants collateralize amounts due to these futures commission merchants and serve to satisfy margin requirements. In the event these counterparties do not fulfill their obligations, the Company may be exposed to risk. This risk of default depends on the creditworthiness of the counterparties to these transactions. It is the Company's policy to monitor the creditworthiness of each party with which it conducts business.

At December 31, 2020, significant credit concentrations consisted of cash balances with four banks and cash deposits with the CME Group, Inc. of approximately \$167.4 million, and \$2.8 million, respectively. Management believes the Company does not have significant exposure to any credit risk on cash.

Straits Financial LLC

Notes to Financial Statement

Note 12. Small Business Loan

During the year ended December 31, 2020, the Company had a bank loan through the US Small Business Administration. The loan of \$433,750 was due April 2025, with an interest rate of 1.0 percent. The Company utilized the loan to pay for the required expenses per the paycheck protection program guidelines and was forgiven during the year.

Note 13. Net Capital Requirements

SFL is subject to net capital requirements pursuant to Regulation 1.17 under the Commodity Exchange Act, as amended. Under Regulation 1.17, SFL is required to maintain “adjusted net capital” equivalent to the greater of \$1,000,000 or the sum of 8 percent of customer and non-customer risk maintenance margin requirements. At December 31, 2020, under Regulation 1.17, SFL's net capital requirement and adjusted net capital were \$10,453,821 and \$26,789,108, respectively. The net capital requirements may effectively restrict member withdrawals. In addition, SFL is subject to CME Group, Inc. net capital requirements of \$5,000,000.

Note 14. Subsequent Events

The Company's management has evaluated events and transactions through February 18, 2021, the date the financial statements were available to be issued, and noted none.

Supplementary Schedules

Straits Financial LLC**Statement of the Computation of the Minimum Capital Requirements
December 31, 2020****Schedule I**

Total current assets, as defined		\$	380,001,400
Adjusted total liabilities, as defined			<u>351,085,766</u>
Net capital			28,915,634
Charges against net capital:			
US government obligations (fair market value - \$192,931,722)	\$	922,093	
Uncovered inventory		365	
Uncovered OTC margin charges		278,800	
Foreign broker charge		176,010	
Uncovered Forward Contracts		13,195	
Undermargined customer accounts		<u>736,063</u>	<u>2,126,526</u>
Adjusted net capital		\$	26,789,108
Net capital required using risk-based requirement:			
Amount of customer and non-customer risk maintenance margin		<u>130,672,757</u>	
8 percent of customer and non-customer risk-based requirement			<u>10,453,821</u>
Minimum dollar amount requirement			1,000,000
Minimum requirement			<u>10,453,821</u>
Excess net capital			<u>16,335,287</u>
Computation of Early Warning -110% of risk-based minimum capital requirement		\$	<u><u>11,499,203</u></u>

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

Straits Financial LLC**Reconciliation of the Statement of Financial Condition to the
Statement of the Computation of the Minimum Net Capital Requirements
December 31, 2020****Schedule II****Assets**

Total assets reflected in the statement of financial condition		\$	396,465,014
Market value of options owned by customers			(10,049,445)
Market value of options owned by non-customers			(40,810)
Customer owned spot commodities			181,306
Other adjustment of government securities			66,074
			<u>386,622,139</u>

Less noncurrent assets included in total assets:

Restricted cash	\$	27,000	
Other assets		330,280	
Receivables from customers		1,042,395	
Receivables from related parties		1,964,432	
Receivables from brokers		315,471	
Other receivables		2,005	
Exchange memberships		2,778,000	
Finance Lease Right-of-Use Asset, net		134,053	
Furniture, equipment and software, net		27,103	(6,620,739)
			<u>(6,620,739)</u>

Total current assets, as defined**\$ 380,001,400****Liabilities**

Total liabilities reflected in the statement of financial condition		\$	360,994,715
Market value of options owned by customers			(10,049,445)
Market value of options owned by non-customers			(40,810)
Customer owned spot commodities			181,306
			<u>(9,908,949)</u>

Adjusted total liabilities, as defined**\$ 351,085,766**

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

Straits Financial LLC

**Statement of Segregation Requirements and Funds in Segregation for Customers
Trading on U.S. Commodity Exchanges
December 31, 2020**

Schedule III

Segregation Requirements (Section 4d(2) of the CEAct)

Net ledger balance:	
Cash	\$ 310,909,619
Securities at market	181,306
Net unrealized profit in open futures contracts traded on a contract market	27,499,259
Exchange traded options:	
Market value of open options contracts purchased on a contract market	37,580,406
Market value of open options (sold) on a contract market	<u>(47,629,851)</u>
Net equity	328,540,739
Accounts liquidating to a deficit and accounts with debit balances with no open trades	<u>1,313,545</u>
Amount required to be segregated	<u><u>\$ 329,854,284</u></u>
<u>Funds in Segregated Accounts</u>	
Deposited in segregated funds bank accounts:	
Cash	\$ 152,885,764
Securities representing investments of customer's funds (at market)	-
Margins on deposit with clearing organizations of contract markets:	
Cash	3,508,245
Securities representing investments of customer's funds (at market)	189,933,789
Securities held for particular customers or option customers in lieu of cash (at market)	-
Net settlement due to clearing organizations of contract markets	1,248,066
Exchange traded options:	
Value of open long option contracts	37,005,718
Value of open short option contracts	(47,561,631)
Net equities with other futures commission merchants:	
Net liquidating equity	10,914,856
Securities representing investments of customer's funds (at market)	-
Segregated funds on hand (warehouse receipts)	<u>181,306</u>
Total amount in segregation	<u><u>\$ 348,116,113</u></u>
Excess funds in segregation	<u><u>\$ 18,261,829</u></u>
Management Target Amount Excess funds in segregation	<u><u>\$ 2,000,000</u></u>
Excess funds in segregation over Management Target Amount Excess	<u><u>\$ 16,261,829</u></u>

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

Straits Financial LLC

**Reconciliation of the Statement of Financial Condition to the
Segregation Statement (U.S. Exchanges)
December 31, 2020**

Schedule IV

Customers' Segregated Funds per Statement of Financial Condition (Note 2)	\$ 357,918,841
Add:	
Spot commodities owned by customers	181,306
Value of customers' open long futures options contracts	37,580,406
Deduct:	
Value of customers' open short futures options contracts	(47,629,851)
Other adjustments of government securities	65,411
Total Amount in Segregation	<u><u>\$ 348,116,113</u></u>

Straits Financial LLC

Segregation Requirement and Funds in Segregation - Customers' Dealer Options and Cleared Swaps Customer Accounts

Schedule V

December 31, 2020

The Company does not carry customers' dealer option accounts as defined by Commodity Exchange Act Regulation 32.6. Therefore, the Company is exempt from the provisions of Regulation 32.6.

The Company does not carry cleared swap customer accounts as defined by Commodity Exchange Act Regulation 4d(f). Therefore, the Company is exempt from the provisions of Regulation 4d(f).

Straits Financial LLC

**Statement of Secured Amounts and Funds Held in Separate
Accounts for Foreign Futures and Foreign Options Customers
Pursuant to Commission Regulation 30.7
December 31, 2020**

Schedule VI

Foreign Futures and Foreign Options Secured Amounts

Net ledger balance - Foreign Futures and Foreign Option Trading - All Customers:		
Cash		\$ 16,195,235
Net unrealized gain in open futures contracts traded on a foreign board of trade		299,500
Exchange traded options:		
Market value of open options contracts purchased on a foreign board of trade		-
Market value of open options granted (sold) on a foreign board of trade		-
Net equity		<u>16,494,735</u>
Accounts liquidating to a deficit and accounts with debit balances with no open trades		<u>6</u>
Amount required to be set aside as the secured amount - Net Liquidating Equity Method		<u><u>\$ 16,494,741</u></u>
<u>Funds deposited in separate Regulation 30.7 accounts:</u>		
Cash in banks located in the United States		\$ 14,227,445
Equities with registered futures commission merchants		
(StoneX Financial Inc, R.J. O'Brien)	\$ 3,651,648	
Unrealized gain (loss) on open futures contracts	638,358	
Value of long options contracts	-	
Value of short options contracts	-	4,290,006
Amounts held by members of foreign boards of trade		
(CIMB, CGS-CIMB, Nissan, StoneX Financial LTD)	7,327,238	
Unrealized gain (loss) on open futures contracts	(338,648)	
Value of short options contracts	-	6,988,590
Total funds in separate Section 30.7 accounts		<u>\$ 25,506,041</u>
Excess funds in separate Section 30.7 accounts		<u><u>\$ 9,011,300</u></u>
Management Target Amount For Excess funds in separate 30.7 accounts		<u><u>\$ 300,000</u></u>
Excess funds in separate 30.7 accounts over Management Target Amount Excess		<u><u>\$ 8,711,300</u></u>

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

Straits Financial LLC

**Reconciliation of the Statement of Financial Condition to the
Secured Statement (Non-U.S. Exchanges)
December 31, 2020**

Schedule VII

Customers' Secured 30.7 Funds per Statement of Financial Condition (Note 2)	\$	25,506,041
Add:		
Value of customers' open long futures options contracts		-
Deduct:		
Value of customers' open short futures options contracts		-
Total Funds in Separate Section 30.7 Accounts	\$	<u>25,506,041</u>