ING Financial Markets LLC

(A Wholly Owned Subsidiary of ING Financial Holdings Corporation)

Statement of Financial Condition

June 30, 2026

(Unaudited)

ING

ING Financial Markets LLC
(A Wholly Owned Subsidiary of ING Financial Holdings Corporation)

Statement of Financial Condition

June 30, 2026

(Unaudited)

Contents

ING Financial Markets LLC

(A Wholly Owned Subsidiary of ING Financial Holdings Corporation)

Statement of Financial Condition

June 30, 2026
(In Thousands)
(Unaudited)

Assets	
Cash	$ 29,618
Securities borrowed	20,122,215
Securities purchased under agreements to resell, ($11,687,603 at fair value)	13,087,840
Securities received as collateral, at fair value	4,544,258
Receivable from affiliates	1,348
Receivable from brokers, dealers, and clearing organizations	430,148
Receivable from customers	6,264,093
Financial instruments owned, at fair value (includes $610,762 pledged as collateral)	726,093
Financial instruments owned, not readily marketable, at fair value	5,356
Other assets	26,790
Total assets	$ 45,237,759
Liabilities and Member's Equity	
Short-term loan from affiliates	$ 3,069,621
Securities loaned	5,844,093
Securities sold under agreements to repurchase, at fair value	28,762,451
Payable to brokers, dealers, and clearing organizations	274,763
Payable to customers	462,058
Financial instruments sold, not yet purchased, at fair value	486,641
Obligation to return securities received as collateral, at fair value	4,544,258
Accounts payable, accrued expenses, and other liabilities	34,724
Total liabilities	43,478,609
Member's Contributions	1,703,038
Retained Earnings	56,112
Total Member's Equity	1,759,150
Total liabilities and member's equity	$ 45,237,759

See accompanying notes to financial statements.

ING Financial Markets LLC
(A Wholly Owned Subsidiary of ING Financial Holdings Corporation)

Notes to Financial Statements

June 30, 2026
(In Thousands)
(Unaudited)

1. Organization

ING Financial Markets LLC (the Company) is a wholly owned subsidiary of ING Financial Holdings Corporation (the Parent). The Parent is an indirect, wholly owned subsidiary of ING Groep N.V. The Company was formed in Delaware on March 28, 2002. The Company is a registered broker-dealer with the Securities and Exchange Commission (SEC), a member of the Financial Industry Regulatory Authority (FINRA), a member of the Securities Investor Protection Corporation (SIPC), a netting member of the Government Securities Division of the Fixed Income Clearing Corporation (FICC), and a member of various exchanges. The Company primarily provides customer facilitation services for equity and fixed income securities, securities lending activities, repurchase and resale transactions, principal trading in fixed income securities, underwriting services, and clearing and custodial services for affiliates.

The Company self-clears fixed income securities, U.S. exchange traded funds, equity securities, securities borrowed and loaned, securities purchased under agreements to resell, and securities sold under agreements to repurchase.

2. Summary of Significant Accounting Policies

(a) Basis of Presentation

The Company prepares its financial statements in accordance with U.S. generally accepted accounting principles (U.S. GAAP).

(b) Use of Estimates

In preparing the financial statements, management is required 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 in addition to the reported amounts of revenues and expenses during the reporting period. The most important of these estimates and assumptions relate to fair value measurements. Management believes that the estimates utilized in the preparation of the financial statements are reasonable; however, actual results could differ from those estimates.

2. Summary of Significant Accounting Policies (continued)

(c) Cash

The Company maintains cash at federally insured banking institutions. Cash on deposit with financial institutions may, at times, exceed federal insurance limits.

(d) Securities Purchased Under Agreements to Resell and Securities Sold Under Agreements to Repurchase

Securities purchased under agreements to resell and securities sold under agreements to repurchase are accounted as collateralized financing transactions. The Company's Global Securities Financing portfolio transactions are recorded at fair value and the Company's Global Treasury portfolio transactions are recorded at the contracted resale or repurchase amounts as specified in the respective agreements. The gains or losses from the fair value adjustments are reported in Principal Transactions, net. As described in Note 9 to the financial statements, the Company uses the income approach which is based on a cash flow discounting methodology to determine the fair value of securities purchased under agreements to resell and securities sold under agreements to repurchase. Such transactions are mainly collateralized by U.S. Treasuries, mortgage-backed securities, government agencies, and corporate bonds. The Company's exposure to credit risk associated with the nonperformance of counterparties in fulfilling these contractual obligations can be directly impacted by market fluctuations, which may impair the counterparties' ability to satisfy their obligations. It is the Company's policy to obtain possession of collateral related to securities purchased under agreements to resell with a market value equal to or in excess of the principal amount loaned. The market value of securities to be repurchased or resold is valued daily and the Company may require counterparties to deposit additional collateral or return collateral pledged when appropriate.

The Company executes a large portion of its repurchase and reverse repurchase agreements with members of Fixed Income Clearing Corporation (FICC). FICC minimizes the risks to its members by guaranteeing the settlement of each transaction. FICC interposes itself between the Company and other members and becomes the legal counterparty for settlement purposes. On a daily basis, FICC calculates the fair value of each participant's position and compares it to the contract amount. Any difference is collected from, or paid to, each counterparty by FICC, as applicable.

2. Summary of Significant Accounting Policies (continued)

(d) Securities Purchased Under Agreements to Resell and Securities Sold Under Agreements to Repurchase (continued)

It is the Company's policy to net securities purchased under agreements to resell and securities sold under agreements to repurchase for which FICC is the counterparty provided the conditions of ASC 210-20-45-11, Balance Sheet – Offsetting: Repurchase and Reverse Repurchase Agreements, are met.

Accrued interest receivable and payable for these agreements are reported within Receivable from and Payable to brokers, dealers, and clearing organizations in the statement of financial condition. Interest income and interest expense are recognized using the effective interest method. These amounts are presented within Interest and dividend income and Interest and dividend expense in the Statement of Income.

The allowance for expected credit losses for securities purchased under agreements to resell is measured at the difference between the security's amortized cost without considering the allowance for credit loss and the fair value. Due to the collateral pledged by counterparties, the expectation of nonpayment of the amortized cost basis is zero.

(e) Securities Borrowed and Securities Loaned

Securities borrowed and securities loaned are collateralized financing arrangements that are recorded at the amount of cash collateral advanced or received. Securities borrowed transactions require the Company to deposit cash with the lender of the securities. With respect to securities loaned, the Company receives collateral in the form of cash and securities in an amount generally in excess of the market value of securities loaned. The Company monitors the market value of securities borrowed and loaned daily with additional collateral obtained or refunded as necessary.

2. Summary of Significant Accounting Policies (continued)

(e) Securities Borrowed and Securities Loaned (continued)

Accrued rebates are reported within Receivable from and Payable to brokers, dealers, and clearing organizations in the statement of financial condition. Rebate income and expenses are recognized using the effective interest method and are presented within Interest and dividend income and Interest and dividend expense in the Statement of Income.

(f) Financial Instruments Owned and Financial Instruments Sold, Not Yet Purchased, at Fair Value

Financial instruments owned and financial instruments sold, not yet purchased, are primarily used in principal trading activities. These financial instruments are principally fixed-income securities and are recorded at fair value based upon quoted market prices. These financial instruments are recorded on a trade-date basis. Both realized and unrealized gains and losses are included in Principal Transactions, net in the Statement of Income.

(g) Securities Transactions

The Company records principal securities transactions, including realized and unrealized trading gains and losses, and related expenses on a trade-date basis. Customers' securities transactions are recorded on a settlement-date basis with related commission income and expense accounted for on a trade-date basis. Amounts receivable and payable for securities transactions that have not reached their contractual settlement date are recorded net in the statement of financial condition under Receivable from or Payable to brokers, dealers, and clearing organizations.

2. Summary of Significant Accounting Policies (continued)

(h) Credit Losses

The Company accounts for expected credit losses in accordance with ASC 326, Financial Instruments – Credit Losses. The current expected credit loss ("CECL") model requires the Company to estimate a reserve for expected credit losses over the life of financial assets measured at amortized cost based on historical experience, current conditions and reasonable and supportable forecasts. The Company applies the collateral maintenance practical expedient for collateralized financing arrangements. The adoption of this expedient has resulted in the Company not recognizing an allowance of expected credit losses for these arrangements.

For certain financial assets measured at amortized cost, including receivables from brokers, dealers, clearing organizations, and customers, the Company evaluated expected credit losses considering the short-term nature of the exposures, historical loss experience, and the credit quality of counterparties. Based on this assessment, no allowance for credit losses was recorded.

(i) Income Taxes

The Company is included in the consolidated federal and combined state and local income tax returns filed by the Parent. Federal income taxes are calculated as if the Company filed on a modified separate company approach and the amount of current tax provision or benefit calculated is either remitted to or received from the Parent. The Company accounts for income taxes in accordance with ASC 740, *Income Taxes*. The Company is subject to a tax sharing agreement with the Parent whereby the Company's tax provision is calculated on a modified separate company approach.

2. Summary of Significant Accounting Policies (continued)

(j) Translation of Foreign Currencies

Assets and liabilities denominated in foreign currencies are translated at the rates of exchange prevailing at the close of business at the statement of financial condition date with resulting gains and losses reflected in the Statement of Income. Statement of Income accounts are translated at average rates of exchange during the year. Net gains and losses resulting from foreign currency transactions are included in the Statement of Income under other expenses.

(k) Accounting Developments- Changes effective in 2026

In November 2024, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses (DISE). The guidance requires disclosures in the notes to the financial statements of disaggregated information about certain income statement expense line items. The standard is effective for annual reporting periods beginning January 1, 2027, and interim periods beginning January 1, 2028. The Company is evaluating the impact that this guidance will have on its financial statement disclosures.

3. Collateralized Transactions

The Company enters into securities purchased under agreements to resell, securities sold under agreements to repurchase, securities borrowed and securities loaned transactions to, among other things, acquire securities to cover short positions and settle other securities obligations, to accommodate customers' needs and to finance the Company's inventory positions. The Company manages credit exposure arising from such collateralized transactions by, in appropriate circumstances, entering into enforceable master netting agreement and collateral agreements with counterparties. Such agreements provide the Company, in the event of a counterparty default (such as bankruptcy or counterparty's failure to pay or perform), the right to set off a counterparty's rights and obligations under such agreement and liquidate and net collateral against the net amount owed by the counterparty.

3. Collateralized Transactions (continued)

The Company's policy is generally to take possession of securities purchased under agreements to resell and securities borrowed; although in certain cases the Company may agree for such collateral to be posted to a third-party custodian under a tri-party arrangement that enables the Company to take control of such collateral in the event of a counterparty default.

(In Thousands)

3. Collateralized Transactions (continued)

Offsetting of Certain Collateralized Transactions

The following table presents information about the offsetting of these instruments and related collateral amounts.

	Gross Amounts (i)	Amounts Offset on the Statement of Financial Condition[1] (ii)	Net Amounts Presented on the Statement of Financial Condition (iii) = (i) – (ii)	Financial Instruments Not Offset on the Statement of Financial Condition[2][3] (iv)	Net Amount (v) = (iii) – (iv)
Assets					
Securities purchased under agreements to resell	$ 46,400,601	$ 33,312,761	$ 13,087,840	$ 12,599,733	$ 488,107
Securities borrowed	20,122,215	–	20,122,215	19,867,751	254,465
Securities received as collateral, at fair value .	4,544,258	–	4,544,258	4,544,258	–
Liabilities					
Securities sold under agreements to repurchase	$ 62,075,212	$ 33,312,761	$ 28,762,451	$ 28,759,797	$ 2,654
Securities loaned	5,844,093	–	5,844,093	5,752,272	91,821
Obligation to return securities received as collateral, at fair value	4,544,258	–	4,544,258	4,544,258	–

(1) Represents amounts related to master netting agreements and collateral agreements which have been determined by the Company to be legally enforceable in the event of default and where applicable netting criteria are met in accordance with U.S. GAAP.

(2) Represents amounts related to master netting agreements and collateral agreements where certain criteria are not met in accordance with U.S. GAAP or management has made an election not to offset.

(3) The total amount reported is limited to the related amount presented on the statement of financial condition to not include any over-collateralization of these positions.

(In Thousands)

3. Collateralized Transactions (continued)

Secured Financing Transactions—Maturities and Collateral Pledged

The following tables present gross obligations for repurchase agreements, securities loaned transactions and obligations to return securities received as collateral by remaining contractual maturity and class of collateral pledged as of June 30, 2026.

	Remaining Contractual Maturity				
	Overnight and Open	Less than 30 days	30-90 days	Over 90 days	Total
Securities sold under agreements to repurchase[1]	$ 53,101,694	$ 1,945,375	$ 6,502,726	$ 525,417	$ 62,075,212
Securities loaned	3,394,628	165,613	1,883,864	399,989	5,844,093
Obligation to return securities received as collateral	4,544,258	–	–	–	4,544,258
Total	$ 61,040,580	$ 2,110,988	$ 8,386,590	$ 925,405	$ 72,463,563

Collateral Pledged:	Securities Sold under Agreements to Repurchase at Fair Value	Securities Loaned	Obligation to Return Securities Received as Collateral	Total
U.S. government and federal agency securities	$ 43,863,657	$ 1,171,211	$ 8,190	$ 45,043,057
Mortgage and asset-backed securities	9,105,680	–	–	9,105,680
Corporate debt securities	1,099,293	–	–	1,099,293
Corporate equity securities	7,970,500	4,672,882	4,536,068	17,179,450
Other	36,082	–	–	36,082
Total	$ 62,075,212	$ 5,844,093	$ 4,544,258	$ 72,463,563

(1) Amounts presented on a gross basis, prior to netting as shown on the Company's statement of financial condition.

4. Securities Received and Pledged as Collateral

The Company enters into secured borrowing and lending transactions as a part of its normal course of business. The Company receives collateral in connection with securities purchased under agreements to resell, securities borrowed transactions, securities lending transactions and borrow/pledge transactions. The Company generally is permitted to sell or repledge these securities held as collateral and use them to secure securities sold under agreements to repurchase, enter into securities lending transactions or deliver to counterparties to cover short positions.

The Company receives securities as collateral in connection with securities lending transactions in which the Company acts as a lender. In instances where the Company is permitted to sell or repledge these securities as collateral, the Company reports the fair value of the collateral received and the related obligation to return the collateral for the same amount in the statement of financial condition. At June 30, 2026, $4,544,258 was reported as Securities received as collateral and an Obligation to return securities received as collateral in the statement of financial condition.

At June 30, 2026, the fair value of securities received as collateral that the Company was permitted to sell or repledge was $ 49,688,055, of which approximately $ 48,851,828 had been either pledged or otherwise transferred to others in connection with the Company's financing activities, such as to secure repurchase agreements, enter into securities lending transactions, to meet regulatory requirements including the customer protection rule or cover short positions.

5. Receivable from and Payable to Customers

Receivables from and payables to customers primarily consist of amounts due from or due to customers arising from cash transactions, the majority of which relate to transactions with an affiliate. Other balances include amounts arising from failed deliveries and failed receipts of securities. In the event of a failure to deliver securities to, or receive securities from, a customer, the Company records corresponding receivables from customers or payables to customers, respectively, on a settlement-date basis. For receivables, securities owned by customers are held as collateral; however, such collateral is not reflected in the statement of financial condition.

At June 30, 2026, amounts receivable from customers and payable to customers were $6,264,093 and $462,058, respectively. These balances include an receivable of $6,250,500 and an payable of $454,606. Effective May 19, 2026, these balances became subject to a FINRA-approved Non-Confirming Subordination Agreement.

(In Thousands)

5. Receivable from and Payable to Customers (continued)

As a result, for purposes of SEC Rule 15c3-3, the balances are treated as non-customer amounts, are not subject to customer protection requirements, and are subordinated to the claims of the Company's other creditors. However, the balances continue to be presented within receivables from and payables to customers in the statement of financial condition based on their underlying nature for financial statement presentation purposes.

6. Receivable from and Payable to Brokers, Dealers, and Clearing Organizations

Amounts receivable from and payable to brokers, dealers, and clearing organizations at June 30, 2026 consist of the following:

	Receivable	Payable
Securities failed to deliver/receive	$ 2,811	$ 12,082
Deposits with clearing organizations	171,432	–
Due to/from brokers, dealers, and clearing organizations	1,271	63,727
Net Unsettled Trades	93,683	97,122
Fees, interest, rebates, and other receivable/payable	160,951	101,832
Total	$ 430,148	$ 274,763

Securities failed to deliver and receive represent the contract value of securities which have not been delivered or received by the Company on settlement date.

The Company self-clears its securities financing business which includes repurchase and reverse repurchase agreement transactions, and securities borrow and loan transactions.

(In Thousands)

7. Financial Instruments Owned and Financial Instruments Sold, Not Yet Purchased, at Fair Value

Financial instruments owned and financial instruments sold, not yet purchased, as of June 30, 2026 valued at quoted market prices. At June 30, 2026, these amounts were as follows:

	Financial Instruments Owned	Financial Instruments Sold, Not Yet Purchased
US Treasury	$ 23,342	$ 394,461
Corporate Obligations	662,376	71,965
Asset-backed securities	27,426	–
Equities	499	–
CDS	12,450	20,215
Total	$ 726,093	$ 486,641

Financial instruments sold, not yet purchased at fair value, include an obligation to purchase securities at a future date. Such securities have market risk to the extent subsequent market fluctuations may require the Company to repurchase the securities at prices in excess of the market value reflected in the statement of financial condition.

(In Thousands)

8. Related-Party Transactions

The Company is involved in secured financing and other transactions with affiliates and has significant related-party balances with affiliates.

The Company is subject to a tax sharing agreement with the Parent whereby the Company's tax provision is calculated on a separate entity basis and then allocated on a pro rata basis amongst the Parent group. The Company pays taxes to the Parent periodically during the year based on an estimated effective tax rate. At June 30, 2026, the Company has a tax payable to its Parent included in accounts payable, accrued expenses, and other liabilities of $8,205.

The Company maintains a funding agreement with its affiliate, ING Capital LLC, which is used to satisfy funding requirements in the normal course of business. Any funding provided matures on an overnight basis and the Company pays an interest rate calculated with reference to SOFR.

The following table sets forth the Company's related party assets and liabilities as of June 30, 2026:

Statement of Financial Condition Items	
Cash	–
Receivable from affiliates	1,348
Receivable from brokers, dealers, and clearing organizations	313
Receivable from customers	6,250,500
Securities borrowed	7,494,198
Securities purchased under agreements to resell	2,693,541
Total Assets	$ 16,439,900
Short-term loan to affiliates	3,069,621
Payable to brokers, dealers, and clearing organization	12,856
Payable to customers	454,729
Securities loaned	–
Securities sold under agreements to repurchase	2,336,439
Accounts payable, accrued expenses, and other liabilities	24,094
Total Liabilities	$ 5,897,739

9. Fair Value of Financial Instruments

ASC 820, *Fair Value Measurements and Disclosures*, defines fair value, establishes a framework for measuring fair value, and establishes a fair value hierarchy which prioritizes the inputs to valuation techniques. 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 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 ASC 820, are used to measure fair value.

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

- Level 1 inputs to the valuation methodology are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access.

- Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly.

- Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement.

(In Thousands)

9. Fair Value of Financial Instruments (continued)

The following table presents the Company's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis at June 30, 2026:

	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets				
Securities purchased under agreements to resell at fair value	$ –	$ 11,687,603	$ –	$ 11,687,603
Securities received as collateral				
U.S. Government	8,189	–	–	8,189
Corporate Obligations	–	–	–	–
Equities	4,536,068	–	–	4,536,068
Financial instruments owned, at fair value:				
US Government	23,342	–	–	23,342
Corporate Obligations	–	662,376	–	662,376
Equities	499	–	–	499
Asset-backed securities	–	27,426	–	27,426
CDS	–	12,450	–	12,450
Total	$ 4,568,098	$ 12,389,855	$ –	$ 16,957,953
Liabilities				
Securities sold under agreements to repurchase at fair value	$ –	$ 28,762,451	$ –	$ 28,762,451
Obligation to return securities received as collateral				
U.S. Government	8,189	–	–	8,189
Corporate Obligations	–	–	–	–
Equities	4,536,068	–	–	4,536,068
Financial instruments sold, not yet purchased, at fair value:				
US Government	394,461	–	–	394,461
Equities	–	–	–	–
Corporate Obligations	–	71,965	–	71,965
CDS	–	20,215	–	20,215
Total	$ 4,938,718	$28,854,631	$ –	$33,793,349

9. Fair Value of Financial Instruments (continued)

The following is a description of the valuation basis, including valuation techniques and inputs, used in measuring the Company's financial assets and liabilities that are accounted for at fair value on a recurring basis.

(a) U.S. Government

U.S. government and agency securities are measured based on quoted market prices and categorized within Level 1 of the fair value hierarchy.

(b) Corporate Obligations

Corporate bonds are measured primarily using pricing data from prices observed for recently executed market transactions and categorized within Level 2 of the fair value hierarchy.

(c) Equities

Exchange-traded equity securities are generally valued based on quoted prices from the exchange. To the extent these securities are actively traded, valuation adjustments are not applied, and they are categorized as Level 1 of the fair value hierarchy.

(d) Asset-Backed Securities

Asset-Backed Securities are measured primarily using pricing data from prices observed for recently executed market transactions and categorized within Level 2 of the fair value hierarchy.

(e) Credit default swaps ("CDS")

The Company enters into index CDS contracts, which are OTC derivative instruments used to manage credit risk associated with broader credit markets or specific credit market segments. These CDS positions are model-based and measured using observable inputs, and therefore are classified as Level 2.

9. Fair Value of Financial Instruments (continued)

Securities received as collateral and Obligation to return securities received as collateral consist of U.S. listed equities, Corporate debt, and U.S. Government Obligations.. These equities and exchange traded funds are valued based on quoted prices from the applicable U.S. exchange. To the extent these securities are actively traded, valuation adjustments are not applied and they are categorized in Level 1 of the fair value hierarchy. Corporate debt has been designated as Level 2, whose value have been determined via broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency.

There were no transfers in and out among the fair value hierarchy levels at June 30, 2026.

Financial Instruments Not Measured at Fair Value on a Recurring Basis

Some of the Company's financial instruments are not measured at fair value on a recurring basis but are recorded at amounts that approximate fair value due to their liquid or short-term nature. Such financial assets and financial liabilities include: Cash, Securities borrowed, Securities loaned, Collateralized financing transactions, Receivable from brokers, dealers, and clearing organizations, Receivable from customers, Payable to brokers, dealers, and clearing organizations, Payable to customers, and Short-term loan from affiliate.

Financial instruments owned, not readily marketable are Level 3 financial assets pertaining to the Company's investment in and Depository Trust & Clearing Corporation (DTCC) preferred and common shares. These securities are valued based on information provided by DTCC.

The table below presents the carrying value, fair value and fair value hierarchy category of certain financial instruments that are not measured at fair value in the statement of financial condition.

(In Thousands)

9. Fair Value of Financial Instruments (continued)

Financial Instruments Not Measured at Fair Value on a Recurring Basis

	Carrying Value	Fair Value	Level 1	Level 2	Level 3
Assets					
Cash	$ 29,618	$ 29,618	$ 29,618	$ –	$ –
Securities borrowed	20,122,215	20,122,215	–	20,122,215	–
Securities purchased under agreement to resell*	1,400,237	1,400,237	–	1,400,237	–
Receivable from brokers, dealers, and clearing organizations	430,148	430,148	171,432	258,717	–
Receivable from customers	6,264,093	6,264,093	–	6,264,093	–
Financial instruments owned, not readily marketable	5,356	5,356	–	–	5,356
Total	$ 28,251,667	$ 28,251,667	$ 201,050	$ 28,045,262	$ 5,356
Liabilities					
Short-term loan from affiliate	$ 3,069,621	$ 3,069,621	$ –	$ 3,069,621	$ –
Securities loaned	5,844,093	5,844,093	–	5,844,093	–
Securities sold under agreement to repurchase	–	–	–	–	–
Payables to brokers, dealers, and clearing organizations	274,763	274,763	–	274,763	–
Payables to customers	462,058	462,058	–	462,058	–
Total	$ 9,650,535	$ 9,650,535	$ –	$ 9,650,535	$ –

* Balance represents Securities purchased under agreement to resell that are segregated under the Customer Protection Rule.

9. Fair Value of Financial Instruments (continued)

Fair Value Option

The Company's Global Securities Financing portfolio accounts for Securities purchased under agreements to resell and Securities sold under agreements to repurchase at fair value under the fair value option election. The primary reason for electing fair value option is to reflect economic events in earnings on a timely basis. The fair value is computed using a standard cash flow discounting methodology. The inputs to the valuation include contractual cash flows and collateral funding spreads, which are estimated using various benchmarks and interest yield curves. Securities purchased under agreements to resell and Securities sold under agreements to repurchase are generally classified as level 2 because the inputs are observable.

The fair value of Securities purchased under agreements to resell and Securities sold under agreements to repurchase at June 30, 2026 is included in the table of Financial Instruments Measured at Fair Value on a Recurring Basis. Net loss resulting from the change in fair value during the year was ($390) and is recognized as part of Principal transactions, net.

10. Income Taxes

The Company is a single member limited liability company for federal, state, and local tax purposes, and accordingly, as of June 30, 2026, it was not subject to federal, state and local corporate income taxes directly, but is included in the consolidated and combined returns filed by the Parent.

The Company is subject to a tax sharing agreement with the Parent whereby the Company's tax provision is calculated on a modified separate company basis. As of June 30, 2026, the Company has a payable to the Parent of $8,205 related to income taxes reported under accounts payable, accrued expenses and other liabilities.

The difference between the expected statutory federal rate of 21% and the effective income tax rate of 24.52% for the six months ended June 30, 2026 is due to state and local income taxes.

10. Income Taxes (continued)

As of June 30, 2026, the Company was not required to establish liability for uncertain tax positions. As of June 30, 2026, the Company has no accrued liabilities for interest or penalties in its statement of financial condition. The Parent's federal tax returns are open to IRS examination beginning with the 2021 tax year. Most state & local tax returns are open to examinations beginning with tax year 2020 whereas a select few state and local tax returns are open to examination beginning with the 2013 tax year.

11. Concentrations of Credit Risk

As a securities broker-dealer, the Company is engaged in various securities trading and brokerage activities servicing a diverse group of domestic and foreign entities. The Company's transactions are collateralized and are executed with and on behalf of institutional investors, including other broker dealers, commercial banks, insurance companies, pension plans, mutual funds, and other financial institutions. The Company's exposure to credit risk associated with the nonperformance of these counterparties in fulfilling their contractual obligations can be directly impacted by volatile trading markets, which may impair the counterparties' ability to satisfy their obligations to the Company. The Company's principal activities are also subject to the risk of counterparty nonperformance.

The Company attempts to minimize credit risk associated with securities lending and borrowing transactions, and repurchase and reverse repurchase transactions, by monitoring counterparty credit exposure and creditworthiness and limiting such transactions with certain counterparties.

The Company mitigates credit exposure arising from such transactions by entering into collateral and netting agreements. The Company reviews the market value of securities and collateral held daily and requires additional collateral to be delivered or returned to the Company pursuant to the terms of such collateral agreements.

12. Guarantees

In accordance with ASC 460, Guarantees, the Company is required to disclose information about obligations under certain guarantee arrangements. It defines guarantees as contracts and indemnification agreements that contingently require a guarantor to make payments to the guaranteed party based on changes in an underlying (such as an interest or foreign exchange rate, security or commodity price, an index or the occurrence or nonoccurrence of a specified event) related to an asset, liability, or equity security of a guaranteed party.

Exchange/Clearinghouse Membership Guarantees

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

13. Commitments and Contingencies

The Company operates in a legal and regulatory business environment that exposes it to various legal and regulatory compliance risks. As a result, the Company is involved in certain types of litigation and regulatory proceedings in the ordinary course of investment banking and securities brokerage businesses that it operates in.

In accordance with ASC 450, "Loss Contingencies", the Company will accrue a liability when it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. In many lawsuits and regulatory proceedings, it is not possible to determine whether a liability has been incurred or to estimate the ultimate or minimum amount of that liability until the matter is close to resolution. In view of the inherent difficulty of predicting the outcome of such matters, the Company cannot determine the probability or estimate what the eventual loss or range of loss

13. Commitments and Contingencies (continued)

related to such matters will be. Subject to the foregoing, the Company continues to assess these matters and believes, in conjunction with consultation with outside counsel that based on information available to it, that the resolution of these matters will not have a material adverse effect on its statements of income and financial condition of the Company at June 30, 2026.

The Company maintained a credit facility from its affiliate, ING Capital LLC, which satisfies the funding requirement in a liquidity event in the amount of $650,000. No amounts have been drawn on the credit facility June 30, 2026.

The Company enters into forward starting reverse purchase and repurchase agreements that are primarily secured by fixed income securities. At June 30, 2026, the Company had commitments of $ 11,968,808 and $ 1,523,938 respectively, associated with these instruments.

In the normal course of business, the Company enters into underwriting commitments. There were $360,594 in outstanding underwriting commitments at June 30, 2026.

14. Net Capital Requirements

The Company is subject to the SEC's Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital. The Company has elected to use the Rule's alternative method, which requires maintaining net capital, as defined, equal to the greater of $1,500 or 2% of aggregate debit items arising from customer transactions, as defined.

SEC Rule 15c3-1 and the rules of the Financial Industry Regulatory Authority also provide that equity capital may not be withdrawn or cash dividends paid if resulting net capital is less than the greater of 2% of aggregate debit items or $1,500. At June 30, 2026, the Company had net capital of $ 1,366,196 of which $ 1,364,696 was in excess of the required net capital of $ 1,500.

15. Segments

The entity is a single reportable segment entity that acts as a counterparty broker-dealer to its domestic and international client base. The entity's chief operating decision maker is the chief executive officer. The CODM uses net income to evaluate the results of the business. The CODM manages the business activities using information of the Company as a whole and decides on resource allocations for the entity by considering the results of the entity jointly with the results of an affiliate on an aggregate basis. Additionally, the CODM uses excess net capital, which is not a measure of profit or loss, to make operational decisions while maintaining capital adequacy. The accounting policies used to measure the profit and loss of the segment are the same as those described in the summary of significant accounting policies. Significant segment expenses are reported on the entity's Statement of Income.

16. Subsequent Events

The Company evaluated subsequent events through August 28, 2026 the date the financial statements were issued. The Company did not note any subsequent events requiring disclosure or adjustment to the financial statements.