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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

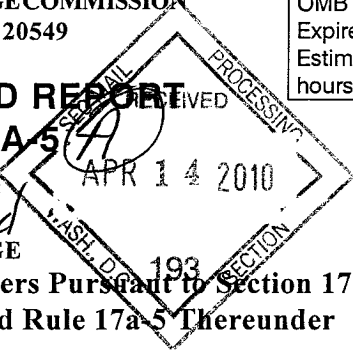
OMB APPROVAL  
OMB Number: 3235-0123  
Expires: February 28, 2010  
Estimated average burden  
hours per response.....12.00

**ANNUAL AUDITED REPORT**

**FORM X-17A-5**

**PART III**

**FACING PAGE**



SEC FILE NUMBER

8- **46961**

**Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING January 1, 2009 AND ENDING December 31, 2009  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Stonington Corporation

OFFICIAL USE ONLY

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

FIRM I.D. NO.

342 West 22nd Street

(No. and Street)

New York

NY

10011

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

William D. Forster

212-551-3550

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

MLGW, LLP

(Name - if individual, state last, first, middle name)

462 Seventh Avenue

New York

NY

10018

(Address)

(City)

(State)

(Zip Code)

**CHECK ONE:**

- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

**FOR OFFICIAL USE ONLY**

\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

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423

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OATH OR AFFIRMATION

I, William D. Forster, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Stonington Corporation, as of December 31,, 2009, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

William D. Forster  
Signature  
  
President  
Title

Keysi A. Reynoso 4/12/2010  
Notary Public

**KEYSI A. REYNOSO**  
Notary Public, State of New York  
Qualified in New York County  
Reg. No. 01RE6177717  
My Commission Expires Nov. 19, 2011  
State of New York  
County of New York

This report \*\* contains (check all applicable boxes):

- (a) Facing Page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Changes in Financial Condition.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- (g) Computation of Net Capital.
- (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- (l) An Oath or Affirmation.
- (m) A copy of the SIPC Supplemental Report.
- (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

**STONINGTON CORPORATION**

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Certified Public Accountants and Business Advisors

## INDEPENDENT AUDITOR'S REPORT

Board of Directors and Stockholder of  
Stonington Corporation

We have audited the accompanying statement of financial condition of Stonington Corporation (the "Company") as of December 31, 2009, and the related statements of operations, changes in stockholder's equity and cash flows for the year then ended that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Stonington Corporation as of December 31, 2009, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States in America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information in Schedules I and II is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*MLGW, LLP*

New York, New York  
February 20, 2010  
Reissued April 12, 2010

STONINGTON CORPORATION

STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2009

ASSETS

Cash and cash equivalents	\$ 115,827
Fees receivable	70,968
Prepaid expenses	<u>154</u>
<b>Total Assets</b>	<b><u>\$ 186,949</u></b>

LIABILITIES AND STOCKHOLDER'S EQUITY

Liabilities

Accrued expenses and other liabilities	\$ 72,318
Income taxes payable	<u>300</u>

<b>Total liabilities</b>	<b><u>72,618</u></b>
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Stockholder's Equity

Common stock, no par value; 200 shares authorized, 20 shares issued and outstanding	20
Additional paid in capital	447,957
Accumulated deficit	<u>(333,646)</u>

<b>Total Stockholder's Equity</b>	<b><u>114,331</u></b>
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<b>Total Liabilities and Stockholder's Equity</b>	<b><u>\$ 186,949</u></b>
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The accompanying notes are an integral part of these financial statements.

**STONINGTON CORPORATION**

**STATEMENT OF OPERATIONS**

**FOR THE YEAR ENDED DECEMBER 31, 2009**

**REVENUES**

Advisory, consulting and finder's fees	\$ 1,692,827
Interest income	28

**Total Revenues** 1,692,855

**EXPENSES**

Consulting fees and expenses	1,070,000
Commissions	541,568
Professional fees	11,000
Regulatory fees	5,875
Other expenses	772

**Total Expenses** 1,629,215

**Income Before Provision for Income Taxes** 63,640

**Provision for Income Taxes**

Current	300
Deferred	26,300

**Total provision for income taxes** 26,600

**Net income** \$ 37,040

The accompanying notes are an integral part of these financial statements.

STONINGTON CORPORATION

STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Common Stock</u>	<u>Additional Paid-in Capital</u>	<u>Accumulated Deficit</u>	<u>Total</u>
Balance, January 1, 2009	\$ 20	\$ 447,957	\$ (370,686)	\$ 77,291
Net Income	<u>-</u>	<u>-</u>	<u>37,040</u>	<u>37,040</u>
Balance, December 31, 2009	<u>\$ 20</u>	<u>\$ 447,957</u>	<u>\$ (333,646)</u>	<u>\$ 114,331</u>

The accompanying notes are an integral part of these financial statements.

**STONINGTON CORPORATION**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED DECEMBER 31, 2009**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Net income	\$ 37,040
Adjustments to reconcile net income to net cash provided by operating activities:	
Deferred income taxes	26,300
Changes in operating assets and liabilities:	
Fees receivable	221,953
Prepaid expenses	749
Accounts payable and accrued expenses	<u>(197,840)</u>
<b>Net Cash Provided by Operating Activities</b>	88,202
<b>Cash and Cash Equivalents - January 1, 2009</b>	<u>27,625</u>
<b>Cash and Cash Equivalents - December 31, 2009</b>	<u><u>\$ 115,827</u></u>

**SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:**

Cash paid during the year income taxes	<u><u>\$ 300</u></u>
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The accompanying notes are an integral part of these financial statements.



# STONINGTON CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2009

### 1. ORGANIZATION AND BUSINESS

Stonington Corporation (the "Company") is a broker and dealer registered with the Securities and Exchange Commission ("SEC") and the Financial Industry Regulatory Authority ("FINRA"). The Company was incorporated under the laws of the State of New York on June 8, 1995. The Company primarily acts as an advisor on private placements and merger and acquisition transactions.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### a) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates.

#### b) Revenue Recognition

Advisory, consulting and private placement fees are on a contractual basis with the fee stipulated in the contract. Advisory and consulting fees are recognized ratably over the contract period. Private placement fees are recognized when the proceeds of the private placement are received by the client.

Finder's fees are recognized based on an agreement between the Company and the investment manager of the fund. The Company is entitled to receive as compensation a portion of the management fee and any incentive allocation earned by the investment manager with respect to persons that the Company introduces to and subsequently invest in the fund.

#### c) Income Taxes

The Company has elected to be taxed under the provisions of Subchapter "S" of the Internal Revenue Code and the appropriate sections of the New York State Franchise Act. Under those provisions, the Company does not pay federal or state corporate income taxes. The Company is subject to New York City corporate income taxes. In 2008, the Company sustained an allocated net operating loss of approximately \$79,000 which will be totally absorbed in 2009. However, the Company remains liable for a minimum tax.

**STONINGTON CORPORATION**

**NOTES TO THE FINANCIAL STATEMENTS  
(cont'd)**

**DECEMBER 31, 2009**

**2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**c) Income Taxes (Cont'd)**

The Company recognizes deferred tax assets or liabilities for the future tax consequences of events that have been recognized differently in their financial statements and tax returns. The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The Company prepares its tax returns on a cash basis. Accordingly, the Company records deferred tax assets or liabilities for the increase or decrease in future years' tax liabilities related to the temporary differences which arise by utilizing these two accounting methods. Deferred taxes are primarily attributable to accounts receivable and related payables recorded for financial statement purposes.

In accordance with ASC 740, Income Taxes, the Company is required to disclose unrecognized tax benefits resulting from uncertain tax positions. At December 31, 2009, the Company did not have any unrecognized tax benefits or liabilities. The Company operates in the United States and in state and local jurisdictions, and the previous three years remain subject to examination by tax authorities. There are presently no ongoing income tax examinations.

**d) Concentrations of Credit Risk**

The Company maintains cash with a major financial institution. Cash is insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000 at each institution. At times, such amounts may exceed the FDIC limits. There were no accounts that exceeded the insured amounts as of December 31, 2009.

**3. CLIENT AGREEMENTS**

During June 2001, the Company entered into an agreement with a client to provide general corporate financial advisory services and act an agent in connection with raising convertible debt or equity financing for the client.

During 2009, the Company provided general financial advisory services to the client. The total amount of advisory and consulting fees earned by the Company related to the client during 2009 was approximately \$1,214,000.

**STONINGTON CORPORATION**

**NOTES TO THE FINANCIAL STATEMENTS**  
**(cont'd)**

**DECEMBER 31, 2009**

**3. CLIENT AGREEMENTS (cont'd)**

In addition, the Company has entered into agreements with clients that are hedge funds. The clients engaged the Company to refer investors interested in making investments in the hedge funds in return for fees. During the year ended December 31, 2009, the Company earned finder's fees of approximately \$478,000 from these clients.

**4. RELATED PARTY TRANSACTIONS**

An affiliated entity owned by the stockholder of the Company provides office space, consulting, personnel and other services for the day-to-day operations of the Company under a master services agreement. The Company was charged and paid \$1,070,000 in fees during the year ended December 31, 2009 related to this agreement.

**5. INCOME TAXES**

The income taxes are related exclusively to New York City corporate income taxes and consist of the following:

Current	\$ 300
Deferred	<u>26,300</u>
	<u>\$ 26,600</u>

**6. NET CAPITAL REQUIREMENT**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2009, the Company's net capital amounted to \$105,527 which was \$100,527 in excess of its required net capital of \$5,000. The Company's net capital ratio was .69 to 1 at December 31, 2009.

**SUPPLEMENTAL INFORMATION**

## STONINGTON CORPORATION

COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1  
OF THE SECURITIES AND EXCHANGE COMMISSION

FOR THE YEAR ENDED DECEMBER 31, 2009

**NET CAPITAL**Total stockholder's equity as of December 31, 2009 \$ 114,331**DEDUCTIONS AND/OR CHARGES**

Fees receivable net of related expenses 8,650

Prepaid expenses 154**Total Deductions and/or Charges** 8,804**NET CAPITAL**\$ 105,527**MINIMUM NET CAPITAL REQUIRED (GREATER OF  
6 2/3% OF A.I. OR \$5,000)**\$ 5,000**EXCESS NET CAPITAL**\$ 100,527**TOTAL AGGREGATE INDEBTEDNESS (A.I.)**\$ 72,618**RATIO OF AGGREGATE INDEBTEDNESS TO NET CAPITAL**.69:1

Reconciliation between the above computation of audited Net Capital of the Company's as of December 31, 2009 and the computation included in the Company's corresponding unaudited from X-17A-5 Part IIA filing as of December 31, 2009.

**Net Capital as Reported in the Company's (Unaudited) FOCUS Report** \$ 43,209

**Adjustments to:**Fees receivable 62,318**NET CAPITAL**\$ 105,527

The accompanying notes are an integral part of these financial statements.

**STONINGTON CORPORATION**

**COMPUTATION FOR DETERMINATION  
OF RESERVE REQUIREMENTS  
PURSUANT TO RULE 15c3-3 OF THE  
SECURITIES AND EXCHANGE COMMISSION**

**DECEMBER 31, 2009**

The Company claims exemption from the requirements of Rule 15c3-3, under section (k)  
(2) (i) of the rule.

The accompanying notes are an integral part of these financial statements.

**SUPPLEMENTARY REPORT  
OF INDEPENDENT AUDITORS**



Certified Public Accountants and Business Advisors

**SUPPLEMENTARY REPORT OF INDEPENDENT AUDITORS  
ON INTERNAL CONTROL REQUIRED BY SEC RULE 17a-5  
OF THE SECURITIES EXCHANGE ACT OF 1934**

The Board of Directors and Stockholder of  
Stonington Corporation

In planning and performing our audit of the financial statements of Stonington Corporation (the "Company"), as of and for the year ended December 31, 2009 in accordance with auditing standards generally accepted in the United States of America, we considered the Company's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission ("SEC"), we have made a study of the practices and procedures followed by the Company including tests of such practices and procedures that we considered relevant to the objectives stated in Rule 17a-5(g) in making the periodic computations of aggregate indebtedness and net capital under Rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of Rule 15c3-3. Because the Company does not carry security accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons and recordation of differences required by Rule 17a-13.
2. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System.

The management of the Company is responsible for establishing and maintaining an internal control structure and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.



Because of inherent limitations in internal control or the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. We did not identify any deficiencies in internal control and control activities for safeguarding securities that we consider to be material weaknesses, as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at December 31, 2009 to meet the SEC's objectives.

This report is intended solely for the information and use by the Board of Directors management, the Securities and Exchange Commission, Financial Industry Regulatory Authority and other regulatory agencies which rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and should not be used by anyone other than these specified parties.

*MZ/BW, LLP*  
New York, New York  
February 20, 2010



Certified Public Accountants and Business Advisors

**INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING  
AGREED-UPON PROCEDURES RELATED TO AN ENTITY'S SIPC  
ASSESSMENT RECONCILIATION**

The Board of Directors and Stockholder of  
Stonington Corporation

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, we have performed the procedures enumerated below with respect to the accompanying Schedule of Assessment and Payments [Transitional Assessment Reconciliation (Form SIPC-7T)] to the Securities Investor Protection Corporation ("SIPC") for the period April 1, 2009 through December 31, 2009, which were agreed to by Stonington Corporation (the "Company") and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc., and SIPC, solely to assist you and the other specified parties in evaluating the Company's compliance with the applicable instructions of the Transitional Assessment Reconciliation (Form SIPC-7T). The Company's management is responsible for the Company's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed and our findings are as follows:

1. Compared the listed assessment payments in Form SIPC-7T with respective cash disbursements journal and general ledger at December 31, 2009 noting no differences;
2. Compared the amounts reported on the audited Form X-17A-5 for the period April 1, 2009 through December 31, 2009, as applicable, with the amounts reported in Form SIPC-7T for the period April 1, 2009 through December 31, 2009 noting no differences except for an overstatement of SIPC net operating revenues totaling approximately \$79,000;
3. Compared any adjustments reported in Form SIPC-7T with supporting schedules, working papers, income statement and general ledger noting no differences; and
4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7T and in the related schedules and working papers, income statement and general ledger supporting the adjustments noting no differences except for an overpayment of the SIPC assessment totaling approximately \$200 due to the overstatement of SIPC net operating revenues.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

*MLGW, LLP*

New York, New York  
February 20, 2010

Transitional Assessment Reconciliation

(Read carefully the instructions in your Working Copy before completing this Form)

TO BE FILED BY ALL SIPC MEMBERS WITH FISCAL YEAR ENDINGS

1. Name of Member, address, Designated Examining Authority, 1934 Act registration no. and month in which fiscal year ends for purposes of the audit requirement of SEC Rule 17a-5:

046961 FINRA DEC  
STONINGTON CORPORATION 5\*5  
342 W 22ND ST  
NEW YORK NY 10011-2602

Note: If any of the information shown on the mailing label requires correction, please e-mail any corrections to form@sipc.org and so indicate on the form filed.

Name and telephone number of person to contact respecting this form.

William D. Forster 646-541-1134

2. A. General assessment [item 2e from page 2 (not less than \$150 minimum)]	\$	<u>4304.71</u>
B. Less payment made with SIPC-4 made in January, February or March 2009 (For all fiscal year ends except January, February, or March)	(	<u>526.35</u>
<u>11/18/09</u> Date Paid		<u>3778.36</u>
C. Assessment balance due		
D. Interest computed on late payment (see instruction E) for _____ days at 20% per annum		
E. Total assessment balance and interest due (or overpayment carried forward)	\$	<u>3778.36</u>
F. PAID WITH THIS FORM: Check enclosed, payable to SIPC Total (must be same as E above)	\$	<u>3778.36</u>

3. Subsidiaries (S) and predecessors (P) included in this form (give name and 1934 Act registration number):

\_\_\_\_\_

The SIPC member submitting this form and the person by whom it is executed represent thereby that all information contained herein is true, correct and complete.

Stonington Corporation  
(Name of Corporation, Partnership or other organization)

William D. Forster  
(Authorized Signature)

Dated the 22nd day of Dec., 20 09

President  
(Title)

This form and the assessment payment is due 60 days after the end of the fiscal year. Retain the Working Copy of this form for a period of not less than 6 years, the latest 2 years in an easily accessible place.

SIPC REVIEWER

Dates: Postmarked Received Reviewed

Calculations \_\_\_\_\_ Documentation \_\_\_\_\_ Forward Copy \_\_\_\_\_

Exceptions: \_\_\_\_\_

Disposition of exceptions: \_\_\_\_\_

**DETERMINATION OF "SIPC NET OPERATING REVENUES"  
AND GENERAL ASSESSMENT**

Amounts for the fiscal period  
beginning April 1, 2009  
and ending Dec 31, 2009  
Eliminate cents

**Item No.**

2a. Total revenue (FOCUS Line 12/Part IIA Line 9, Code 4030)

\$ 1,721,895

**2b. Additions:**

- (1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above.
- (2) Net loss from principal transactions in securities in trading accounts.
- (3) Net loss from principal transactions in commodities in trading accounts.
- (4) Interest and dividend expense deducted in determining item 2a.
- (5) Net loss from management of or participation in the underwriting or distribution of securities.
- (6) Expenses other than advertising, printing, registration fees and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities.
- (7) Net loss from securities in investment accounts.

Total additions

**2c. Deductions:**

- (1) Revenues from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts, and from transactions in security futures products.
- (2) Revenues from commodity transactions.
- (3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.
- (4) Reimbursements for postage in connection with proxy solicitation.
- (5) Net gain from securities in investment accounts.
- (6) 100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers acceptances or commercial paper that mature nine months or less from issuance date.
- (7) Direct expenses of printing advertising and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 16(9)(L) of the Act).
- (8) Other revenue not related either directly or indirectly to the securities business.  
(See Instruction C):

(9) (i) Total interest and dividend expense (FOCUS Line 22/PART IIA Line 13, Code 4075 plus line 2b(4) above) but not in excess of total interest and dividend income. \$ \_\_\_\_\_

(ii) 40% of interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960). \$ \_\_\_\_\_

Enter the greater of line (i) or (ii)

Total deductions

2d. SIPC Net Operating Revenues

\$ 1,721,895

2e. General Assessment @ .0025

\$ 4304.71

**STONINGTON CORPORATION**

**REPORT ON AUDIT OF  
FINANCIAL STATEMENTS  
AND  
SUPPLEMENTAL INFORMATION**

**REPORT ON INTERNAL CONTROL  
DECEMBER 31, 2009**