



W

16012645

N

Washington, D.C. 20547

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	March 31, 2016
Estimated average burden hours per response.....	12.00

SEC
ANNUAL AUDITED REPORT
 FORM X-17A-5
 PART III

Information Processing
 Section
 FEB 29 2016

SEC FILE NUMBER
8-52850

FACING PAGE
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 01/01/2015 AND ENDING 12/31/2015
 MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Pavilion Global Markets Ltd.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

1250 René-Lévesque Blvd. West, Suite 4025

(No. and Street)

Montréal
 (City)

Québec
 (State)

H3B 4W8
 (Zip Code)

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

Giancarlo Farinacci

514-932-7171

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

KPMG LLP

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

600, de Maisonneuve Blvd. West, Suite 1500
 (Address)

Montréal
 (City)

Québec
 (State)

H3A 0A3
 (Zip Code)

CHECK ONE:

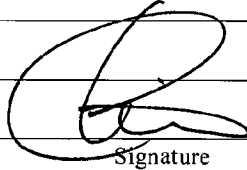
- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

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)

OATH OR AFFIRMATION

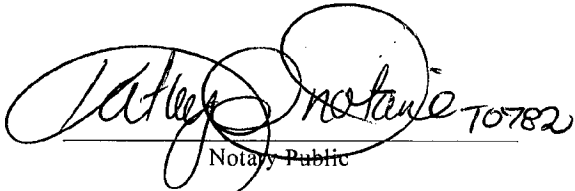
I, Giancarlo Farinacci, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Pavilion Global Markets Ltd., as of December 31st, 2015, are true and correct. I further swear (or affirm) that neither the company 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:



Signature

Chief Financial Officer

Title



Notary Public

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).



KPMG LLP
600 de Maisonneuve Blvd. West
Suite 1500
Tour KPMG
Montréal (Québec) H3A 0A3

Telephone (514) 840-2100
Fax (514) 840-2187
Internet www.kpmg.ca

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors
Pavilion Global Markets Ltd.

We have audited the accompanying consolidated statement of financial condition of Pavilion Global Markets Ltd. and its subsidiaries as of December 31, 2015, and the related consolidated statements of comprehensive income, changes in stockholder's equity, and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Pavilion Global Market Ltd. and its subsidiaries as of December 31, 2015, and the results of their operations and their cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

The supplemental information contained in Schedules I, II and III has been subjected to audit procedures performed in conjunction with the audit of the Company's consolidated financial statements. The supplemental information is the responsibility of the Company's management. Our audit procedures included determining whether the supplemental information reconciles to the consolidated financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with 17 C.F.R. § 240.17a-5. In our opinion, the supplemental information contained in Schedules I, II and III is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

February 26, 2016
Montréal, Canada

*CPA auditor, CA, public accountancy permit No. A120220

KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. KPMG Canada provides services to KPMG LLP.

Pavilion Global Markets Ltd.

Consolidated Statement of Financial Condition

December 31

2015

2014

(Expressed in U.S. dollars)

Assets

Current

Cash and cash equivalents (Note 3)	\$ 11,418,576	\$ 9,976,582
Due from clients (Note 5)	9,204,203	9,242,460
Due from brokers (Note 5)	2,963,409	2,365,486
Accounts receivable	191,869	385,192
Income taxes receivable	-	630,598
Securities owned, at fair value (Notes 6 and 13)	403,618	483,361
Due from ultimate parent company (Note 9)	1,824,148	102,303
Due from companies under common control (Note 9)	34,095	135,569
Prepaid expenses	152,444	194,234
	26,192,362	23,515,785
Fixed assets, net (Note 7)	894,566	140,697
Intangible assets (Note 8)	291,116	374,390
Deferred tax assets	64,818	77,586
	\$ 27,442,862	\$ 24,108,458

Liabilities and Stockholder's Equity

Current liabilities

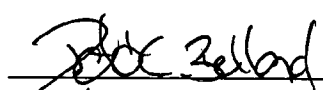
Due to clients (Note 5)	\$ 1,209,283	\$ 1,265,725
Due to brokers (Note 5)	9,188,465	9,019,833
Accounts payable, remuneration and accrued expenses	2,948,649	2,742,243
Due to company under common control (Note 9)	531	32,840
Income taxes payable	182,459	-
	13,529,387	13,060,641
Deferred tax liability	137,559	164,655
Deferred lease inducement	466,741	273,922
	14,133,687	13,499,218

Commitments (Notes 12 and 14)

Stockholder's equity

Capital stock		
Authorized		
An unlimited number of common shares without par value		
Issued and outstanding		
42,815 common shares	1,090,708	1,090,708
Additional paid-in capital	226,084	226,084
Retained earnings	13,270,086	8,440,205
Accumulated other comprehensive (loss) income	(1,277,703)	852,243
	13,309,175	10,609,240
	\$ 27,442,862	\$ 24,108,458

On behalf of the Board

 Director

 Director

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

Pavilion Global Markets Ltd.

Consolidated Statement of Comprehensive Income

For the years ended December 31

2015

2014

(Expressed in U.S. dollars)

Income

Gross commission revenues	\$ 23,965,399	\$ 22,312,767
Less: commission and execution charges paid to brokers	(6,750,133)	(6,047,973)
	17,215,266	16,264,794
Interest and dividends	20,399	41,125
Unrealized gain (loss) on foreign exchange and securities owned	693,324	(229,174)
Global Macro Research revenues	663,302	919,591
Professional service fees (Note 9)	437,524	449,386
Other revenues (reversal)	(2,940)	4,677
	19,026,875	17,450,399

Expenses

General and administrative	6,190,999	6,724,089
Remuneration	5,876,100	5,670,665
Amortization	206,895	134,603
Interest	89,725	125,622
	12,363,719	12,654,979
Income from operations	6,663,156	4,795,420
Loss on disposal of equity investee	-	(17,416)
Income before income taxes	6,663,156	4,778,004
Income taxes (Note 10)	1,842,781	1,515,425
Net income	4,820,375	3,262,579
Other comprehensive income		
Foreign currency translation loss	(2,129,946)	(1,087,916)
Total comprehensive income	\$ 2,690,429	\$ 2,174,663

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

Pavilion Global Markets Ltd.

Consolidated Statement of Changes in Stockholder's Equity

(Expressed in U.S. dollars)

For the years ended December 31, 2015 and December 31, 2014

	Common stock		Additional paid-in capital	Retained earnings	Accumulated other comprehensive income	Total Stockholder's Equity
	Shares	Amount				
Balances, January 1, 2014	42,815	\$ 1,090,708	\$ 226,084	\$ 11,671,251	\$ 1,940,159	\$ 14,928,202
Net income				3,262,579		3,262,579
Foreign currency translation loss					(1,087,916)	(1,087,916)
Recovery of refundable dividend tax				2,811		2,811
Dividends paid				(6,496,436)		(6,496,436)
Balances, December 31, 2014	42,815	1,090,708	226,084	8,440,205	852,243	10,609,240
Net income				4,820,375		4,820,375
Foreign currency translation loss					(2,129,946)	(2,129,946)
Recovery of refundable dividend tax				9,506		9,506
Balances, December 31, 2015	42,815	\$ 1,090,708	\$ 226,084	\$ 13,270,086	\$ (1,277,703)	\$ 13,309,175

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

Pavilion Global Markets Ltd.
Consolidated Statement of Cash Flows

For the years ended December 31

2015

2014

(Expressed in U.S. dollars)

Cash provided by (used in) operating activities		
Net income	\$ 4,820,375	\$ 3,262,579
Adjustments to reconcile net income to cash flows provided by operating activities		
Amortization	206,895	134,603
Gain on sale of fixed assets	(658)	-
Loss on disposal of equity investee	-	17,416
Deferred tax	-	(23,083)
Unrealized (gain) loss on foreign exchange and securities owned	(693,324)	229,174
Deferred lease inducement	258,446	174,054
	4,591,734	3,794,743
Changes in working capital items		
Cash segregated under regulations of the U.S. Securities and Exchange Commission		
Due from (to) clients and brokers	(241,041)	(142,968)
Accounts receivable	(681,131)	(404,576)
Income taxes receivable (payable)	278,275	(231,616)
Securities owned	770,549	439,815
Advances from (to) related parties	1,339	7,476,858
Prepaid expenses	(1,832,093)	(247,654)
Accounts payable, remuneration and accrued expenses	10,676	(2,552)
	641,922	360,430
	3,540,230	11,042,480
Cash provided by (used in) investing activities		
Acquisition of fixed assets	(955,260)	(82,304)
Proceeds on sale of fixed assets	5,167	-
Proceeds on sale of equity investee	-	96,272
Intangible asset development costs incurred	(76,752)	(177,038)
	(1,026,845)	(163,070)
Cash provided by (used in) financing activities		
Dividends paid	-	(6,496,436)
Recovery of refundable dividend tax	9,506	2,811
	9,506	(6,493,625)
Effect of exchange rate on cash	(1,250,035)	(719,132)
Increase in cash	1,272,856	3,666,653
Cash, beginning of year	9,656,113	5,989,460
Cash, end of year	\$ 10,928,969	\$ 9,656,113
Supplemental information:		
Interest paid	\$ (89,725)	\$ (125,622)
Income taxes paid	\$ (1,072,231)	\$ (1,098,693)

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

Pavilion Global Markets Ltd.

Notes to Consolidated Financial Statements

(Expressed in U.S. dollars)

December 31, 2015 and December 31, 2014

1. Organization and Nature of Business

Pavilion Global Markets Ltd. (the "Company"), incorporated under the *Canada Business Corporations Act*, provides brokerage and financial advisory services internationally. Pavilion Global Markets Ltd. is a member of the Investment Industry Regulatory Organization of Canada (IIROC), the Financial Industry Regulatory Authority, Inc. (FINRA), the London Stock Exchange plc (LSE) and The Nasdaq Stock Market LLC (NASDAQ), is an Approved Participant in the Bourse de Montréal Inc., and is a Participating Organization in The Toronto Stock Exchange Inc. and The TSX Venture Exchange.

2. Significant Accounting Policies

BASIS OF ACCOUNTING

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

BASIS OF CONSOLIDATION

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary Brockhouse Cooper Consulting Services Ltd. All significant intercompany transactions and balances have been eliminated on consolidation.

USE OF ESTIMATES

The presentation of financial statements in accordance 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 at the date of the statement of financial condition, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of bank balances and short-term investments with maturities of three months or less from the date of acquisition. They are presented in the statement of financial condition at carrying value which approximates fair value due to their short term nature.

SECURITIES OWNED

Securities owned are carried in the statement of financial condition at fair value with changes in fair value recognized in the statement of comprehensive income. Fair value is based on quoted market prices for exchange-traded equity and fixed income securities. In situations where the securities are not publicly traded or where restrictions on their marketability exist, securities are valued at management's estimate of market value.

Valuation of fixed income securities is affected by, amongst other factors, the liquidity of the securities, the size and the bid and ask spread, and the relative breadth of market and current yield price adjustments.

The Company accounts for its financial instruments owned on a trade date basis and transaction costs are expensed as incurred.

Dividends are recorded on the ex-dividend date and interest is accrued to the end of the period.

ACCOUNTS RECEIVABLE AND ACCOUNTS PAYABLE

Due from (to) clients, due from (to) brokers, accounts receivable and accounts payable, remuneration and accrued expenses are initially recorded at their fair value and are subsequently carried at amortized cost. Due to their short term to maturity, fair value and amortized cost are approximated by carrying value.

Payables and receivables arising from unsettled regular-way trades are recorded net in due from (to) clients and due from (to) brokers.

FIXED ASSETS

Depreciation is recognized over the estimated useful life of the asset using the following rates and methods which most closely reflect the expected pattern of consumption of the future economic benefit embodied in the assets:

Technology equipment	3 Years Straight-Line
Furniture and fixtures	20% Declining Balance
Leasehold improvements	Term of Lease

Maintenance and repairs are charged to operations when incurred.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Pavilion Global Markets Ltd.

Notes to Consolidated Financial Statements (continued)

(Expressed in U.S. dollars)

December 31, 2015 and December 31, 2014

2. Significant Accounting Policies (continued)

INTANGIBLE ASSETS

Intangible assets consist of software platforms and software platforms under development. Amortization is recognized in profit or loss over the estimated useful life of the software, from the date that it is available for use since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the assets. Internally developed software is amortized over a period of 5 years on a straight-line basis from the time at which the asset became available for use.

INCOME RECOGNITION - SECURITY TRANSACTIONS

Security transactions and related commission revenues and commission expenses are recorded on a trade date basis.

Global Macro Research revenues are recognized when services have been rendered.

Professional service fees and other revenues are recognized when services are performed and ultimate collection is reasonably assured.

FOREIGN CURRENCY TRANSLATION

The functional currency of Pavilion Global Markets Ltd. is the Canadian dollar. Assets and liabilities denominated in foreign currencies are translated at the exchange rate in effect at the statement of financial condition date, whereas income and expenses are translated at average exchange rates for the period. Gains or losses resulting from foreign currency transactions are included in net income.

These financial statements have been translated from the functional currency into U.S. dollars. Assets and liabilities are translated at the exchange rate in effect at the statement of financial condition date. Income and expenses, including gains and losses on foreign exchange translation, are translated at average exchange rates for the period. The gains and losses on translation are deferred and are included as a component of comprehensive income.

FINANCIAL INSTRUMENTS AND BROKERAGE AGREEMENTS

The Company's financial instruments consist of cash and cash equivalents, due from (to) clients, due from (to) brokers, accounts receivable, securities owned, due from (to) related parties and accounts payable, remuneration and accrued expenses. The classification and measurement of all such financial instruments are defined in the related accounting policy notes.

INCOME TAXES

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the periods in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. The Company recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs.

SHARE-BASED PAYMENT TRANSACTIONS

For equity-settled share based payments, expense is based on the fair value of the awards granted, excluding the impacting of any non-market service and performance conditions. The expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are satisfied. For awards with graded vesting, the fair value of each tranche is recognized over its respective vesting period.

The grant date fair value of share-based payment awards granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awarded that do meet the related service and non-market performed conditions at the vesting date.

RECENT ACCOUNTING PRONOUNCEMENTS

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended December 31, 2015, and have not been applied in preparing these consolidated financial statements. None, except for the one listed below, of these are expected to have an impact on the consolidated financial statements of the Company.

Pavilion Global Markets Ltd.

Notes to Consolidated Financial Statements (continued)

(Expressed in U.S. dollars)

December 31, 2015 and December 31, 2014

2. Significant Accounting Policies (continued)

In May 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers ("ASU 2014-09"). ASU 2014-09 supersedes the revenue recognition requirements of FASB Accounting Standards Codification ("ASC") Topic 605, Revenue Recognition and most industry-specific guidance throughout the ASC, resulting in the creation of FASB ASC Topic 606, Revenue from Contracts with Customers. ASU 2014-09 requires entities to recognize revenue in a way that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services. This ASU provides alternative methods of adoption. In August 2015, the FASB issued ASU 2015-14, Revenue from Contracts with Customers, Deferral of the Effective Date ("ASU 2015-14"). ASU 2015-14 defers the effective date of ASU 2014-09 by one year to December 15, 2017 for fiscal years, and interim periods within those years, beginning after that date and permits early adoption of the standards, but not before original effective date for fiscal years beginning after December 15, 2016. The Company is currently assessing the potential impact of adopting ASU 2014-09 on its financial statements and related disclosures.

In August 2014, the FASB issued the ASU No. 2014-15, Presentation of Financial Statements - Going Concern (Subtopic 205-40), Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern, that requires management to evaluate whether there are conditions and events that raise substantial doubt about an entity's ability to continue as a going concern. The standard will be effective for annual periods after December 15, 2016 and for annual periods and interim periods thereafter. The Company does not expect any material impact from adoption of this guidance on the Company's consolidated financial statements.

In November 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2015-17, Balance Sheet Classification of Deferred Taxes ("ASU 2015-17"). ASU 2015-17 requires deferred tax liabilities and assets to be classified as noncurrent in a classified statement of financial position. This ASU is effective for fiscal years, and interim periods within those years, beginning after December 15, 2016. Early adoption is permitted. The Company does not expect the impact of adopting this ASU to be material to the Company's financial statements and related disclosures.

3. Cash Segregated Under Regulations of the U.S. Securities and Exchange Commission ("SEC")

Cash of \$489,607 (2014 - \$320,469) has been segregated in special reserve bank accounts for the exclusive benefit of customers, in accordance with SEC Rule 15c3-3. These amounts are not available for use in the Company's day-to-day operations.

4. Available Credit Facility

From time to time, the Company may utilize call loan arrangements to facilitate the securities settlement process for both client and principal transactions. A call loan facility has been established with a Canadian Schedule 1 chartered bank to a maximum amount of CAD \$4,000,000 (2014 - CAD \$4,000,000) (or its USD equivalent) bearing interest at the call loan rate on the date the amount is contracted. The facility has no fixed renewal date. There was no amount outstanding as of December 31, 2015 (2014 - nil).

5. Due from/to Clients and Brokers

Included in the balance due from/to clients and brokers are the following amounts resulting from transactions which failed to settle on the contracted settlement date:

	2015	2014
Due from clients	\$ 9,188,465	\$ 9,019,833
Due from brokers	\$ 823,530	\$ 983,917
Due to clients	\$ 823,530	\$ 983,917
Due to brokers	\$ 9,188,465	\$ 9,019,833

The Company clears its customer transactions through other broker-dealers on a fully disclosed basis.

6. Financial Instruments Owned

	2015	2014
Canadian federal bonds	\$ 282,257	\$ 334,571
Corporate bonds	121,361	148,790
	\$ 403,618	\$ 483,361

Pavilion Global Markets Ltd.

Notes to Consolidated Financial Statements (continued)

(Expressed in U.S. dollars)

December 31, 2015 and December 31, 2014

7. Fixed Assets

	2015		
	Cost	Accumulated amortization	Net
Technology equipment	\$ 44,245	\$ 26,035	\$ 18,210
Furniture and fixtures	250,790	155,414	95,376
Leasehold improvements	1,251,953	470,973	780,980
	\$ 1,546,988	\$ 652,422	\$ 894,566
	2014		
	Cost	Accumulated amortization	Net
Technology equipment	\$ 107,339	\$ 68,072	\$ 39,267
Furniture and fixtures	209,301	186,234	23,067
Leasehold improvements	565,184	486,821	78,363
	\$ 881,824	\$ 741,127	\$ 140,697

8. Intangible Assets

	2015		
	Cost	Accumulated amortization	Net
Software platforms	\$ 531,919	\$ 240,803	\$ 291,116
	2014		
	Cost	Accumulated amortization	Net
Software platforms	\$ 552,131	\$ 177,741	\$ 374,390

9. Related Party Transactions

The following summarizes the Company's related party transactions for the period:

	2015	2014
Income		
Professional services fee charged to the ultimate parent company	\$ 76,050	\$ 87,702
Professional services fee charged to a company under common control	\$ 361,474	\$ 361,684
Commission revenues earned from a company under common control	\$ 85,490	\$ 54,593
Expenses		
Professional services fee charged by the ultimate parent company	\$ 1,877,784	\$ 2,012,993
Share-based compensation charged by the ultimate parent company	\$ 261,294	\$ -

During the year, certain employees of the Company were issued share grants of the ultimate parent company, Pavilion Financial Corporation (PFC) by PFC. As the Company does not have the obligation to settle these transactions, the transactions are classified as equity settled. The Company reimburses PFC for the share grants in accordance with the vesting period of the grants. The total expense recognized during the year is \$261,294 (2014 - \$Nil).

The balances due from the ultimate parent company and a company under common control and due to a company under common control have arisen from services provided net of expenses paid on behalf of the Company and from share-based compensation. All balances with related parties are non-interest bearing and are due upon demand.

Pavilion Global Markets Ltd.

Notes to Consolidated Financial Statements (continued)

(Expressed in U.S. dollars)

December 31, 2015 and December 31, 2014

10. Income Taxes

Income tax expense is comprised of current federal, provincial and state income taxes as follows:

	2015			2014		
	Current	Deferred	Total	Current	Deferred	Total
Federal	\$ 1,045,474	\$ -	\$ 1,045,474	\$ 864,724	\$ (12,872)	\$ 851,852
Provincial	797,307	-	797,307	673,784	(10,211)	663,573
	\$ 1,842,781	\$ -	\$ 1,842,781	\$ 1,538,508	\$ (23,083)	\$ 1,515,425

The Company's income tax expense differs from the amount determined by applying combined statutory income tax rates of 26.9% (2014 – 26.9%) to pre-tax income. The reasons for the differences are as follows:

	2015	2014
Expected income tax expense on continuing operations at statutory rates	\$ 1,792,389	\$ 1,285,283
The effect of:		
Other, net	50,392	230,142
	\$ 1,842,781	\$ 1,515,425

The Company's deferred tax assets and liabilities arise from temporary differences in eligible capital property, deferred lease inducement, property and equipment and government tax credit.

11. Consolidated Subsidiary

The following is a summary of certain financial information of the Company's consolidated subsidiary Brockhouse Cooper Consulting Services Ltd.:

	2015	2014
Total assets	\$ 100	\$ 100
Total liabilities	\$ -	\$ -
Net stockholder's equity	\$ 100	\$ 100

12. Capital Management

The Company's business requires capital for regulatory purposes. The Company's capital structure is underpinned by stockholder's equity, which is comprised of capital stock, additional paid-in capital, retained earnings and accumulated other comprehensive income.

In managing its capital, the Company's primary objectives are as follows:

- Exceed the Company's minimum regulatory capital as required by IIROC and FINRA;
- Ensure that the Company is able to meet its financial obligations as they become due; and
- Support the creation of stockholder value.

The Company implements corporate governance practices and monitors results against its objectives. The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company regularly monitors its regulatory risk adjusted capital as required by regulation, monitors operating results against budgets and monitors its cash flows to ensure that the objectives above are met.

There has been no material change in the capital management practices of the Company from the previous period.

During the year ended December 31, 2015, the capital of the Company was sufficient to satisfy the regulatory requirements of IIROC which specify a minimum capital requirement of CAD \$250,000 and certain minimum ratios. The capital was also sufficient to satisfy the regulatory requirements of FINRA which specify that the Company must maintain regulatory capital in excess of 6-2/3% of the aggregate indebtedness (to a minimum of \$250,000 USD) and certain minimum ratios.

Pavilion Global Markets Ltd.

Notes to Consolidated Financial Statements (continued)

(Expressed in U.S. dollars)

December 31, 2015 and December 31, 2014

13. Financial Instruments and Risk Management

FAIR VALUE

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Asset Categories	Level 1	Level 2	Level 3	Total
December 31, 2015				
Cash and cash equivalent	\$ -	\$ 11,418,576	\$ -	\$ 11,418,576
Financial instruments owned	-	403,618	-	403,618
	<u>\$ -</u>	<u>\$ 11,822,194</u>	<u>\$ -</u>	<u>\$ 11,822,194</u>
December 31, 2014				
Cash and cash equivalent	\$ -	\$ 9,976,582	\$ -	\$ 9,976,582
Financial instruments owned	-	483,361	-	483,361
	<u>\$ -</u>	<u>\$ 10,459,943</u>	<u>\$ -</u>	<u>\$ 10,459,943</u>

There were no significant transfers between Level 1 and 2 in the period. The Company does not have any financial instruments measured at fair value on a recurring basis using significant unobservable inputs (Level 3) at December 31, 2015 and 2014.

CREDIT RISK

Credit risk arises from the potential that a counterparty will fail to perform its obligations. Credit risk arises from cash and cash segregated under regulations of the U.S. Securities and Exchange Commissions, amounts due from clients and brokers, debt security issuers, accounts receivables and amounts due from related parties.

The Company attempts to limit the risk by dealing with counterparties it considers viable.

To minimize its exposure to credit risk from transactions with clients and brokers, the Company requires settlement of securities on a cash basis or delivery against payment basis.

All transactions in listed securities are settled or paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold, unless unusual circumstances exist, is only made once the broker has received payment.

The Company manages credit risk with regards to debt instruments by monitoring counterparties' credit ratings before purchasing debt instruments and maintaining short maturity dates. The maximum exposure to credit risk is represented by the carrying value of the financial assets. There are no significant balances past due.

Management does not anticipate any losses for non-performance of counterparties.

There have been no significant changes to the Company's exposure to credit risks and how they arise nor how they are managed since the previous period.

LIQUIDITY RISK

Liquidity risk is the risk that the Company cannot meet a demand for cash or fund its obligations as they become due. The Company's management is responsible for reviewing liquidity resources to ensure funds are readily available to meet its financial obligations as they become due, as well as ensuring adequate funds exist to support business strategies and operational growth. The Company's business requires capital for operating and regulatory purposes. The current assets reflected on the statement of financial condition are highly liquid. The majority of the positions held as securities owned are readily marketable securities. Receivables and payables from clients and brokers represent commissions due and current open transactions that generally settle within the normal settlement cycle.

Pavilion Global Markets Ltd.

Notes to Consolidated Financial Statements (continued)

(Expressed in U.S. dollars)

December 31, 2015 and December 31, 2014

13. Financial Instruments and Risk Management (continued)

The following table presents the contractual terms to maturity of the financial liabilities owed by the Company as at December 31, 2015, in addition to those disclosed in Note 14. As liabilities in trading accounts are typically settled within very short time periods, they are not included in the table below.

	Carrying amount	Contractual term
Accounts payable and accrued charges		
December 31, 2015	\$ 2,948,649	Within twelve months
December 31, 2014	\$ 2,742,243	Within twelve months

There have been no significant changes to the Company's exposure to liquidity risks and how they arise nor how they are managed since the previous period.

MARKET RISK

Market risk is the risk that the fair value of the financial instruments will fluctuate because of changes in market prices. The Company separates market risk into two categories: interest rate risk and foreign exchange risk. As the Company does not invest in any significant equity positions, the Company is not exposed to equity price risk.

There have been no significant change to the Company's exposure to market risks and how they arise nor how they are managed since the previous period.

INTEREST RATE RISK

Interest rate risk arises from the possibility that changes in interest rates will affect the fair value or future cash flows of financial instruments held by the Company. The Company incurs interest rate risk on its cash and cash equivalent and securities owned. The Company does not hedge its exposure to interest rate risk as it is minimal.

The interest rate volatility on the Company's financial instruments owned is also minimal since the Company does not carry significant instruments subject to interest rate volatility.

CURRENCY RISK

Foreign exchange risk arises from the possibility that changes in the price of the foreign currencies will result in losses. As the Company's functional currency is the Canadian dollar, foreign exchange risk is measured in relation to the Canadian dollar balances. The Company's primary foreign exchange risk results from the unhedged currency. The Company's currency risk is managed based on currency holdings rather than volatility. The internal policy which sets maximum amounts by currency ensures that the Company does not have significant currency risk.

The Company trades in various currencies in order to settle international trades. However, the currency of the amount receivable is generally the same as the amount payable. As a result, the currency risk is diminished. The Company held CAD \$9,516,000 (2014 – CAD \$4,515,000) worth of foreign currencies at period end.

14. Commitments

The Company leases its head office premises, which terminates in October 2023, a satellite premise, which terminates in July 2016 and its disaster recovery premises through the ultimate parent company, which terminates in March 2019, under non-cancellable operating lease arrangements. Annual and aggregate lease costs under these leases, exclusive of certain incremental occupancy costs, are approximately as follows:

Period ended December 31,	
2016	\$ 349,869
2017	332,376
2018	339,524
2019	351,153
2020	343,116
and thereafter	972,161
	<u>\$ 2,688,199</u>

Rent expense for 2015 aggregated to \$737,488 (2014 - \$795,377).

Pavilion Global Markets Ltd.

Notes to Consolidated Financial Statements (continued)

(Expressed in U.S. dollars)

December 31, 2015 and December 31, 2014

15. Regulatory Net Capital Requirement

As a registered broker-dealer and a member of FINRA, the Company is subject to the SEC Uniform Net Capital Rule (SEC Rule 15c3-1), which requires the maintenance of minimum regulatory net capital and requires that the ratio of aggregate indebtedness to regulatory net capital, both as defined, shall not exceed 15 to 1 (and the rule of the "applicable" exchange also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1). At December 31, 2015, the Company had regulatory net capital of \$9,385,461 (2014 - \$7,724,010), which was \$8,452,386 (2014 - \$6,824,062) in excess of its required regulatory net capital of \$933,075 (2014 - \$899,948). The Company's regulatory net capital ratio was 1.49 to 1 (2014 - 1.7 to 1).

16. Subsequent events

The Company has evaluated the effects of subsequent events that have occurred subsequent to the year ended December 31, 2015 and through to February 26, 2016, which is the date the consolidated financial statements were issued. During this period, there have been no events that would require recognition or disclosure in the consolidated financial statements.

Pavilion Global Markets Ltd.

Schedule I: Computation of Net Capital Pursuant to Rule 15c3-1 and Reconciliation with Company's Computation

(included in Part II of Form X-17a-5)

December 31, 2015

Computation of Net Capital Pursuant to Rule 15c3-1

COMPUTATION OF NET CAPITAL

Total stockholder's equity from statement of financial condition	\$ 13,309,175
Add: Liabilities subordinated to claims of general creditors allowable in the computation of net capital	-
Total capital and allowable subordinated liabilities	13,309,175
Deductions and/or charges:	
Non allowable assets:	
Accounts receivable	\$ (191,869)
Due from related parties	(1,858,243)
Prepaid expenses	(152,444)
Fixed assets, net	(894,566)
Intangible assets	(291,116)
Deferred taxes	(64,818)
	9,856,119
Other deductions and/or charges (Aged fail-to-deliver)	(10,063)
Net capital before haircuts on securities positions	9,846,056
Haircuts (Financial instruments owned - \$14,884 and foreign currency balances - \$445,711)	(460,595)
Net capital	\$ 9,385,461

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

Minimum net capital required, 6-2/3% of \$13,996,128 pursuant to Rule 15c3-1	\$ 933,075
Minimum dollar net capital requirement of reporting broker/dealer	250,000
Net capital requirement	933,075
Excess net capital	\$ 8,452,386

COMPUTATION OF AGGREGATE INDEBTEDNESS

Total aggregate indebtedness	\$ 13,996,128
Percentage of aggregate indebtedness to net capital	149.13%

RECONCILIATION WITH COMPANY'S COMPUTATION (INCLUDED IN PART II OF FORM X-17A-5) AS OF DECEMBER 31, 2015

Net capital as reported in Company's Part II (unaudited) Focus Report	\$ 9,308,011
Due from company under common control	(530)
Year-end audit adjustments	72,020
Other adjustments	5,960
NET CAPITAL PER ABOVE	\$ 9,385,461

Pavilion Global Markets Ltd.

Schedule II: Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3

December 31, 2015

CREDIT BALANCES

1.	Free Credit Balances and other credit balances in customers' security accounts	\$ 392,773	
2.	Monies borrowed collateralized by securities carried for the accounts of customers	-	
3.	Monies payable against customers' securities loaned	-	
4.	Customers' securities failed to receive	-	
5.	Credit balances in firm accounts which are attributable to principal sales to customers	-	
6.	Market value of stock dividend, stock splits and similar distributions receivable outstanding over 30 calendar days	-	
7.	Market value of short security count differences over 30 calendar days old	-	
8.	Market value of short securities and credits (not to be offset by longs or by debits) in all suspense accounts over 30 calendar days	-	
9.	Market value of securities which are in transfer in excess of 40 calendar days and have not been confirmed to be in transfer by the agent or the issuer during the 40 days	-	
10.	Other (List)	-	
11.	TOTAL CREDITS		\$ 392,773

DEBIT BALANCES

12.	Debit balances in customers' cash and margin accounts excluding unsecured accounts and accounts doubtful of collection net of deductions pursuant to Rule 15c3-3	\$ -	
13.	Securities borrowed to effectuate short sales by customers and securities borrowed to make delivery customers' securities failed to deliver	-	
14.	Failed to deliver of customers' securities not older than 30 calendar days	-	
15.	Margin required and on deposit with the Options Clearing Corporation for all option contracts written or purchased in customer accounts	-	
16.	Other (List)	-	
17.	Aggregate debit items		\$ -
18.	Less 3%		-
19.	TOTAL 15c3-3 DEBIT		-

RESERVE COMPUTATION

20.	Excess of total debits over total credits (line 19 less line 11)	-	
21.	Excess of total credits over total debits (line 11 less line 19)	\$ 392,773	
22.	If computation permitted on a monthly basis, enter 105% of excess of total credits over total debits	412,412	
23.	Amount held on deposit in "Reserve Bank Account(s)", including value of qualified securities, at end of reporting period	489,607	
24.	Amount on deposit (or withdrawal) including value of qualified securities	200,000	
25.	New amount in Reserve Bank Account(s) after adding deposit or subtracting withdrawal including value of qualified securities	\$ 689,607	
26.	Date of deposit (MM/DD/YYYY)	01/05/2016	

There is no material difference between the computation for determination of reserve requirements contained herein and the corresponding computation prepared by Pavilion Global Markets Ltd. and included in the Company's unaudited Part II Focus Report Filing as of the same date.

Pavilion Global Markets Ltd.

Schedule III: Information Relating to the Possession or Control Requirements Pursuant to Rule 15c3-3

December 31, 2015

State the market valuation and the number of items of:

- | | |
|--|--|
| 1. Customers' fully paid securities and excess margin securities not in the respondent's possession or control as of the report date (for which instructions to reduce to possession or control had been issued as of the report date) but for which the required action was not taken by respondent within the time frames specified under Rule 15c3-3. Notes A and B | <hr/> None <hr/> |
| A. Number of items | <hr/> None <hr/> |
| 2. Customers' fully paid securities in excess margin securities for which instructions to reduce to possession or control had not been issued as of the report date, excluding items arising from "temporary lags which result from normal business operations" as permitted under Rule 15c3-3. Notes B, C and D | <hr/> None <hr/> |
| A. Number of items | <hr/> None <hr/> |
| 3. The system and procedures utilized in complying with the requirement to maintain physical possession or control of customers' fully paid in excess margin securities have been tested and are functioning in a manner adequate to fulfill the requirements of Rule 15c3-3. | YES <input checked="" type="checkbox"/>
NO <input type="checkbox"/> |



KPMG LLP
600 de Maisonneuve Blvd. West
Suite 1500
Tour KPMG
Montréal (Québec) H3A 0A3

Telephone (514) 840-2100
Fax (514) 840-2100
Internet www.kpmg.ca

SEC
Mail Processing
Section
FEB 29 2016
Washington DC
416

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON APPLYING AGREED-UPON PROCEDURES PURSUANT TO SEC RULE 17A-5(E)(4)

The Board of Directors
Pavilion Global Markets Ltd.

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 [General Assessment Reconciliation (Form SIPC-7)] to the Securities Investor Protection Corporation (SIPC) for the year ended December 31, 2015, which were agreed to by Pavilion Global Markets Ltd., (the "Company") and the Securities and Exchange Commission ("SEC"), 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 General Assessment Reconciliation ("Form SIPC-7"). 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-7 with respective cash disbursement records entries as per the Company's Form SIPC-6 and disbursements to SIPC as of July 17, 2015 and February 25, 2016, noting no difference;
2. Compared the amounts reported on the audited financial statements for the year ended December 31, 2015, as applicable, with the amounts reported in Form SIPC-7 for the year ended December 31, 2015, noting no differences;
3. Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting no differences; and
4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments, noting no differences.



Page 2

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.

KPMG LLP

February 26, 2016

Montréal, Canada

SIPC-7

(33-REV 7/10)

SECURITIES INVESTOR PROTECTION CORPORATION
P.O. Box 92185 Washington, D.C. 20090-2185
202-371-8300

General Assessment Reconciliation

SIPC-7

(33-REV 7/10)

For the fiscal year ended December 31, 2015

(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:

052850 FINRA DEC
Pavilion Global Markets Ltd.
1250 René-Lévesque West, Suite 4025
Montréal, Québec Canada
H3B 4W5

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.

Giancarlo Farinacci - 514-227-

WORKING COPY

2. A. General Assessment (item 2e from page 2)	\$ <u>48,669</u>
B. Less payment made with SIPC-6 filed (exclude interest) <u>July 17, 2015</u> Date Paid	(<u>20,874</u>)
C. Less prior overpayment applied	(<u>0</u>)
D. Assessment balance due or (overpayment)	<u>27,795</u>
E. Interest computed on late payment (see instruction E) for _____ days at 20% per annum	<u>0</u>
F. Total assessment balance and interest due (or overpayment carried forward)	\$ <u>27,795</u>
G. PAID WITH THIS FORM: Check enclosed, payable to SIPC Total (must be same as F above)	<u>\$ 27,795</u>
H. Overpayment carried forward	\$(<u>0</u>)

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

None

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.

Pavilion Global Markets Ltd

(Name of Corporation, Partnership or other organization)

[Signature]
(Authorized Signature)

Dated the 25 day of February, 20 16.

Chief Financial Officer

(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 01/01/2015
and ending 12/31/2015

Item No.

Eliminate cents

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

\$ 26,190,437

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.

6,719,113

(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):

(Deductions in excess of \$100,000 require documentation)

(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. \$ 3,751

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

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

3,751

Total deductions

6,722,864

2d. SIPC Net Operating Revenues

\$ 19,467,573

2e. General Assessment @ .0025

\$ 48,669

(to page 1, line 2.A.)

Contents

2A Facing page to Form X-17A-5

2B Affirmation of Officers

3 Report of Independent Registered Public Accounting Firm

Consolidated Financial Statements

4 Consolidated Statement of Financial Condition

5 Consolidated Statement of Comprehensive Income

6 Consolidated Statement of Changes in Stockholder's Equity

7 Consolidated Statement of Cash Flows

8 Notes to Consolidated Financial Statements

Supplementary Schedules

16 Schedule I: Computation of Net Capital Pursuant to Rule 15c3-1 and Reconciliation with Company's Computation (included in Part II of Form X-17a-5)

17 Schedule II: Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3

18 Schedule III: Information Relating to the Possession or Control Requirements pursuant to Rule 15c3-3

Pavilion Global Markets Ltd. Exemption Report

Pavilion Global Markets Ltd (the "Company") is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (17 C.F.R. §240.17a-5, "Reports to be made by certain brokers and dealers"). This Exemption Report was prepared as required by 17 C.F.R. § 240.17a-5(d)(1) and (4). To the best of its knowledge and belief, the Company states the following:

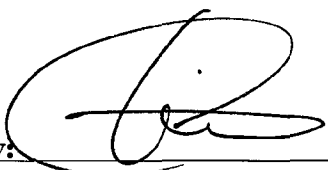
(1) The Company claimed an exemption from 17 C.F.R. § 240.15c3-3 under the following provisions of 17 C.F.R. § 240.15c3-3 (k): **(2)(i)**

(2) The Company met the identified exemption provisions in 17 C.F.R. § 240.15c3-3(k)(2)(i) throughout the most recent fiscal year except as described below:

Despite the fact that the balance in the 15c3-3 account exceeded at all times the amounts payable under commission recapture programs, the Company did not issue checks from the existing separate 15c3-3 bank accounts to pay the customer or the creditor of the customer under the commission recapture program throughout the most recent fiscal year.

Pavilion Global Markets Ltd

I, Giancarlo Farinacci, swear (or affirm) that, to my best knowledge and belief, this Exemption Report is true and correct.

By:  _____

Title: Chief Financial Officer and FINOP

February 26, 2016