


OATH OR AFFIRMATION

I, Ilan Lessick, swear (or affirm) that, to the best of my knowledge and belief, the financial report pertaining to the firm of Hold Brothers Capital, LLC, as of December 31, 2024, is true and correct. I further swear (or affirm) that neither the company nor any partner, officer, director, or equivalent person, as the case may be, has any proprietary interest in any account classified solely as that of a customer.

Signature: 

Title:

EVP-Finance and Operations

This filing** contains (check all applicable boxes):

- (a) Statement of financial condition.
- (b) Notes to consolidated statement of financial condition.
- (c) Statement of income (loss) or, if there is other comprehensive income in the period(s) presented, a statement of comprehensive income (as defined in § 210.1-02 of Regulation S-X).
- (d) Statement of cash flows.
- (e) Statement of changes in stockholders' or partners' or sole proprietor's equity.
- (f) Statement of changes in liabilities subordinated to claims of creditors.
- (g) Notes to consolidated financial statements.
- (h) Computation of net capital under 17 CFR 240.15c3-1 or 17 CFR 240.18a-1, as applicable.
- (i) Computation of tangible net worth under 17 CFR 240.18a-2.
- (j) Computation for determination of customer reserve requirements pursuant to Exhibit A to 17 CFR 240.15c3-3.
- (k) Computation for determination of security-based swap reserve requirements pursuant to Exhibit B to 17 CFR 240.15c3-3 or Exhibit A to 17 CFR 240.18a-4, as applicable.
- (l) Computation for Determination of PAB Requirements under Exhibit A to § 240.15c3-3.
- (m) Information relating to possession or control requirements for customers under 17 CFR 240.15c3-3.
- (n) Information relating to possession or control requirements for security-based swap customers under 17 CFR 240.15c3-3(p)(2) or 17 CFR 240.18a-4, as applicable.
- (o) Reconciliations, including appropriate explanations, of the FOCUS Report with computation of net capital or tangible net worth under 17 CFR 240.15c3-1, 17 CFR 240.18a-1, or 17 CFR 240.18a-2, as applicable, and the reserve requirements under 17 CFR 240.15c3-3 or 17 CFR 240.18a-4, as applicable, if material differences exist, or a statement that no material differences exist.
- (p) Summary of financial data for subsidiaries not consolidated in the statement of financial condition.
- (q) Oath or affirmation in accordance with 17 CFR 240.17a-5, 17 CFR 240.17a-12, or 17 CFR 240.18a-7, as applicable.
- (r) Compliance report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- (s) Exemption report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- (t) Independent public accountant's report based on an examination of the statement of financial condition.
- (u) Independent public accountant's report based on an examination of the financial report or financial statements under 17 CFR 240.17a-5, 17 CFR 240.18a-7, or 17 CFR 240.17a-12, as applicable.
- (v) Independent public accountant's report based on an examination of certain statements in the compliance report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- (w) Independent public accountant's report based on a review of the exemption report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- (x) Supplemental reports on applying agreed-upon procedures, in accordance with 17 CFR 240.15c3-1e or 17 CFR 240.17a-12, as applicable.
- (y) Report describing any material inadequacies found to exist or found to have existed since the date of the previous audit, or a statement that no material inadequacies exist, under 17 CFR 240.17a-12(k).
- (z) Other: _____

**To request confidential treatment of certain portions of this filing, see 17 CFR 240.17a-5(e)(3) or 17 CFR 240.18a-7(d)(2), as applicable.

HOLD BROTHERS CAPITAL, LLC
STATEMENT OF FINANCIAL CONDITION RESTATED
DECEMBER 31, 2024

HOLD BROTHERS CAPITAL, LLC

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Members of
Hold Brothers Capital, LLC

Opinion on the Financial Statement

We have audited the accompanying statement of financial condition of Hold Brothers Capital, LLC (the Company) as of December 31, 2024, and the related notes (collectively referred to as the financial statement). In our opinion, the financial statement presents fairly, in all material respects, the financial position of the Company as of December 31, 2024, in conformity with U.S. generally accepted accounting principles.

Restatement

As discussed in Notes G and H to the financial statement, the financial statement has been restated to correct a misstatement.

Basis for Opinion

This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statement based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statement, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statement. We believe that our audit provides a reasonable basis for our opinion.

We have served as the Company's auditor since 2025.

BDMP Assurance, LLP

Portland, Maine
February 12, 2026

HOLD BROTHERS CAPITAL, LLC
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2024

ASSETS

Cash and cash equivalents	\$ 1,899,176
Segregated cash	200,000
Deposits with clearing organizations	477,008
Securities owned, at fair value	29,523
Receivable from customers	1,349,047
Receivable from broker-dealers and clearing organizations	1,048,742
Receivable from related parties	2,406,467
Stock borrow	533,400
Other assets	<u>567,996</u>

TOTAL ASSETS

\$ 8,511,359

LIABILITIES AND MEMBERS' EQUITY

LIABILITIES

Payable to related parties	\$ 289,757
Payable to customers	409,145
Fail to receive	7,726
Accounts payable	1,017,369
Accrued expenses and other liabilities	<u>861,758</u>

TOTAL LIABILITIES

2,585,755

MEMBERS' EQUITY

Class A voting, members' units	359,243
Class B nonvoting, members' units	3,973,398
Class F nonvoting, members' units	<u>1,592,963</u>

TOTAL MEMBERS' EQUITY

5,925,604

TOTAL LIABILITIES AND MEMBERS' EQUITY

\$ 8,511,359

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

NOTE A – ORGANIZATION

Nature of business

Hold Brothers Capital, LLC (the "Company") was organized in 2009 in the State of New Jersey as a Limited Liability Company. The Company is a registered broker-dealer with the Securities and Exchange Commission (the "SEC") and is a Financial Industry Regulatory Authority member.

The Company engages in the trading and clearing of equity securities. The Company provides these services through its home office in New York, New York. The Company also has commission sharing and execution sharing arrangements with other registered broker-dealers.

Starting May 2012, the Company became self-clearing and has a direct clearing relationship with the National Securities Clearing Corporation (the "NSCC").

The accompanying financial statement has been prepared from the separate records maintained by the Company and, due to certain transactions and agreements with affiliated entities, may not necessarily be indicative of the financial condition that would have existed, had the Company operated as an unaffiliated entity.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

The Company considers all highly liquid temporary cash investments with an original maturity date of three months or less when purchased to be cash equivalents.

Cash and cash equivalents include cash and money market accounts.

Cash and securities segregated for the benefit of customers

Cash and securities segregated for the benefit of customers consist of cash segregated in a special reserve bank account for the exclusive benefit of customers under Rule 15c3-3 of the Securities and Exchange Act.

Deposits with clearing organizations

As part of the Company's direct clearing relationship with the NSCC, the Company maintains deposits with the NSCC and Depository Trust Clearing Corporation.

Securities transactions

Proprietary securities transactions in regular-way trades are recorded on the trade date, as if they had settled. Profit and loss arising from all securities transactions entered into for the account and risk of the Company are recorded on a trade date basis. Financial Instruments are recorded at fair value in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820.

The Company owns nonmarketable equity securities as part of its direct clearing relationship with NSCC. These securities are stated at cost, subject to adjustments for any observable market transactions on the same or similar instruments of investee. As of December 31, 2024, the value of nonmarketable equity securities was \$128,441 and is included in other assets in the statement of financial condition.

HOLD BROTHERS CAPITAL, LLC
Notes to Financial Statements
DECEMBER 31, 2024

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Receivable from and payable to customers:

Receivable from and payable to customers include amounts on settled customer securities transactions and due from customers or held in customer margin accounts.

Stock borrow

The "stock borrow" line item in the statement of financial condition represents short-term borrowings of securities arranged by the Company from third-party lenders, for operational and trading purposes. These borrowings primarily facilitate the execution of short sales and other proprietary trading activities, as well as meeting delivery obligations. The balance reflects the aggregate fair value of all such borrowings outstanding as of December 31, 2024. These borrowings are collateralized by cash.

Receivable from broker-dealers and clearing organizations

The Company extends unsecured credit in the normal course of business to broker-dealers and clearing organizations. The Company accounts for estimated credit losses on financial assets measured at an amortized cost basis in accordance with FASB ASC 326. FASB ASC 326 requires the Company to estimate expected credit losses over the life of its financial assets as of the reporting date based on relevant information about past events, current conditions, and reasonable and supportable forecasts. The Company records the estimate of expected credit losses as an allowance for credit losses. For financial assets measured at an amortized cost basis, the allowance for credit losses is reported as a valuation account on the balance sheet that adjusts the asset's amortized cost basis. Changes in the allowance for credit losses are reported as credit loss expense in earnings. As of December 31, 2024, the Company did not have an allowance for credit losses established since, based on the Company's analysis, the Company does not expect any credit losses over the life of its financial assets. Past due accounts are written off by management when deemed uncollectible on a case-by-case basis.

As of December 31, 2024, one customer, Velocity Clearing, LLC, owed the Company \$999,934 which is included in receivable from broker-dealers and clearing organizations in the statement of financials condition.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes

The Company is organized as a limited liability company and is taxed as a partnership for income tax purposes. Accordingly, the Company is not subject to federal income taxes and makes no provision for income taxes in its financial statement. The Company may elect to pay the Pass-Through Entity Tax (PTET) and Business Alternative Income Tax (BAIT) in applicable jurisdictions. These taxes, if elected, are imposed at the entity level and are deductible as a business expense for federal income tax purposes. The election to pay such taxes will be evaluated annually based on the Company's tax position and applicable state laws.

The Company has determined that there are no material uncertain tax positions that require recognition or disclosure in its financial statements.

Use of estimates

The preparation of the financial statement 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 the disclosure of contingent assets and liabilities at the date of the financial statement. Actual results could differ from those estimates.

Subsequent event

Management has evaluated events through , the date on which the financial statement was available to be re-issued.

NOTE C – FAIR VALUE

Fair Value Measurement

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

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Company has the ability to access.
- Level 2 inputs are inputs (other than quoted prices included within level 1) that are observable for the asset or liability, either directly or indirectly.
- Level 3 are unobservable inputs for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability. The unobservable inputs should be developed based on the best information available in the circumstances and may include the Company's own data.

NOTE C – FAIR VALUE

The following table presents the Company's fair value hierarchy for those assets measured at fair value on a recurring basis as of December 31, 2024.

Fair Value Measurements on a Recurring Basis				
As of DECEMBER 31, 2024				
	Level 1	Level 2	Level 3	Total
ASSETS				
Securities owned	\$29,523	\$ -	\$ -	\$ 29,523
Stock borrow	533,400	-	-	533,400
Total	562,923	\$ -	\$ -	562,923

During 2024, there were no transfers between levels.

NOTE D – RELATED PARTY TRANSACTIONS

All related parties are controlled by class A member of the Company.

Hold Brothers, Inc., Trenchant Capital LLC, Trenchant Funds USA LLC, Hold Technologies, LLC, Tafferer Trading LLC, Sodalite Financial Services LLC, Objectivization, LLC, Facilitatory, LLC, GFH Ventures LLC, and Holdsoftware.com, Inc., all related parties of the Company, are parties to an expense sharing agreement wherein the parties agree to reasonably allocate expenses and liabilities of commonly used resources consisting of rent and occupancy, personnel, information services, communications, consulting, insurance, and other miscellaneous fees. Pursuant to this agreement:

The Company expensed \$120,000 for services Trenchant Capital LLC provided to the Company. Included in payable to related parties is \$23,593 related to these transactions.

The Company expensed \$1,875,185 for services Trenchant Funds USA LLC provided to the Company. Included in payable to related parties is \$128,138 related to these transactions.

The Company expensed \$802,021 for services Hold Technologies, LLC provided to the Company. Hold Technologies, LLC also paid vendors utilized by the Company on behalf of Trenchant Funds USA LLC. The Company also paid vendors utilized by Hold Technologies, LLC on behalf of Hold Technologies, LLC. Included in receivable from related parties is \$778,883 related to these transactions.

The Company expensed \$12,000 for services Tafferer Trading LLC provided to the Company. The Company also paid vendors utilized by Tafferer Trading LLC on behalf of Tafferer Trading LLC. Included in receivable from parties is \$249,855 related to these transactions.

The Company expensed \$131,050 for services GFH Ventures provided to the Company. Included in payable to related parties is \$131,050 related to these transactions.

The Company has a license agreement with Holdsoftware.com, Inc. for the use of Holdsoftware.com, Inc's programs, software, and user manuals. The Company expensed \$2,160,000 for these services. The Company also paid vendors utilized by Holdsoftware.com, Inc. on behalf of Holdsoftware.com, Inc. Included in receivable from related parties is \$1,364,557 related to these transactions.

Hold Brothers, Inc. owed the Company \$12,627 for expenses paid by the Company on behalf of Hold Brothers, Inc., which is included in receivable from related parties.

The Company owed Objectivization, LLC \$559 for expenses paid by Objectivization, LLC on behalf of the Company, which is included in payable to related parties.

Receivable from and payable to related parties also includes \$545 and \$6,417 from Smashtrade and Demonstrate, respectively, additional related parties to the Company.

NOTE E – MEMBERS' EQUITY

The Class A member units are voting.

The Class B members' units are nonvoting. Each Class B member is allocated the net income or loss from their individual trading activities.

The Class F member is nonvoting. Class A member units may allocate up to 95% of profits derived from referral and servicing revenue to this class.

NOTE F – MARKET AND CREDIT RISK

The Company enters into various transactions to conduct trading activities and manage market risks and is, therefore, subject to varying degrees of market and credit risk.

The Company maintains accounts in financial institutions that are insured by the Federal Deposit Insurance Corporation ("FDIC"). At times, cash may be uninsured or in deposit accounts that exceed the FDIC insurance limit. The Company has not experienced any losses in the accounts. The Company believes it is not exposed to any significant risk on cash. Management periodically assesses the financial condition of the financial institutions and believes that any potential credit loss is minimal.

NOTE G – NET CAPITAL REQUIREMENTS (RESTATED)

The Company is subject to the SEC's Uniform Net Capital Rule (Rule 15c3-1) under the Securities Exchange Act, which requires the maintenance of minimum net capital, as defined, and requires that the ratio of aggregate indebtedness, as defined, to net capital, shall not exceed 15 to 1. Also, in order to maintain its current tier of clearing arrangements with the NSCC, the Company is required to maintain \$2,500,000 in excess net capital.

As a result of an examination concluded by FINRA in 2025, the Company agreed to reduce its net capital by \$1,043,234 due to recategorizing certain allowable assets to non-allowable.

As a result of the examination, at December 31, 2024, the Company had revised net capital of \$2,099,166 (formerly \$3,142,400), which was \$1,849,166 (formerly \$2,892,400) in excess of its required net capital of \$250,000. The Company's ratio of aggregate indebtedness to net capital was now 1.14 to 1. (formerly .76 to 1). Capital withdrawals may be subject to certain notification and other provisions of the SEC's Uniform Net Capital Rule.

The adjustment to net capital also impacted the Company's reserve computation by reducing its 15c3-3 debits by \$280,319.

Once the adjustment to net capital was identified, additional capital was contributed so the Company's excess capital is now over \$2,500,000.

NOTE H – COMMITMENTS AND CONTINGENCIES (RESTATED)

In the normal course of business, from time to time, the Company is subject to proceedings and investigations by self-regulatory organizations. While the outcome of such matters cannot be predicted with certainty, in the opinion of management of the Company, after consultation with counsel handling such matters, these actions will be resolved with no material adverse effect on the Company's financial statements. However, subsequent to a FINRA audit concluded in November 2025, an additional Capital reduction needed to be taken of \$1,043,234 which had a material adverse effect on the Firm's allowable net capital as explained in Note G.

NOTE I – SEGMENT INFORMATION

The Company is engaged in a single line of business as a securities broker-dealer, which is comprised of several classes of services, including trading and clearing of equity securities. The Company has identified its Chief Executive Officer as the chief operating decision maker ("CODM"), who uses net income to evaluate the results of the business, predominantly in the forecasting process, to manage the Company. Additionally, the CODM uses excess net capital (see Note G), which is not a measure of profit and loss, to make operational decisions while maintaining capital adequacy, such as whether to reinvest profits or pay distributions. The Company's operations constitute a single operating segment and therefore, a single reportable segment, because the CODM manages the business activities using information of the Company as a whole. The measure of segment assets is reported on the statement of financial condition as total assets. Refer to the receivable from broker-dealer and clearing organizations section of Note B for information on the Company's major customers.

NOTE J – GUARANTEES

Indemnifications

In the normal course of its business, the Company indemnifies and guarantees certain service providers, such as clearing and custody agents, trustees and administrators, against specified potential losses in connection with their acting as an agent of, or providing services to, the Company. The maximum potential amount of future payments that the Company could be required to make under these indemnifications cannot be estimated. However, the Company believes that it is unlikely it will have to make material payments under these arrangements and has not recorded any contingent liability in the financial statement for these indemnifications.

NOTE K – NOTE PAYABLE AND CREDIT FACILITIES

The Company has credit facility agreements for \$10,000,000 each with Hold Technologies, LLC and HoldSoftware.com, Inc. There are no outstanding balances on these credit facilities as of December 31, 2024 and they were not utilized during 2024.

NOTE L - LEASES

Trenchant Funds USA LLC has an operating lease for office facilities, which expires in November 2025. A portion of the lease is allocated to the Company. Leases are classified as operating or finance leases at the lease commencement date. The Company does not have any finance leases. Lease expense for operating leases is recognized on a straight-line basis over the lease term. Right-of-use ("ROU") assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term. The Company's discount rate on the lease is 3%. The ROU asset and lease liability is \$195,043 as of December 31, 2024 and is included in other assets and accrued expenses and other liabilities in the statement of financial condition, respectively.