



BOCI Commodities & Futures (USA) LLC

(A wholly owned subsidiary of BOC International (USA) Holdings Inc.)

Financial Statements and
Supplementary Schedules Pursuant to
Regulation 1.10 of the Commodity Exchange Act
December 31, 2020
(Available for Public Inspection)

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CFTC FORM 1-FR-FCM [0005]

OMB NO. 3038-0024

NAME OF COMPANY: BOCI Commodities & Futures (USA) LLC [0010]	EMPLOYER ID NO: 30-0706261 [0020]	NFA ID NO: 0436658 [0030]
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: 1045 Avenue of the Americas, Suite 1501 New York, NY 10018 [0050]	PERSON TO CONTACT CONCERNING THIS REPORT: Siu Hong (Arthur) Fan [0040] TELEPHONE NO: (852) 3988-6688 [0060] E-MAIL ADDRESS: Arthur.Fan@bocigroup.com [0065]	

1. Report for the period beginning 1-1-20 [0070] and ending 12-31-20 [0080]
2. Type of report [0090] Certified [] Regular quarterly/semiannual [] Monthly 1.12 (b)
 Special call by: _____ [] Other - Identify: _____
3. Check whether [0095] Initial filing [] Amended filing
4. Name of FCM's Designated Self-Regulatory Organization: CME Group, Inc. s [0100]
5. Name(s) of consolidated subsidiaries and affiliated companies:

Name [0110]	Percentage Ownership [0120]	Line of Business [0130]
_____ [0140]	_____ [0150]	_____ [0160]
_____ [0170]	_____ [0180]	_____ [0190]
_____ [0200]	_____ [0210]	_____ [0220]
_____ [0230]	_____ [0240]	_____ [0250]

The futures commission merchant, or applicant for registration therefore, submitting this Form and its attachments and the person whose signature appears below represent that, to the best of their knowledge, all information contained therein is true, correct and complete. It is understood that all required item, statements and schedules are integral parts of this Form and that the submission of any amendment represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted. It is further understood that any intentional misstatements or omissions of facts constitute Federal Criminal Violations (see 18 U.S.C. 1001).

Signed this 21th day of February, 2021

Manual signature _____

Type or print name Siu Hong (Arthur) Fan

Chief Executive Officer [] Chief Financial Officer Corporate Title Director
 General Partner [] Sole Proprietor

Authority: Sections 4c, 4d, 4f, 4g, 5a, 8a, and 17 of the Commodity Exchange Act (7 U.S.C. §§ 6c, 6d, 6f, 6g, 7a, 12a, and 21)



RYAN & JURASKA LLP
Certified Public Accountants
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Chicago, Illinois 60604
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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Member of BOCI Commodities & Futures (USA) LLC

Opinion on the Financial Statement

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

Basis for Opinion

This financial statement is the responsibility of BOCI Commodities & Futures (USA) LLC's management. Our responsibility is to express an opinion on the Company's financial statement based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to BOCI Commodities & Futures (USA) LLC in accordance with U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission, the Commodity Futures Trading Commission ("CFTC"), and the PCAOB. We have served as BOCI Commodities & Futures (USA) LLC's auditor since 2015.

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

Supplemental Information

The information in Supplementary Schedules ("the supplemental information") has been subjected to audit procedures performed in conjunction with the audit of BOCI Commodities & Futures (USA) LLC's financial statement. The supplemental information is the responsibility of the Company's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statement or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the 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 Regulation 1.10 of the Commodity Exchange Act. In our opinion, the Supplementary Schedules are fairly stated, in all material respects, in relation to the financial statement as a whole.

Ryan & Juraska LLP

Chicago, Illinois
February 22, 2021

BOCI Commodities & Futures (USA) LLC
(A wholly owned subsidiary of BOC International (USA) Holdings Inc.)
Statement of Financial Condition
December 31, 2020

ASSETS

Cash and cash equivalents	\$	208,772
Cash segregated under federal and other regulations		3,096,444
Deposits with exchange clearing organization		2,500,000
Leased assets		1,033,855
Other assets		1,046
		<hr/>
Total assets	\$	<u>6,840,117</u>

LIABILITIES AND MEMBER'S EQUITY

Liabilities:

Due to related parties	\$	2,898
Long term lease liability		1,033,855
Other payables and accrued expenses		<u>36,252</u>
Total liabilities		1,073,005
Liabilities subordinated to claims of general creditors		5,500,000
Member's equity		<u>267,112</u>
Total liabilities and member's equity	\$	<u>6,840,117</u>

The accompanying notes are an integral part of these financial statements

BOCI Commodities & Futures (USA) LLC
(A wholly owned subsidiary of BOC International (USA) Holdings Inc.)
Notes to Statement of Financial Condition
December 31, 2020

1 Organization

BOCI Commodities & Futures (USA) LLC (the “Company”) is a limited liability company formed in the State of Delaware on September 12, 2011. The Company is a wholly owned subsidiary of BOC International (USA) Holdings Inc. (the “Parent”), a Delaware corporation.

The Company’s principal business activity is the clearing of exchange traded futures and options contracts for institutional clients. Through December 31, 2020, the Company was a registered futures commission merchant (“FCM”) with the U.S. Commodity Futures Trading Commission (“CFTC”), a member of the National Futures Association (“NFA”) and a clearing member of CME Group Inc. (“CME”). However, on January 25, 2021, the Company ceased all clearing activities and withdrew its membership with CME, and, on February 18, 2021, the Company filed a Form 7-W to withdraw its registration as an FCM with the NFA and CFTC.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of this financial statement is set out below.

Basis of preparation

The financial statement has been prepared in accordance with generally accepted accounting principles in the United States of America (“GAAP”). The financial statement is presented in US dollars, unless otherwise stated.

Use of estimates

The preparation of financial statement in conformity with GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities. Actual results could differ from those estimates.

Commodities transactions

Transactions in exchange traded futures and options are recorded on the trade date at the original price. Commodities futures and options held by the Company on behalf of customers are carried at fair value, and unrealized profits and losses are reflected in the client’s equity.

2 Summary of significant accounting policies (continued)

Cash and cash equivalents

Cash includes funds with JPMorgan Chase Bank, N.A. and Bank of China New York Branch. For the purposes of the statement of cash flows, highly liquid investments with original maturities of three months or less are considered cash equivalents.

Income tax

The Company complies with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 740, *Income Taxes* ("ASC 740"), which require an asset and liability approach to financial accounting and reporting for income taxes. Deferred income tax assets and liabilities are computed for differences between the financial statements and tax basis of assets and liabilities that will result in taxable or deductible amounts in the future based on the enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce the deferred income tax assets to the amount expected to be realized.

ASC 740 provides guidance for how uncertain tax positions should be recognized, measured, presented and disclosed in the financial statements. ASC 740 also requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Company's tax returns to determine whether the tax positions are "more-likely-than-not" to be sustained by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit or expense in the current year. The tax years that remain subject to examination are 2017, 2018, 2019, and 2020. The Company determined that there are no uncertain tax positions, which would require adjustments or disclosures on the financial statements.

The Company is included in the consolidated tax return of the Parent. The provision for income taxes is computed using a "separate return" method. Under this method, the Company is assumed to file a separate return with the tax authority, thereby reporting taxable income or loss and applying the applicable tax to or receiving the appropriate refund from the Parent. The current provision is the amount of tax payable or refundable on the basis of a hypothetical, current year separate tax return. Deferred taxes are provided on temporary differences and on any carry forwards that could be claimed on the hypothetical return and the need for a valuation allowance is assessed on the basis of projected separate return results.

Commissions and related clearing expenses

Commissions and related clearing expenses are recognized on a trade date basis.

Revenue recognition

The Company recognizes revenue in accordance with FASB ASC Topic 606, *Revenue from Contracts with Customers*. The guidance requires entities to recognize revenue to depict the transfer of promised goods or services to customers in an amount that is reflective of the consideration the entity expects in exchange for those goods and services.

BOCI Commodities & Futures (USA) LLC
(A wholly owned subsidiary of BOC International (USA) Holdings Inc.)
Notes to Statements of Financial Condition
December 31, 2020

2 Summary of significant accounting policies (continued)

During 2020, the Company earned revenue mainly from commission income from clearing related services from its affiliate, BOCI Commodities & Futures Limited (“C&F-HK”) in Hong Kong, as the BOCI Group subsidiary in the United States. The performance obligation is satisfied at the point in time services are provided.

For the year ended December 31, 2020, the Company’s main source of commissions was from its omnibus clearing arrangement with clients of C&F-HK. Access is provided on the exchanges of the CME and revenue is determined based on an agreed commission rate multiplied by the volume of lots executed. Revenue is also recognized on trade date of the transaction because that is when the underlying financial instrument or buyer/seller is identified. The pricing is agreed upon and the risks and rewards of ownership are transferred to/from the client. The Company’s performance is satisfied on trade date and commission is received on trade date.

3 Assets segregated or held in separate accounts under federal and other regulations

The statement of financial condition on December 31, 2020, included assets segregated or held in separate accounts under the Commodity Exchange Act as follows:

Cash	\$ 3,096,432
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4 Deposits with exchange clearing organization

The statement of financial condition on December 31, 2020, included deposits with clearing organization carried at fair value as follows:

Guarantee deposit	
Cash and cash equivalents	\$ 2,500,000

5 Fixed assets

Fixed assets consisted of the following at December 31, 2020:

Computer equipment	\$ 19,051
Furniture and fixtures	1,610
Computer software	7,412
	<hr/>
Fixed assets, at cost	28,073
	<hr/>
Accumulated depreciation and ammortization	(28,073)
	<hr/>
Net fixed assets	<u><u>\$ 0</u></u>

BOCI Commodities & Futures (USA) LLC
(A wholly owned subsidiary of BOC International (USA) Holdings Inc.)
Notes to Statements of Financial Condition
December 31, 2020

6 Short term bank loans

As of December 31, 2020, the Company does not have any bank loans but has an uncommitted credit facility with Bank of China New York Branch.

7 Subordinated borrowings

As of December 31, 2020, the Company borrowed \$5,500,000 under a revolving subordinated loan agreement with an affiliate, BOC International Holdings Limited (“BOCI-HKH”). See note 11 for details of the revolving subordinated loan agreement. In connection with the plan to cease the clearing activities of the Company in 2021 and deregister as an FCM with the CFTC and NFA, the existing subordinated loan will either be repaid or forgiven based on outstanding liabilities in existence at the time the Company’s deregistration as an FCM is approved by CFTC and NFA.

8 Income tax expense

Deferred taxes result from temporary differences between tax laws and financial accounting standards. As of December 31, 2020, the Company is unsure if the deferred tax asset of approximately \$4,435,900 relating to the accumulated unutilized carry forward losses of approximately \$14,750,000 will be realized through future taxable profits. As such, the Company established a full valuation allowance against this asset.

9 Concentration of credit risk

As of December 31, 2020 the firm had significant credit concentrations consisting of cash balances with the Bank of China New York Branch, and JP Morgan Chase & Co. of \$2,997,931, \$307,285 respectively. Management does not believe the Company has significant exposure to any credit risk on cash balances.

10 Guarantees

Accounting Standards Codification Topic 460 (“ASC 460”), *Guarantees*, requires the Company to disclose information about its obligations under certain guarantee arrangements. ASC 460 defines guarantees as contracts and indemnification agreements that contingently require a guarantor to make payments to the guaranteed party based on changes in an underlying (such as an interest or foreign exchange rate, security or commodity price, an index or the occurrence or nonoccurrence of a specified event) related to an asset, liability or equity security of a guaranteed party. This guidance also defines guarantees as contracts that contingently require the guarantor to make payments to the guaranteed party based on another entity’s failure to perform under an agreement, as well as indirect guarantees of the indebtedness of others.

As of December 31, 2020, the Company was a member of CME, a clearing organization that clears futures and options contracts. Associated with its membership in CME, the Company may be required to pay a proportionate share of the financial obligations of another member who may default on its obligations to the exchange or the clearinghouse. While the rules governing different exchange or clearinghouse memberships vary, in general the Company’s guarantee obligations would arise only if the exchange or clearinghouse had previously exhausted its resources or and other available remedies. The maximum potential payout under this membership agreement cannot be estimated. However, the Company has not recorded any contingent liability in the statement of financial condition for this agreement and believes that any potential requirement to make payments under this agreement is remote.

BOCI Commodities & Futures (USA) LLC
(A wholly owned subsidiary of BOC International (USA) Holdings Inc.)
Notes to Statements of Financial Condition
December 31, 2020

11 Agreements and related party transactions

Related parties are those parties that have the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or other entities.

The various CME exchange memberships required for the Company's clearing activities are owned by an affiliate, BOCI Global Commodities Holdings Limited. The exchange memberships are registered to be used by the Company. The aggregate fair market value of the exchange membership is \$1,397,200.

The Company has a service level agreement ("SLA") with its Parent under which general and administrative services are shared. On December 31, 2020, the Company had a receivable from the Parent totaling \$11,560 and is reported in net due to related parties on the statement of financial condition. The SLA will continue to be in effect until the Company is deregistered as an FCM with CFTC and NFA. As such, the Company may incur expenses in connection with severance payments for employees of the Parent who provide support to the Company pending these employees' acceptance of separation and release agreements with the Parent.

The Company has a service level agreement with BOCI-HL under which BOCI-HL provides the Company risk management services.

During the year, the Company entered into transactions with an affiliate, BOC International Holdings Limited ("BOCI-HKH"), for administrative activities. The transactions were covered under a service level agreement with BOCI-HKH. At December 31, 2020, a total of \$14,458 was outstanding and is reported in a net due to related parties on the statement of financial condition.

During the year ended December 31, 2020, the Company provided clearing services for its affiliate and sole customer, BOCI Commodities and Futures Limited.

The Company entered into a revolving subordinated loan agreement (the "Agreement") with BOCI-HKH, on November 18, 2016. The Agreement terminates on November 18, 2022, the scheduled maturity date. The maximum amount that can be borrowed under the Agreement is \$30 million with an interest rate of London Inter-bank Offer Rate (LIBOR) plus 2%. Any funds will be approved by the CME and available in computing net capital under the Commodity Exchange Act. During 2020, the Company drew down a total of \$1,500,000 under the Agreement. As stated in note 7, as of December 31, 2020, subordinated borrowings outstanding and payable to BOCI-HKH totaled \$5,500,000, with a maturity date of November 18, 2025.

Additionally, the Company maintains bank accounts and regulated bank accounts with the Bank of China New York Branch, a related party. As of December 31, 2020, the balances were \$51,684 and \$2,946,247, which were included in cash and cash segregated under federal and other regulations on the statement of financial condition, respectively.

12 Minimum capital requirement

The Company is subject to the minimum capital requirements pursuant to regulation 1.17 under the rules and regulations of the CFTC ("CFTC Regulation 1.17"). Under CFTC Regulation 1.17, the Company is required to maintain net capital equivalent to the greater of \$1,000,000 or the sum of 8% of the customer risk maintenance margin requirement plus 8% of the non-customer risk maintenance margin requirement or another dollar requirement set by a registered futures association of which it is a member. Under the rules of the CME, through the year ending December 31, 2020, the Company is required to maintain net capital equivalent to the greater of \$5,000,000 or 8% of the customer risk maintenance margin requirement plus 8% of the non-customer risk maintenance margin requirement. On December 31, 2020, in accordance with CFTC Regulation 1.17, the Company had adjusted net capital of \$5,759,008, which was \$4,759,008 in excess of its required net capital of \$1,000,000. Under the requirements of the CME, the Company's minimum capital requirement and adjusted net capital were \$5,000,000 and \$5,759,008, respectively. The net capital rule may effectively restrict member's capital withdrawals.

13 Fair value measurement and disclosures

ASC Topic 820, Valuations ("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 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 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.

The Company held no Level 1, Level 2 or Level 3 assets as of December 31, 2020.

14 Subsequent events

The Company's management has evaluated events and transactions through February 22, 2021. No material events requiring disclosure in the financial statements were found, except as described in footnote 1.

Supplementary Schedules

BOCI Commodities & Futures (USA) LLC

Schedule 1

Reconciliation of Statement of Financial Condition to Minimum Net Capital Requirements

December 31,2020

Total Assets per statement of financial Condition		\$	6,840,117
Deduct: Noncurrent assets (as defined)			
Cash (Cash at affiliate bank)	7,058		
Other asset	1,046		
Current Assets Under CFTC Regulation 1.17			<u>(8,104)</u>
		\$	<u>6,832,013</u>
Total Liabilities per statement of financial condition		\$	1,073,005
Liabilities Under CFTC Regulation 1.17		\$	<u>1,073,005</u>

BOCI Commodities & Futures (USA) LLC
Statement of the Computation of Net Capital and Minimum Capital Requirements
December 31,2020

Schedule 2

Current assets, as defined (see reconciliation on prior page)		\$ 6,832,013
Adjusted total liabilities (see reconciliation on prior page)		\$ <u>(1,073,005)</u>
		5,759,008
Charges against net capital:		
Twenty percent of market value of uncovered inventories		
U.S government obligations (fair value \$_____)	\$ —	
Corporate equities (fair value \$_____)	—	
Other securities (fair value \$_____)	—	
Charges against securities purchased under agreements to resell	—	
Undermargined customer commodity futures accounts	—	
Charges against open commodity positions - proprietary	—	
Five percent of unsecured receivables from foreign brokers	—	
	<u>—</u>	<u>—</u>
Adjusted net capital (net capital less charges against net capital)		5,759,008
Net capital required using risk-based requirement:		
Amount of customer risk maintenance margin		
8% of customer risk-based requirement	\$ —	
Amount of noncustomer risk maintenance margin		—
8% of customer risk-based requirement		<u>—</u>
Minimum dollar amount requirement		<u>—</u>
	\$ <u>1,000,000</u>	
Amount required		
Excess net capital		<u>1,000,000</u>
		<u>4,759,008</u>

Computation of Early Warning Level

Enter 110% of risk-based amount required or 150% of corresponding unaudited Form 1FR-FCM filing as of December 31,2020	\$ <u>1,500,000</u>
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There are no material differences between this computation and the Company's
corresponding unaudited Form 1FR-FCM filing as of December 31, 2020

BOCI Commodities & Futures (USA) LLC
Statement Segregation Requirement and Funds in Segregation
December 31,2020

Schedule 3

Segregation requirement:

Net ledger balance:

Cash

\$ —

Securities

—

Exchange traded options:

—

Market value of open options contracts purchased on a contract market

—

Market value of open options contracts sold on a contract market

—

—

Accounts liq Net equity

—

no open trades (offset by customer owned securities totaling \$_____)

—

Amount required to be segregated

—

Funds on deposit in segregation:

—

Deposited in segregated funds bank accounts:

Cash

Securities representing investments of customers' funds, at market

3,096,432

Securities held for particular customers in lieu of cash margins, at market

—

Margins on deposit with clearing organizations of contract markets:

—

Cash

Securities representing investments of customers' funds, at market

—

Securities held for particular customers in lieu of cash margins, at market

—

Net settlement payable to clearing organizations of contract markets

—

Exchange traded options:

—

Value of open long option contracts

Value of open short option contracts

—

Net equities with other futures commission merchants:

—

Net liquidating equity

Securities held for particular customers in lieu of cash margins, at market

—

Customers' segregated funds on hand (warehouse receipts)

—

Total amount in segregation

—

Excess funds in segregation

3,096,432

Management target amount for excess funds in segregation

\$ 3,096,432

Excess funds in segregation over management target amount excess

\$ 1,000,000

\$ 2,096,432

There are no material differences between this computation and the Company's
corresponding unaudited Form 1FR-FCM filing as of December 31,2020

Statement Segregation Requirement and Funds in Segregation for Customers' Dealer Options

December 31, 2020

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

BOCI Commodities & Futures (USA) LLC
Statement Secured Requirement and Funds Held in Separate Accounts
December 31,2020

Schedule 5

Amount required to be set aside in separate Section 30.7 accounts			\$	<u>—</u>
Funds on deposit in separate Section 30.7 accounts:				
Cash in banks				
Banks located in the United States	\$		6	
			<u>0</u>	6
Equities with registered futures commission merchants				
(Name of FCM)				
Cash				
Unrealized gain on open futures contracts	\$		0	
			<u>0</u>	—
Amounts held by clearing organizations of foreign boards of trade				
(Name of Clearing Org)				
Cash				
Amount due from clearing organization - daily variation	\$		0	
			<u>0</u>	—
Amounts held by members of foreign boards of trade				
(Name of brokers)				
Cash				
Unrealized gain on open futures contracts	\$		0	
Securities on deposit			0	
Value of long option contracts			0	
Value of short option contracts			0	
			<u>0</u>	—
Total funds in separate Section 30.7 accounts				<u>6</u>
Excess (deficiency) Set Aside Funds for Secured Amount				<u>6</u>
Management Target Amount for Excess Funds in Separate Section 30.7 Accounts				<u>6</u>
Excess (deficiency) funds in separate Section 30.7 accounts over (under) Management Target Amount Excess				<u>1</u>
			\$	<u>5</u>

There are no material differences between this computation and the Company's corresponding unaudited Form 1FR-FCM filing as of December 31,2020

Statement Cleared Swaps Segregation Requirements and Funds in Cleared Swaps Customer Accounts

December 31, 2020

Cleared Swaps Customer Requirements

Net ledger balance:	
Cash	\$ —
Securities	—
Cleared swaps options	—
Market value of open cleared swaps options contracts purchased	—
Market value of open cleared swaps granted (sold)	—
	<hr/>
Accounts lic Net equity	—
no open trades (offset by customer owned securities totaling \$0)	—
Amount required to be segregated	<hr/> — <hr/>

Funds in Cleared Swaps Customer Segregated Accounts

Deposited in cleared swaps segregated accounts at banks:	
Cash	
Securities representing investments of cleared swaps customers' funds, at market	6
Securities held for particular cleared swaps customers in lieu of cash, at market	—
Margins on deposit with clearing organizations in cleared swaps segregated accounts:	—
Cash	
Securities representing investments of cleared swaps customers' funds, at market	—
Securities held for particular cleared swaps customers in lieu of cash, at market	—
Net settlement receivable from clearing organizations	—
Cleared swaps options:	—
Value of open cleared swaps long option contracts	
Value of open cleared swaps short option contracts	—
Net equities with other futures commission merchants:	—
Net liquidating equity	
Securities held for particular cleared swaps customers in lieu of cash, at market	—
Cleared swaps customer funds on hand	—
Total amount in cleared swaps customer	—
segregation	<hr/> 6 <hr/>
Excess funds in segregation	\$ 6
<hr/> Management target amount for excess funds in cleared swaps segregated accounts	<hr/> \$ 1 <hr/>
Excess funds in cleared swaps customer segregation over management target excess	<hr/> \$ 5 <hr/>

There are no material differences between this computation and the Company's corresponding unaudited Form 1FR-FCM filing as of December 31, 2020



RYAN & JURASKA LLP
Certified Public Accountants

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Tel: 312.922.0062

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL

To Management and the Member
of BOCI Commodities & Futures (USA) LLC

In planning and performing our audit of the financial statements of BOCI Commodities & Futures (USA) LLC (the "Company") as of and for the year ended December 31, 2020, in accordance with standards of the PCAOB and the 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 audit procedures that are appropriate in the circumstances 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 Regulation 1.16 of the Commodity Futures Trading Commission (the "CFTC"), we have made a study of the practices and procedures followed by the Company, including consideration of control activities for safeguarding customer and firm assets. This study included tests of compliance with such practices and procedures that we considered relevant to the objectives stated in Regulation 1.16 in making the following:

The periodic computations of minimum financial requirements pursuant to Regulation 1.17.

The daily computations of the segregation requirements of section 4d(2) of the Commodity Exchange Act (the "CEAct") and the regulations thereunder, and the segregation of funds based on such computations.

The daily computations of the foreign futures and foreign options secured amount requirements pursuant to Regulation 30.7 under the CFTC.

The daily computations of cleared swaps segregation requirements and funds in cleared swaps customer accounts under 4D(F) of the CEAct.

The Company's management is responsible for establishing and maintaining internal control 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 CFTC's previously 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 accordance with generally accepted accounting principles. Regulation 1.16(d)(2) 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 *deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the preceding paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit, we did not identify any deficiencies in internal control and control activities for safeguarding securities and certain regulated commodity customer and firm assets that we consider to be material weaknesses.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the CFTC to be adequate for its purposes in accordance with the CEAct 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, as described in the second paragraph of this report, were adequate at December 31, 2020 to meet the CFTC's objectives.

This communication is intended solely for the information and use of the management, the member, others within the Company, the CFTC, the National Futures Association, the CME Group Inc. and other regulatory agencies that rely on Regulation 1.16 of the CFTC in their regulation of registered futures commission merchants and is not intended to be, and should not be, used by anyone other than these specified parties.

Ryan & Juraska LLP

Chicago, Illinois
February 22, 2021