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

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8-53738

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 01/01/20 AND ENDING 12/31/20
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER - DEALER: EquiLend LLC

OFFICIAL USE ONLY

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

FIRM ID. NO.

225 Liberty Street, 10th Floor Suite 1020

(No. and Street)

New York, NY 10281
(City) (State) (Zip Code)

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

Mr. Paul Nigrelli (212) 901-2228
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Grant Thornton LLP

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

757 Third Avenue New York New York 10017
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

FOR OFFICIAL USE ONLY

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

SEC 1410 (06-02)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays currently valid OMB control number.

Statement of Financial Condition and Report of
Independent Registered Public Accounting Firm

EQUILEND LLC
(A wholly owned subsidiary of EquiLend Holdings LLC)

December 31, 2020

EQUILEND LLC
(A wholly owned subsidiary of EquiLend Holdings LLC)

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GRANT THORNTON LLP

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Member
EquiLend LLC

Opinion on the financial statements

We have audited the accompanying statement of financial condition of EquiLend LLC (the "Company") as of December 31, 2020, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

Basis for opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements 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 statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, 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 statements. 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 statements. We believe that our audit provides a reasonable basis for our opinion.

Grant Thornton LLP

We have served as the Company's auditor since 2008.

New York, New York
February 22, 2021

EQUILEND LLC
(A wholly owned subsidiary of EquiLend Holdings LLC)
Statement of Financial Condition
December 31, 2020

Assets

Cash and cash equivalents	\$	6,966,855
Investments, at fair value		5,139,517
Accounts receivable		3,687,623
Due from affiliates		<u>626,133</u>
Total assets	\$	<u><u>16,420,128</u></u>

Liabilities

Deferred revenue and other liabilities	\$	6,413,254
Due to affiliates		<u>2,893,691</u>
Total liabilities		<u>9,306,945</u>

Member's equity

Accumulated profits		5,913,183
Member's contributions		<u>1,200,000</u>
Total member's equity		<u>7,113,183</u>
Total liabilities and member's equity	\$	<u><u>16,420,128</u></u>

The accompanying notes are an integral part of this statement.

EQUILEND LLC
(A wholly owned subsidiary of EquiLend Holdings LLC)
Notes to Statement of Financial Condition
December 31, 2020

1. ORGANIZATION AND DESCRIPTION OF BUSINESS

EquiLend LLC (the “Company”), a Delaware limited liability company, was formed in 2001. In 2002, the Company was approved as a broker-dealer registered with the Securities and Exchange Commission (“SEC”) and as a member of the National Association of Securities Dealers (“NASD”) and commenced operations. In 2008, the NASD was consolidated into the Financial Industry Regulatory Authority, Inc. (“FINRA”). The Company is registered as an Alternative Trading System as a member of SEC and FINRA. In 2015, the Company became registered to conduct business in Australia and is now a registered with the Australian Securities & Investments Commission (“ASIC”). In 2020, the Company registered with the Ontario Securities Commission (“OSC”) in Canada.

EquiLend Holdings LLC (the “Parent”) has developed a global platform (the “Platform”) for the automation and negotiation of securities financing transactions between securities lenders and borrowers. The Company, through a service agreement with the Parent, offers services to users through the Platform along with the Company’s affiliates, EquiLend Europe Limited, EquiLend Canada Corp., EquiLend Limited, EquiLend Asia Limited, DataLend LLC, EquiLend Clearing LLC, Automated Equity Finance Markets, Inc. and Orbisa LLC (collectively the “Affiliates”). The Company and the Affiliates are wholly owned subsidiaries of the Parent.

The Company maintains an office in New York.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

New Accounting Pronouncement

In June 2016, the FASB issued ASU No. 2016-13, (“ASU 2016-13”), Financial Instruments – Credit Loss (Topic 326), which updates the guidance on recognition and measurement of credit losses for financial assets. The new requirements, known as the current expected credit loss model (“CECL”) will require entities to adopt an impairment model based on expected losses rather than incurred losses. This update is effective for the Company as of January 1, 2020 (for fiscal years beginning after December 15, 2020 including interim periods within those fiscal years). The adoption of this ASU did not have any material impact on the Company’s financial statements.

Use of Estimates

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

Cash and cash equivalents

All highly liquid investments with original maturities of three months or less when acquired are considered to be cash equivalents. Cash and cash equivalents are held at major financial institutions and are subject to credit risk to the extent those balances exceed applicable FDIC limitations.

EQUILEND LLC
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December 31, 2020

Investments

Investments include investments in publicly traded mutual funds, exchange traded funds and a certificate of deposit. All investments are carried at fair value which is determined by quoted prices at the measurement date. Investment transactions are recorded on a trade-date basis with unrealized gains and losses reflected in Other Income in the Statement of Operations.

Accounts Receivable

Accounts receivable are stated at the amount the Company expects to collect and do not bear interest. The Company's accounts receivable arise from participation fees in the U.S. and abroad. The expected credit losses of receivable balances are regularly evaluated based on a combination of factors such as customer creditworthiness, past transaction history with the customer and current economic industry trends. Changes to expected credit losses during the period would be recognized in earnings. There were no credit losses incurred in 2020 and no allowance for expected credit losses was established at December 31, 2020, as the Company believes that all of its accounts receivable balances will be collected.

Taxes

The Company is a single member limited liability company, which is treated as a disregarded entity for income tax purposes. Accordingly, the taxable income or loss of the Company is included in the unincorporated business tax ("UBT") tax return of the Parent. The Company and the Parent are both subject to UBT. The Company computes its income tax provision on a separate entity basis. Income taxes are accounted for using the asset and liability method. Deferred income taxes are computed for differences between the financial statement and tax basis of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. A valuation allowance is established when it is more likely than not that deferred tax assets will not be realized in future years.

The Company had previously adopted the provisions for accounting for uncertain tax positions under ASC Topic 740, Income Taxes ("ASC 740"). As required by ASC 740, the Company recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. With limited exceptions, the statute of limitations is closed for tax year prior to 2017. The Company has not recognized penalties and interest related to the unrecognized tax benefits for the year ended December 31, 2020. As of December 31, 2020 the Company has no uncertain tax positions.

Fair Value of Financial Instruments

The Company adopted the guidance issued by the Financial Accounting Standards Board ("FASB") to establish accounting and reporting standards related to ASC 820 Fair Value Measurements. This guidance requires the disclosure of fair value of financial instruments, including assets and liabilities recognized in the Statement of Financial Condition. 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. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

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The three levels of the fair value hierarchy are described below:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (i.e., quoted prices for similar assets or liabilities in active markets).
- Level 3 - unobservable inputs for the asset or liability. Unobservable inputs shall be used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

3. NET CAPITAL REQUIREMENT

The Company is subject to the Securities and Exchange Commission (“SEC”) Uniform Net Capital Rule (the “Rule”), which requires the maintenance of minimum net capital. The Company has elected to use the basic method, permitted by the Rule, which requires that the Company maintain net capital equal to the greater of \$5,000 or 6-2/3% of aggregate indebtedness, as defined. At December 31, 2020, the Company had net capital of \$2,298,592, which was \$1,678,129 in excess of its required net capital of \$620,463. The ratio of aggregate indebtedness to net capital was 0.25 to 1.

4. RELATED PARTIES

The Company earns participation fees from members or affiliates of members of the Parent. Accounts receivable included \$1,140,200 owed to the Company by members or affiliates of members of the Parent.

The Company has entered into a Securities Service Agreement (the “Agreement”) with EquiLend Europe Limited, EquiLend Limited and EquiLend Canada Corp. under which the Company performs services, including the facilitation of securities lending and borrowing transactions, on behalf of the above mentioned affiliates. Also under the Agreement, the Company acts as a billing agent for participation fees on behalf of these affiliates. Participation fees are earned by these affiliates when the affiliates are designated as the operating entity in the underlying user agreement between the Company, the affiliates and the user. As of December 31, 2020, the Company was owed \$589,433 from EquiLend Europe Limited. The Company owed \$33,976 and \$11,367 to EquiLend Canada Corp. and EquiLend Limited, respectively.

EquiLend Asia Limited services clients in the Asia region on behalf of the Company. Costs associated with this service are funded by the Company through a cost plus arrangement by which the Company will pay EquiLend Asia Limited a reimbursement for expenses incurred plus an 8% markup. As of December 31, 2020, the Company was owed \$405,604 from EquiLend Asia Limited.

Investments consist of \$5,139,517 invested in mutual funds, exchange trades funds and certificate of deposit through an investment account with an affiliate of a member of the Parent. Cash and cash equivalents consists of \$6,966,855 in multiple bank accounts with an affiliate of a member of the Parent.

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The Company has entered into a services agreement with the Parent (the “Services Agreement”) under which the Parent allocates a portion of the operating costs to the Company. The Parent also allocated service fees to the Company under the Services Agreement for use of the Platform developed by the Parent. The Company reimburses the Parent for allocated expenses and service fees on a monthly basis. As of December 31, 2020, the Company owed the Parent \$2,431,077, which is included in the due to affiliates balance on the Statement of Financial Condition.

5. FAIR VALUE

As required by FASB guidance, investments are classified within the level of the lowest significant input considered in determining fair value. The following table sets forth information about the level within the fair value hierarchy at which the Company’s investments are measured as of December 31, 2020.

Description	Financial Assets at Fair Value			December 31, 2018
	Level 1	Level 2	Level 3	
Exchange traded funds	\$ 2,677,986	-	-	\$ 2,677,986
Mutual funds	1,413,887	-	-	1,413,887
Money Market Funds	1,047,702	-	-	1,047,702
Total	\$ 5,139,575	-	-	\$ 5,139,575

6. CONTINGENCIES

The Company has been named as a defendant in two ongoing lawsuits, Iowa Public Employees’ Retirement System et al. v. Bank of America Corporation et al. No. 1:17-cv-06221-KPF (S.D.N.Y.) and SL-x IP S.À.R.L. v. Bank of America Corporation, et al., No. 1:18-cv-10179 (S.D.N.Y.). The Company was also named as a defendant in QS Holdco Inc. v. Bank of America Corporation et al., No. 1:18-cv-00824 (RJS) (S.D.N.Y.), which was dismissed by the U.S. District Court for the Southern District of New York in August 2020. Plaintiff in this case may choose to appeal or re-file its claims in state court. While the results of these matters cannot be predicted with certainty, the Company believes that the final outcome of both the NYS sales tax audit and these lawsuits will not have a material adverse effect on the Company's financial position.

7. IMPLICATIONS OF COVID-19

The COVID-19 pandemic developed rapidly in 2020. The Company has taken measures to continue operations without jeopardizing the health of employees. Measures taken include a work from home arrangement for all employees and safety protocols for anyone that must travel to the offices. As a result of the work from home arrangements, the Company has reduced costs associated with Occupancy and Office general and administrative. Additionally, the Company saw record trades on the Platform in the spring of 2020 due to market volatility caused by the Covid-19 pandemic. Other than the above impacts from Covid-19, the Company has been able to continue operations. The Company cannot reasonably estimate the length

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or severity of the Covid-19 pandemic's impact on operations in the future. Management will continue to monitor the situation as it unfolds and continue operations in the safest way possible.

8. SUBSEQUENT EVENTS

The Company has evaluated the possibility of subsequent events existing in the Company's financial statements through the date the financial statements were issued. The Company has determined that there are no material events that would require disclosure in the Company's financial statements.