

Mariva Capital Markets, LLC
Statement of Financial Condition
December 31, 2023

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

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FACING PAGE

Information Required Pursuant to Rules 17a-5, 17a-12, and 18a-7 under the Securities Exchange Act of 1934

FILING FOR THE PERIOD BEGINNING 01/01/2023 AND ENDING 12/31/2023
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF FIRM: Mariva Capital Markets, LLC

TYPE OF REGISTRANT (check all applicable boxes):

- Broker-dealer Security-based swap dealer Major security-based swap participant
 Check here if respondent is also an OTC derivatives dealer

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use a P.O. box no.)

150 SE 2nd Avenue, Suite PH4

(No. and Street)

Miami

(City)

FL

(State)

33131

(Zip Code)

PERSON TO CONTACT WITH REGARD TO THIS FILING

Steven Singer

(Name)

561-784-8922

(Area Code – Telephone Number)

singers@marivacm.com

(Email Address)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose reports are contained in this filing*

Crowe, LLP

(Name – if individual, state last, first, and middle name)

485 Lexington Ave. - Floor 11 New York

(Address)

(City)

NY

(State)

10017

(Zip Code)

09/24/2003

(Date of Registration with PCAOB)(if applicable)

173

(PCAOB Registration Number, if applicable)

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* Claims for exemption from the requirement that the annual reports be covered by the reports of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis of the exemption. See 17 CFR 240.17a-5(e)(1)(ii), if applicable.

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

OATH OR AFFIRMATION

I, Guillermo Parodi, swear (or affirm) that, to the best of my knowledge and belief, the financial report pertaining to the firm of Mariva Capital Markets, LLC, as of 12/31, 2023, 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



Handwritten date 2/15/24 and signature of Susana Grisel Gaitan.

Signature: [Handwritten Signature]
Title: CEO

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...
(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.

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Crowe LLP
Independent Member Crowe Global

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Member of
Mariva Capital Markets, LLC
Miami, Florida

Opinion on the Financial Statement

We have audited the accompanying statement of financial condition of Mariva Capital Markets, LLC (the "Company") as of December 31, 2023, 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, 2023, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this 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 of the financial statement provides a reasonable basis for our opinion.

Crowe LLP
Crowe LLP

We have served as the Company's auditor since 2022

New York, New York
February 29, 2024

Mariva Capital Markets, LLC
Statement of Financial Condition
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Assets

Cash and cash equivalents	\$ 296,111
Restricted cash-special reserve for the exclusive benefit of customers	45,736
Deposits with clearing brokers	431,606
Securities owned at fair value	2,961,652
Receivable from clearing broker	2,867,532
Loan to employee	270,833
Right-of-use lease assets, net	257,357
Property, equipment, and leasehold improvements, net	53,178
Prepaid expenses and other assets	<u>400,145</u>
Total assets	<u>\$ 7,584,150</u>

Liabilities and Member's Equity

Commissions and bonuses payable	\$ 564,001
Accrued expenses and other liabilities	167,963
Due to affiliates	21,633
Lease liabilities	257,357
Securities sold not yet purchased, at fair value	<u>1,586,153</u>
Total liabilities	<u>2,597,107</u>

Member's Equity

4,987,043

Total liabilities and member's equity

\$ 7,584,150

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

Mariva Capital Markets, LLC

Notes to the Financial Statement

December 31, 2023

1. Organization and Summary of Significant Accounting Policies

Mariva Capital Markets, LLC (the "Company"), a wholly owned subsidiary of Mariva Holding Group (the "Parent"), was incorporated on April 5, 2010, is a broker-dealer registered with the Securities and Exchange Commission ("SEC") and a member of the Financial Industry Regulatory Authority ("FINRA"). The Company's registration with FINRA was effective as of May 31, 2013. The Company started operations on June 26, 2013, upon receiving approval from the State of Florida.

The Company provides introductory brokerage and investment services. The Company acts as an agent to execute securities transactions on behalf of customers, and primarily trades fixed income products on a principal basis, as well as other products such as equities and options. Custody of securities owned by customers of the Company and all security transactions are settled through a third-party clearing broker on a fully disclosed basis.

The following is a description of the significant accounting policies and practices followed by the Company in the preparation of the accompanying financial statement. These policies conform to accounting principles generally accepted in the United States of America.

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 statement. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents consists of cash and money market funds held in banks at two U.S. financial institutions. The Company considers all highly liquid debt instruments having maturities of three months or less at the date of acquisition to be cash equivalents. From time to time, cash balances exceed federally insured limits at certain financial institutions.

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.

Securities owned and securities sold, not yet purchased are recorded at fair value in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, *Fair Value Measurement*. Management believes that the estimates utilized in valuing securities at fair value are reasonable and prudent.

Income Taxes

The Company is generally not taxable for federal, state, and local income tax purposes. As a limited liability company, the Company's taxable income or loss is allocated to the Parent, and the Parent is responsible for reporting the Company's taxable income or loss. There are no obligations for the Company to fund the federal, state, or local tax liabilities, if any, of the Parent. Therefore, no provision or liability for income taxes has been included in the financial statement.

Management has evaluated the Company's tax positions and concluded that the Company has taken no uncertain tax positions that require adjustment to or disclosures in the financial statement.

Mariva Capital Markets, LLC

Notes to the Financial Statement

December 31, 2023

Property, Equipment, and Leasehold Improvements

Property, equipment, and leasehold improvements are recorded at cost net of accumulated depreciation and amortization. Depreciation and amortization are computed using the straight-line method over the estimated useful lives, ranging from 3-7 years. Leasehold improvements are amortized over the lesser of the economic useful life of the improvement or the term of the lease.

Leases

The Company accounts for its leases in accordance with Accounting Standards Codification (“ASC”) Topic 842, which increases transparency and improves comparability by requiring entities to recognize assets and liabilities on the statement of financial condition for most leases. In addition, through improved disclosure requirements, it enables users of the financial statement to further understand the amount, timing, and uncertainty of cash flows arising from leases (See Note 7).

Credit Losses

FASB ASC 326-20, Financial Instruments – Credit losses requires the immediate recognition of management’s estimates of current expected credit losses.

The Company has evaluated the impact of ASC 326-20, specifically as it relates to receivables from its clearing broker and deposits with clearing brokers. These receivables include amounts receivable from unsettled trades, including amounts related to accrued interest receivables and cash deposits. The Company’s trades are cleared through its clearing broker and settled daily between the clearing broker and the Company. Because of this daily settlement, the amount of unsettled credit exposure is limited to the amount owed the Company for a very short period of time. The Company continually reviews the credit quality of its counterparties.

Additionally, the Company has evaluated the impact of ASC-326-20, specifically as it relates to loans to employees (See Footnote 8). The Company has the intent and ability to hold these loans for the foreseeable future or until maturity or payoff at cost. These loans are often contingent on the employees' continued employment with the broker-dealer, and generally either amortize over a contractual service period or require repayment from the employee upon maturity. An allowance for credit loss is estimated by considering credit quality indicators and the recoverability of outstanding loans balances from employees that have or may leave the broker-dealer. An employee loan is placed on non-accrual status when, based on current information, it is no longer probable that the scheduled payments of principal and interest would be collected when due according to the contractual terms of the underlying loan agreement.

2. Fair Value Measurements

Securities are recorded at fair value in accordance with FASB ASC 820, 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.

Mariva Capital Markets, LLC
Notes to the Financial Statement
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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.

The following table sets forth by level, within the fair value hierarchy, the Company's net securities owned and other marketable instruments, and securities sold not yet purchased, at fair value on a recurring basis as of December 31, 2023:

	Level 1	Level 2	Level 3	Total
Corporate bonds owned	\$ -	\$ 2,620,582	\$ -	\$ 2,620,582
Foreign corporate bonds owned	-	341,070	-	341,070
Corporate bonds sold, not yet purchased	-	(1,586,153)	-	(1,586,153)
Total	<u>\$ -</u>	<u>\$ 1,375,499</u>	<u>\$ -</u>	<u>\$ 1,375,499</u>

The financial instruments of the Company are reported in the statement of financial condition at their fair values. Management will categorize as Level 3 of the fair value hierarchy, those securities that are valued based on market transactions and where there is a material price disparity between third-party pricing services and observable and unobservable inputs. At December 31, 2023, there were no securities with such price disparities, and accordingly, no securities were categorized as Level 3 under the fair value hierarchy for the year then ended.

3. Net Capital Requirements

The Company is subject to the SEC Uniform Net Capital Rule ("Rule 15c3-1"), which requires the maintenance of minimum net capital, as defined, equal to the greater of \$250,000 or 6 2/3% of aggregate indebtedness, as defined. At December 31, 2023, the Company had net capital of \$3,550,564 which was \$3,300,564 in excess of the minimum amount required.

The Company claims exemption from the SEC's Customer Protection Rule ("Rule 15c3-3") pursuant to Sections k(2)(i) for its commission rebate business for which it maintains a special reserve account for the exclusive benefit of customers, and k(2)(ii) for customer transactions introduced to its clearing broker on a fully disclosed basis. Additionally, the Company relies on Footnote 74 of SEC Release No. 34-70073 for "non-covered" activities it conducts including proprietary trading and effecting securities transactions via subscriptions that does not fall under the exemptive provisions of Rule 15c3-3.

4. Receivable from and Deposit with Clearing Broker

Receivable from clearing broker includes cash balances held at the clearing broker as well as receivables due from the clearing broker on trades pending settlement. At December 31, 2023, the amount due from clearing broker totaled \$2,867,532.

The Company's clearing brokers also require the Company to maintain minimum collateral deposits. The total collateral deposits including interest receivable as of December 31, 2023 is \$431,606.

Mariva Capital Markets, LLC

Notes to the Financial Statement

December 31, 2023

5. Cash and Restricted Cash

The following table provides a reconciliation of cash and restricted cash reported within the statement of financial condition that sum to the total of the same such amounts shown in the statement of cash flows.

Cash	\$296,111
Restricted cash—special reserve for the exclusive benefit of customers	<u>45,736</u>
Total cash and restricted cash shown in the statement of cash flows	<u><u>\$341,847</u></u>

The Company maintains a bank account designated for the exclusive benefit of customers for the sole purpose of paying commission rebates. As of December 31, 2023, the Company had no rebate agreements in place.

6. Property, Equipment, and Leasehold Improvements

Property, equipment, and leasehold improvements as of December 31, 2023 consists of the following:

Computer equipment and software	\$ 79,352
Furniture and fixtures	56,488
Leasehold improvements	<u>51,876</u>
	187,716
Less: accumulated depreciation and amortization	<u>(134,538)</u>
	<u><u>\$ 53,178</u></u>

7. Commitments and Contingencies

The Company is obligated under two non-cancelable operating leases. The first is for its office facility in Miami, Florida, expiring in June 2024. The Company has a security deposit held by the landlord in the amount of \$10,243, which is reflected in prepaid and other assets on the statement of financial condition. The Company's estimated incremental borrowing rate is 5.25%. As of December 31, 2023, the Company has an operating lease ROU asset and an operating lease liability of \$48,608 in the accompanying statement of financial condition. At December 31, 2023, the office lease had a remaining lease term of 6 months and does not offer an option to extend the lease.

The second non-cancelable operating lease is for an additional office facility in Miami Florida, expiring in July 2026. The Company has a security deposit held by the landlord in the amount of \$14,100, which is reflected in prepaid and other assets on the statement of financial condition. The Company's estimated incremental borrowing rate is 10.5%. As of December 31, 2023, the Company has an operating lease ROU asset and an operating lease liability of \$208,749 in the accompanying statement of financial condition. At December 31, 2023, the office lease had a remaining lease term of 31 months and does not offer an option to extend the lease.

Mariva Capital Markets, LLC

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Future payments required under the Company's lease liabilities together with the present value as of December 31, 2023 are as follows:

Year ending	Amount
2024	\$ 133,398
2025	88,227
2026	<u>52,355</u>
Total payments due under lease liabilities	273,980
Less discount to present value	<u>16,623</u>
Total payments due under lease liabilities	\$ 257,357

Litigation

During the normal course of operations, the Company, from time to time, may be involved in lawsuits, arbitrations, claims, and other legal or regulatory proceedings.

The Company does not believe that these matters will have a material adverse effect on the Company's financial position.

8. Related Party Transactions

The Company is party to chaperoning arrangements, under SEA Rule 15a-6, with Banco Mariva S.A. ("BM") and First Overseas Bank Ltd ("FOB"). Under these arrangements, BM and FOB provide pricing and research materials to the Company, and the Company executes securities transactions generated from the chaperoning arrangements on behalf of customers or on a principal basis. In exchange for these services provided by BM and FOB, the Company acts as a chaperone on a no-cost basis and instead the Company earns revenue from executing the securities transactions through its fully disclosed clearing broker.

The Company is party to an expense sharing arrangement with an affiliate, Mariva Global Asset Management, LLC ("MGAM"), whereby the Company allocates certain shared expenses including rent, payroll, and office expenses to MGAM. As of December 31, 2023, the Company had a payable of \$21,633 due to MGAM, which is included as due to affiliate on the statement of financial condition.

The Company loaned a key employee \$250,000 on November 30, 2021. Repayment of the loan principal plus accrued interest at a rate of 4% per annum, is due and payable in its entirety on November 15, 2025. The principal amount of \$250,000 plus accrued interest of \$20,833 is included in loan to employee on the statement of financial condition. There is no allowance for credit losses, as this loan was deemed collectable.

9. Subsequent Events

The Company has evaluated subsequent events through February 29, 2024, and no further disclosure is required.