**FORM X-17A-5**

# FOCUS REPORT

(Financial and Operational Combined Uniform Single Report)

## Part II [11]

(Read instructions before preparing Form)

This report is being filed pursuant to (Check Applicable Block(s)):

1) Rule 17a-5(a) [X] 16 2) Rule 17a-5(b) [ ] 17 3) Rule 17a-11 [ ] 18

4) Special request by designated examining authority [ ] 19 5) Other [ ] 26

NAME OF BROKER-DEALER
WEDBUSH SECURITIES INC. [13]

SEC FILE NO
12987 [14]

ADDRESS OF PRINCIPAL PLACE OF BUSINESS (Do not use P.O. Box No.)
1000 WILSHIRE BLVD. SUITE 900, ATTN: BUSINESS CONDUCT [20]
(No. and Street)

FIRM ID NO
877 [15]

LOS ANGELES [21] CA [22] 90017-2457 [23]
(City) (State) (Zip Code)

FOR PERIOD BEGINNING (MM/DD/YY)
08/01/2016 [24]

AND ENDING (MM/DD/YY)
08/31/2016 [25]

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
DANIEL BILLINGS, CONTROLLER [30]

(Area Code)—Telephone No.
(213) 688-8000 [31]

NAME(S) OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT:

OFFICIAL USE

[32] [33]
[34] [35]
[36] [37]
[38] [39]

DOES RESPONDENT CARRY ITS OWN CUSTOMER ACCOUNT? YES [X] 40 NO [ ] 41

CHECK HERE IF RESPONDENT IS FILING AN AUDIT REPORT? [ ] 42

**EXECUTION:**
The registrant/broker or dealer submitting this form and its attachments and the person(s) by whom it is executed represent hereby that all information contained therein is true, correct and complete. It is understood that all required items, statements, and schedules are considered 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.

Dated 09/26/2016 Electronically submitted through WinJammer

Manual signatures of:

1) E Wedbush
Principal Executive Officer of Managing Partner - Edward Wedbush

2)
Principal Financial Officer or Partner - Richard M. Jablonski / Daniel Billings

3)
Principal Operations Officer or Partner

**Attention** - Intentional misstatements or omissions of facts constitute Federal Criminal Violations. (See 18 U.S.C. 1001 and 15 U.S.C. 78:f(a))

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT**
**PART II**

| **BROKER OR DEALER:** | WEDBUSH SECURITIES INC. | **as of:** | 08/31/2016 |
|---|---|---|---|

**STATEMENT OF FINANCIAL CONDITION**

| | | |
|---|---|---|
| As of (MMDDYY) | | 99 |
| SEC FILE NO. | 12987 | 98 |
| Consolidated | | 198 |
| Unconsolidated | X | 199 |

**ASSETS**

| | Allowable | | Non-Allowable | | Total | |
|---|---|---|---|---|---|---|
| 1. Cash | $ 13,485,050 | 200 | | | $ 13,485,050 | 750 |
| 2. Cash segregated in compliance with federal and other regulations | 610,946,574 | 210 | | | 610,946,574 | 760 |
| 3. Receivable from brokers or dealers and clearing organizations: | | | | | | |
| A. Failed to deliver: | | | | | | |
| 1. Includable in "Formula for Reserve Requirements" | 838,197 | 220 | | | | |
| 2. Other | 3,678,069 | 230 | | | 4,516,266 | 770 |
| B. Securities borrowed: | | | | | | |
| 1. Includable in "Formula for Reserve Requirements" | 375,304,037 | 240 | | | | |
| 2. Other | 2,193,251,071 | 250 | | | 2,568,555,108 | 780 |
| C. Omnibus accounts: | | | | | | |
| 1. Includable in "Formula for Reserve Requirements" | 0 | 260 | | | | |
| 2. Other | 1,827,517 | 270 | | | 1,827,517 | 790 |
| D. Clearing organizations: | | | | | | |
| 1. Includable in "Formula for Reserve Requirements" | 4,787,896 | 280 | | | | |
| 2. Other | 190,838,387 | 290 | | | 195,626,283 | 800 |
| E. Other | 0 | 300 | $ 62,704 | 550 | 62,704 | 810 |
| 4. Receivables from customers: | | | | | | |
| A. Securities accounts: | | | | | | |
| 1. Cash and fully secured accounts | 428,823,686 | 310 | | | | |
| 2. Partly secured accounts | 3,137,564 | 320 | 1,040,590 | 560 | | |
| 3. Unsecured accounts | | | 6,502,903 | 570 | | |
| B. Commodity accounts | 2,646,905 | 330 | 494,999 | 580 | | |
| C. Allowance for doubtful accounts | (5,418,260) | 335 | (7,543,493) | 590 | 429,684,894 | 820 |
| 5. Receivables from non-customers: | | | | | | |
| A. Cash and fully secured accounts | 107,376,645 | 340 | | | | |
| B. Partly secured and unsecured accounts | 0 | 350 | 0 | 600 | 107,376,645 | 830 |
| 6. Securities purchased under agreements to resell | 1,880,391,269 | 360 | 0 | 605 | 1,880,391,269 | 840 |
| 7. Securities and spot commodities owned, at market value: | | | | | | |
| A. Bankers acceptances, certificates of deposit and commercial paper | 0 | 370 | | | | |
| B. U.S. and Canadian government obligations | 269,583,273 | 380 | | | | |
| C. State and municipal government obligations | 44,621,074 | 390 | | | | |
| D. Corporate obligations | 181,561 | 400 | | | | |

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT**
**PART II**

**BROKER OR DEALER:** WEDBUSH SECURITIES INC. **as of:** 08/31/2016

## STATEMENT OF FINANCIAL CONDITION

### ASSETS

| | Allowable | | Non-Allowable | | Total | |
|---|---|---|---|---|---|---|
| E. Stock and warrants | $ 7,111,825 | 410 | | | | |
| F. Options | 334,238 | 420 | | | | |
| G. Arbitrage | 0 | 422 | | | | |
| H. Other securities | 62,840,090 | 424 | | | | |
| I. Spot commodities | 0 | 430 | | | | |
| J. Total Inventory - includes encumbered securities of $52,361,524 [120] | | | | | $ 384,672,061 | 850 |
| 8. Securities owned not readily marketable: | | | | | | |
| A. At Cost $0 [130] | 0 | 440 | $ 12,619,597 | 610 | 12,619,597 | 860 |
| 9. Other investments not readily marketable: | | | | | | |
| A. At Cost $0 [140] | | | | | | |
| B. At estimated fair value | 0 | 450 | 77,553 | 620 | 77,553 | 870 |
| 10. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value: | | | | | | |
| A. Exempted securities $0 [150] | | | | | | |
| B. Other $0 [160] | 0 | 460 | 0 | 630 | 0 | 880 |
| 11. Secured demand notes - market value of collateral: | | | | | | |
| A. Exempted securities $0 [170] | | | | | | |
| B. Other $0 [180] | 0 | 470 | 0 | 640 | 0 | 890 |
| 12. Memberships in exchanges: | | | | | | |
| A. Owned, at market value $0 [190] | | | | | | |
| B. Owned at cost | | | 2,906,775 | 650 | | |
| C. Contributed for use of company, at market value | | | 0 | 660 | 2,906,775 | 900 |
| 13. Investment in and receivables from affiliates, subsidiaries and associated partnerships | 0 | 480 | 7,669,751 | 670 | 7,669,751 | 910 |
| 14. Property, furniture, equipment, leasehold improvements and rights under lease agreements: At cost (net of accumulated depreciation and amortization) | 0 | 490 | 705,986 | 680 | 705,986 | 920 |
| 15. Other Assets: | | | | | | |
| A. Dividends and interest receivable | 8,389,115 | 500 | 15,616 | 690 | | |
| B. Free shipments | 0 | 510 | 0 | 700 | | |
| C. Loans and advances | 0 | 520 | 0 | 710 | | |
| D. Miscellaneous | 2,109,294 | 530 | 36,209,601 | 720 | | |
| E. Collateral accepted under SFAS 140 | 0 | 536 | | | | |
| F. SPE Assets | 0 | 537 | | | 46,723,626 | 930 |
| 16. TOTAL ASSETS | $ 6,207,085,077 | 540 | $ 60,762,582 | 740 | $ 6,267,847,659 | 940 |

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT**
**PART II**

**BROKER OR DEALER:** WEDBUSH SECURITIES INC. **as of:** 08/31/2016

## STATEMENT OF FINANCIAL CONDITION

### LIABILITIES AND OWNERSHIP EQUITY

| Liabilities | A.I. Liabilities * | | Non-A.I. Liabilities * | | Total | |
|---|---|---|---|---|---|---|
| 17. Bank loans payable: | | | | | | |
| A. Includable in "Formula for Reserve Requirements" | $ 0 | 1030 | $ 0 | 1240 | $ 0 | 1460 |
| B. Other | 0 | 1040 | 0 | 1250 | 21,310,652 | 1470 |
| 18. Securities sold under repurchase agreements | | | 0 | 1260 | 258,804,607 | 1480 |
| 19. Payable to brokers or dealers and clearing organizations: | | | | | | |
| A. Failed to receive: | | | | | | |
| 1. Includable in "Formula for Reserve Requirements" | 0 | 1050 | 0 | 1270 | 2,596,504 | 1490 |
| 2. Other | 0 | 1060 | 0 | 1280 | 2,133,216 | 1500 |
| B. Securities loaned: | | | | | | |
| 1. Includable in "Formula for Reserve Requirements" | 0 | 1070 | | | 67,931,907 | 1510 |
| 2. Other | 0 | 1080 | 0 | 1290 | 2,163,068,114 | 1520 |
| C. Omnibus accounts: | | | | | | |
| 1. Includable in "Formula for Reserve Requirements" | 0 | 1090 | | | 0 | 1530 |
| 2. Other | 0 | 1095 | 0 | 1300 | 0 | 1540 |
| D. Clearing organizations: | | | | | | |
| 1. Includable in "Formula for Reserve Requirements" | 0 | 1100 | | | 6,411,742 | 1550 |
| 2. Other | 0 | 1105 | 0 | 1310 | 2,378,059 | 1560 |
| E. Other | 0 | 1110 | 0 | 1320 | 4,283,330 | 1570 |
| 20. Payable to customers: | | | | | | |
| A. Securities accounts - including free credits of $1,633,876,366 [950] | 0 | 1120 | | | 2,640,015,879 | 1580 |
| B. Commodities accounts | 0 | 1130 | 0 | 1330 | 558,846,285 | 1590 |
| 21. Payable to non customers: | | | | | | |
| A. Securities accounts | 0 | 1140 | 0 | 1340 | 189,583,763 | 1600 |
| B. Commodities accounts | 0 | 1150 | 0 | 1350 | 680,775 | 1610 |
| 22. Securities sold not yet purchased at market value - including arbitrage of $0 [960] | | | 0 | 1360 | 21,288,816 | 1620 |
| 23. Accounts payable and accrued liabilities and expenses: | | | | | | |
| A. Drafts payable | 0 | 1160 | | | 6,188,698 | 1630 |
| B. Accounts payable | 0 | 1170 | | | 16,731,129 | 1640 |
| C. Income taxes payable | 0 | 1180 | | | 0 | 1650 |
| D. Deferred income taxes | | | 0 | 1370 | 0 | 1660 |
| E. Accrued expenses and other liabilities | 0 | 1190 | | | 53,234,316 | 1670 |
| F. Other | 0 | 1200 | 0 | 1380 | 0 | 1680 |
| G. Obligation to return securities | | | 0 | 1386 | 0 | 1686 |
| H. SPE Liabilities | | | 0 | 1387 | 0 | 1687 |

* Brokers or Dealers electing the alternative net capital requirement method need not complete these columns.

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT**
**PART II**

**BROKER OR DEALER:** WEDBUSH SECURITIES INC. **as of:** 08/31/2016

## STATEMENT OF FINANCIAL CONDITION
## LIABILITIES AND OWNERSHIP EQUITY (continued)

| Liabilities | A.I. Liabilities * | | Non A.I. Liabilities * | | Total | |
|---|---|---|---|---|---|---|
| 24. Notes and mortgages payable: | | | | | | |
| A. Unsecured | $ 0 | 1210 | | | $ 0 | 1690 |
| B. Secured | 0 | 1211 | $ 0 | 1390 | 0 | 1700 |
| 25. Liabilities subordinated to claims of general creditors: | | | | | | |
| A. Cash borrowings | | | 0 | 1400 | 0 | 1710 |
| 1. from outsiders $0 [970] | | | | | | |
| 2. Includes equity subordination(15c3-1(d)) of $0 [980] | | | | | | |
| B. Securities borrowings, at market value | | | 0 | 1410 | 0 | 1720 |
| 1. from outsiders $0 [990] | | | | | | |
| C. Pursuant to secured demand note collateral agreements | | | 0 | 1420 | 0 | 1730 |
| 1. from outsiders $0 [1000] | | | | | | |
| 2. Includes equity subordination(15c3-1(d)) of $0 [1010] | | | | | | |
| D. Exchange memberships contributed for use of company, at market value | | | 0 | 1430 | 0 | 1740 |
| E. Accounts and other borrowings not qualified for net capital purposes | 0 | 1220 | 0 | 1440 | 0 | 1750 |
| 26. TOTAL LIABILITIES | $ 0 | 1230 | $ 0 | 1450 | $ 6,015,487,792 | 1760 |

**Ownership Equity**

| | | | |
|---|---|---|---|
| 27. Sole proprietorship | | $ 0 | 1770 |
| 28. Partnership- limited partners | $ 0 1020 | $ 0 | 1780 |
| 29. Corporation: | | | |
| A. Preferred stock | | 0 | 1791 |
| B. Common stock | | 700,000 | 1792 |
| C. Additional paid-in capital | | 12,097,146 | 1793 |
| D. Retained earnings | | 241,447,583 | 1794 |
| E. Total | | 254,244,729 | 1795 |
| F. Less capital stock in treasury | | (1,884,862) | 1796 |
| 30. TOTAL OWNERSHIP EQUITY | | $ 252,359,867 | 1800 |
| 31. TOTAL LIABILITIES AND OWNERSHIP EQUITY | | $ 6,267,847,659 | 1810 |

* Brokers or Dealers electing the alternative net capital requirement method need not complete these columns.

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT**
**PART II**

| **BROKER OR DEALER:** | WEDBUSH SECURITIES INC. | **as of:** | 08/31/2016 |
|---|---|---|---|

## COMPUTATION OF NET CAPITAL

| | | | | | | |
|---|---|---|---|---|---|---|
| 1. Total ownership equity (from Statement of Financial Condition - Item 1800) | | | | | $ 252,359,867 | 3480 |
| 2. Deduct: Ownership equity not allowable for net capital | | | | | 0 | 3490 |
| 3. Total ownership equity qualified for net capital | | | | | 252,359,867 | 3500 |
| 4. Add: | | | | | | |
| A. Liabilities subordinated to claims of general creditors allowable in computation of net capital | | | | | 0 | 3520 |
| B. Other (deductions) or allowable credits (List) | | | | | 5,418,260 | 3525 |
| 5. Total capital and allowable subordinated liabilities | | | | | $ 257,778,127 | 3530 |
| 6. Deductions and/or charges: | | | | | | |
| A. Total non-allowable assets from Statement of Financial Condition (Notes B and C) | | | $ 60,762,582 | 3540 | | |
| 1. Additional charges for customers' and non-customers' security accounts | | | $ 29,828,664 | 3550 | | |
| 2. Additional charges for customers' and non-customers' commodity accounts | | | 0 | 3560 | | |
| B. Aged fail-to-deliver | | | 196,390 | 3570 | | |
| 1. Number of items | 106 | 3450 | | | | |
| C. Aged short security differences-less reserve of | $ 0 | 3460 | 0 | 3580 | | |
| number of items | 0 | 3470 | | | | |
| D. Secured demand note deficiency | | | 0 | 3590 | | |
| E. Commodity futures contracts and spot commodities proprietary capital charges | | | 0 | 3600 | | |
| F. Other deductions and/or charges | | | 7,908,475 | 3610 | | |
| G. Deductions for accounts carried under Rule 15c3-1(a)(6),(a)(7) and (c)(2)(x) | | | 0 | 3615 | | |
| H. Total deductions and/or charges | | | | | (98,696,111) | 3620 |
| 7. Other additions and/or allowable credits (List) | | | | | 0 | 3630 |
| 8. Net Capital before haircuts on securities positions | | | | | $ 159,082,016 | 3640 |
| 9. Haircuts on securities: (computed, where applicable, pursuant to 15c3-1(f)): | | | | | | |
| A. Contractual securities commitments | | | $ 0 | 3660 | | |
| B. Subordinated securities borrowings | | | 0 | 3670 | | |
| C. Trading and Investment securities: | | | | | | |
| 1. Bankers' acceptances, certificates of deposit and commercial paper | | | 0 | 3680 | | |
| 2. U.S. and Canadian government obligations | | | 5,919,457 | 3690 | | |
| 3. State and municipal government obligations | | | 2,404,111 | 3700 | | |
| 4. Corporate obligations | | | 16,340 | 3710 | | |
| 5. Stocks and warrants | | | 1,014,378 | 3720 | | |
| 6. Options | | | 71,500 | 3730 | | |
| 7. Arbitrage | | | 0 | 3732 | | |
| 8. Other securities | | | 1,256,802 | 3734 | | |
| D. Undue concentration | | | 0 | 3650 | | |
| E. Other (list) | | | 0 | 3736 | (10,682,588) | 3740 |
| 10. Net Capital | | | | | $ 148,399,428 | 3750 |

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT**
**PART II**

| **BROKER OR DEALER:** | WEDBUSH SECURITIES INC. | **as of:** | 08/31/2016 |
|---|---|---|---|

## COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

**Part A**

| | | |
|---|---|---|
| 11. Minimum net capital required (6-2/3% of line 19) | $ 0 | 3756 |
| 12. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A) | $ 0 | 3758 |
| 13. Net capital requirement (greater of line 11 or 12) | $ 0 | 3760 |
| 14. Excess net capital (line 10 less 13) | $ 0 | 3770 |
| 15. Excess net capital at 1000% (line 10 less 10% of line 19) | $ 0 | 3780 |

## COMPUTATION OF AGGREGATE INDEBTEDNESS

| | | | | |
|---|---|---|---|---|
| 16. Total A.I. liabilities from Statement of Financial Condition | | | $ 0 | 3790 |
| 17. Add: | | | | |
| A. Drafts for immediate credit | $ 0 | 3800 | | |
| B. Market value of securities borrowed for which no equivalent value is paid or credited | $ 0 | 3810 | | |
| C. Other unrecorded amounts (List) | $ 0 | 3820 | $ 0 | 3830 |
| 18. Deduct: Adjustment based on deposits in Special Reserve Bank Accounts (15c3-1(c)(1)(vii)) | | | $ 0 | 3838 |
| 19. Total aggregate indebtedness | | | $ 0 | 3840 |
| 20. Percentage of aggregate indebtedness to net capital (line 19 divided by line 10) | | | 0.00 % | 3850 |
| 21. Percentage of aggregate indebtedness to net capital after anticipated capital withdrawals (line 19 divided by line 10 less item 4880 page 11) | | | 0.00 % | 3853 |

## COMPUTATION OF ALTERNATIVE NET CAPITAL REQUIREMENT

**Part B**

| | | |
|---|---|---|
| 22. 2% of combined aggregate debit items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of the date of the net capital computation including both brokers or dealers and consolidated subsidiaries' debits | $ 16,654,130 | 3870 |
| 23. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A) | $ 1,000,000 | 3880 |
| 24. Net capital requirement (greater of line 22 or 23) | $ 16,654,130 | 3760 |
| 25. Excess net capital (line 10 less line 24) | $ 131,745,298 | 3910 |
| 26. Percentage of Net Capital to Aggregate Debits (line 10 divided by line 18 page 8) | 18% | 3851 |
| 27. Percentage of Net Capital, after anticipated capital withdrawals, to Aggregate Debits (line 10 less item 4880 page 11 divided by line 18 page 8) | 18% | 3854 |
| 28. Net capital in excess of the greater of: | | |
| A. 5% of combined aggregate debit items or 120% of minimum Net Capital Requirement | $ 106,764,104 | 3920 |

## OTHER RATIOS

**Part C**

| | | |
|---|---|---|
| 29. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1(d) | 0.00 % | 3860 |
| 30. Options deductions/Net Capital ratio (1000% test) total deductions exclusive of liquidating equity under Rule 15c3-1(a)(6),(a)(7) and (c)(2)(x) divided by Net Capital | 0.00 % | 3852 |

**NOTES:**

(A) The minimum net capital requirement should be computed by adding the minimum dollar net capital requirement of the reporting broker dealer and, for each subsidiary to be consolidated, the greater of:
1. Minimum dollar net capital requirement, or
2. 6-2/3% of aggregate indebtedness or 2% of aggregate debits if alternative method is used.

(B) Do not deduct the value of securities borrowed under subordination agreements or secured demand notes covered by subordination agreements not in satisfactory form and the market values of memberships in exchanges contributed for use of company (contra to item 1740) and partners' securities which were included in non-allowable assets.

(C) For reports filed pursuant to paragraph (d) of Rule 17a-5, respondent should provide a list of material non-allowable assets.

**SUPPLEMENT TO**
**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT**
**PART II**

| **BROKER OR DEALER:** | WEDBUSH SECURITIES INC. | **as of:** | 08/31/2016 |
|---|---|---|---|

## COMPUTATION OF CFTC MINIMUM NET CAPITAL REQUIREMENT

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| A. | Risk Based Requirement | | | | | | |
| | i. Amount of Customer Risk Maintenance Margin | $ 416,575,643 | 7415 | | | | |
| | ii. Enter 8% of line A.i | | | 33,326,051 | 7425 | | |
| | iii. Amount of Non-Customer Risk Maintenance Margin | 191,482 | 7435 | | | | |
| | iv. Enter 8% of line A.iii | | | 15,319 | 7445 | | |
| | v. Enter the sum of A.ii and A.iv | | | 33,341,370 | 7455 | | |
| B. | Minimum Dollar Amount Requirement | | | 1,000,000 | 7465 | | |
| C. | Other NFA Requirement | | | 1,000,000 | 7475 | | |
| D. | Minimum CFTC Net Capital Requirement. Enter the greatest of lines A.v., B. or C. (See Note) | | | | | $ 33,341,370 | 7490 |
| E. | CFTC Early Warning Level | | | | | $ 36,675,507 | 7495 |

Note: If the Minimum Net Capital Requirement computed on line D (7490) is:
The Risk Based Requirement, enter 110% of line A (7455), or
The Minimum Dollar Requirement of $1,000,000, enter 150% of line B. (7465), or
The Minimum Dollar Requirement of $20,000,000 for FCMs offering or engaging in retail forex transactions or Retail Foreign Exchange Dealers ("RFED"), enter 110% of line B (7465), or
Other NFA Requirement for FCMs offering or engaging in retail forex transaction or Retail Foreign Exchange Dealers ("RFED"), as calculated on line 11.F (8210) of Exchange Supplementary Schedule, enter 110% of line 22.C. (7475), or
Any other NFA Requirement, enter 150% of line 22.C. (7475)

**SUPPLEMENT TO**
**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT**
**PART II**

| **BROKER OR DEALER:** | WEDBUSH SECURITIES INC. | **as of:** | 08/31/2016 |
|---|---|---|---|

## STATEMENT OF SEGREGATION REQUIREMENTS AND FUNDS IN SEGREGATION FOR CUSTOMERS TRADING ON U.S. COMMODITY EXCHANGES

**SEGREGATION REQUIREMENTS(Section 4d(2) of the CEAct)**

| | | | | | |
|---|---|---|---|---|---|
| 1. | Net ledger balance | | | | |
| | A. Cash | | | $ 516,082,274 | 7010 |
| | B. Securities (at market) | | | 390,775,335 | 7020 |
| 2. | Net unrealized profit (loss) in open futures contracts traded on a contract market | | | 15,162,880 | 7030 |
| 3. | Exchange traded options | | | | |
| | A. Add market value of open option contracts purchased on a contract market | | | 332,007,327 | 7032 |
| | B. Deduct market value of open option contracts granted (sold) on a contract market | | | (290,953,838) | 7033 |
| 4. | Net equity (deficit) (add lines 1, 2 and 3) | | | 963,073,978 | 7040 |
| 5. | Accounts liquidating to a deficit and accounts with debit balances | | | | |
| | - gross amount | 3,234,711 | 7045 | | |
| | Less: amount offset by customer securities | (2,357,063) | 7047 | 877,648 | 7050 |
| 6. | Amount required to be segregated (add lines 4 and 5) | | | $ 963,951,626 | 7060 |

**FUNDS IN SEGREGATED ACCOUNTS**

| | | | |
|---|---|---|---|
| 7. | Deposited in segregated funds bank accounts | | |
| | A. Cash | 281,601,303 | 7070 |
| | B. Securities representing investments of customers' funds (at market) | 42,000,000 | 7080 |
| | C. Securities held for particular customers or option customers in lieu of cash (at market) | 514,138 | 7090 |
| 8. | Margins on deposit with derivatives clearing organizations of contract markets | | |
| | A. Cash | 98,529,319 | 7100 |
| | B. Securities representing investments of customers' funds (at market) | 121,267,106 | 7110 |
| | C. Securities held for particular customers or option customers in lieu of cash (at market) | 385,635,451 | 7120 |
| 9. | Net settlement from (to) derivatives clearing organizations of contract markets | 6,348,905 | 7130 |
| 10. | Exchange traded options | | |
| | A. Value of open long option contracts | 332,007,327 | 7132 |
| | B. Value of open short option contracts | (290,953,838) | 7133 |
| 11. | Net equities with other FCMs | | |
| | A. Net liquidating equity | 0 | 7140 |
| | B. Securities representing investments of customers' funds (at market) | 0 | 7160 |
| | C. Securities held for particular customers or option customers in lieu of cash (at market) | 0 | 7170 |
| 12. | Segregated funds on hand (describe: See Attached ) | 4,625,746 | 7150 |
| 13. | Total amount in segregation (add lines 7 through 12) | 981,575,457 | 7180 |
| 14. | Excess (deficiency) funds in segregation (subtract line 6 from line 13) | $ 17,623,831 | 7190 |
| 15. | Management Target Amount for Excess funds in segregation | 13,000,000 | 7194 |
| 16. | Excess (deficiency) funds in segregation over (under) Management Target Amount Excess | 4,623,831 | 7198 |

**SUPPLEMENT TO**
**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT**
**PART II**

| **BROKER OR DEALER:** | WEDBUSH SECURITIES INC. | **as of:** | 08/31/2016 |
|---|---|---|---|

## STATEMENT OF SEGREGATION REQUIREMENTS AND FUNDS IN SEGREGATION FOR CUSTOMERS' DEALER OPTIONS ACCOUNTS

| | | | | | |
|---|---|---|---|---|---|
| 1. | Amount required to be segregated in accordance with Commission regulation 32.6 | | | $ 0 | 7200 |
| 2. | Funds in segregated accounts | | | | |
| | A. Cash | $ 0 | 7210 | | |
| | B. Securities (at market) | 0 | 7220 | | |
| | C. Total | | | 0 | 7230 |
| 3. | Excess (deficiency) funds in segregation (subtract line 1. from line 2.C.) | | | $ 0 | 7240 |

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## STATEMENT OF SECURED AMOUNTS AND FUNDS HELD IN SEPARATE ACCOUNTS PURSUANT TO COMMISSION REGULATION 30.7

**FOREIGN FUTURES AND FOREIGN OPTIONS SECURED AMOUNTS**

| | | | | | |
|---|---|---|---|---|---|
| | Amount required to be set aside pursuant to law, rule or regulation of a foreign government or a rule of a self-regulatory organization authorized thereunder | | | $ 0 | 7305 |
| 1. | Net ledger balance - Foreign Futures and Foreign Options Trading - All Customers | | | | |
| | A. Cash | | | $ 25,019,286 | 7315 |
| | B. Securities (at market) | | | $ 0 | 7317 |
| 2. | Net unrealized profit (loss) in open futures contracts traded on a foreign board of trade | | | $(812,500) | 7325 |
| 3. | Exchange traded options | | | | |
| | A. Market value of open option contracts purchased on a foreign board of trade | | | $ 0 | 7335 |
| | B. Market value of open option contracts granted (sold) on a foreign board of trade | | | $ 0 | 7337 |
| 4. | Net equity (deficit) (add lines 1, 2, and 3) | | | $ 24,206,786 | 7345 |
| 5. | Accounts liquidating to a deficit and accounts with debit balances - gross amount | $ 4,553 | 7351 | | |
| | Less: amount offset by customer owned securities | $ 0 | 7352 | $ 4,553 | 7354 |
| 6. | Amount to be set aside as the secured amount - Net Liquidating Equity Method (add lines 4 and 5) | | | $ 24,211,339 | 7355 |
| 7. | Greater of amount required to be set aside pursuant to foreign jurisdiction (above) or line 6. | | | $ 24,211,339 | 7360 |

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## STATEMENT OF SECURED AMOUNTS AND FUNDS HELD IN SEPARATE ACCOUNTS PURSUANT TO COMMISSION REGULATION 30.7

**FUNDS DEPOSITED IN SEPARATE REGULATION 30.7 ACCOUNTS**

| | | | | | |
|---|---|---|---|---|---|
| 1. Cash in banks | | | | | |
| A. Banks located in the United States | | $ 14,607,057 | 7500 | | |
| B. Other banks qualified under Regulation 30.7 | | | | | |
| Name(s): See Attached | 7510 | 3,378,802 | 7520 | $ 17,985,859 | 7530 |
| 2. Securities | | | | | |
| A. In safekeeping with banks located in the United States | | $ 0 | 7540 | | |
| B. In safekeeping with other banks qualified under Regulation 30.7 | | | | | |
| Name(s): _ | 7550 | 0 | 7560 | 0 | 7570 |
| 3. Equities with registered futures commission merchants | | | | | |
| A. Cash | | $ 0 | 7580 | | |
| B. Securities | | 0 | 7590 | | |
| C. Unrealized gain (loss) on open futures contracts | | 0 | 7600 | | |
| D. Value of long option contracts | | 0 | 7610 | | |
| E. Value of short option contracts | | 0 | 7615 | 0 | 7620 |
| 4. Amounts held by clearing organizations of foreign boards of trade | | | | | |
| Name(s): See Attached | 7630 | | | | |
| A. Cash | | $ 7,135,867 | 7640 | | |
| B. Securities | | 0 | 7650 | | |
| C. Amount due to (from) clearing organization - daily variation | | 35,010 | 7660 | | |
| D. Value of long option contracts | | 0 | 7670 | | |
| E. Value of short option contracts | | 0 | 7675 | 7,170,877 | 7680 |
| 5. Amounts held by members of foreign boards of trade | | | | | |
| Name(s): See Attached | 7690 | | | | |
| A. Cash | | $ 1,030,993 | 7700 | | |
| B. Securities | | 0 | 7710 | | |
| C. Unrealized gain (loss) on open futures contracts | | 496,911 | 7720 | | |
| D. Value of long option contracts | | 0 | 7730 | | |
| E. Value of short option contracts | | 0 | 7735 | 1,527,904 | 7740 |
| 6. Amounts with other depositories designated by a foreign board of trade | | | | | |
| Name(s): _ | 7750 | | | 0 | 7760 |
| 7. Segregated funds on hand (describe): _ | | | | 0 | 7765 |
| 8. Total funds in separate section 30.7 accounts | | | | $ 26,684,640 | 7770 |
| 9. Excess (deficiency) Set Aside for Secured Amount (subtract line 7 Secured Statement Page 1 from Line 8) | | | | 2,473,301 | 7380 |
| 10. Management Target Amount for Excess funds in separate section 30.7 accounts | | | | 1,000,000 | 7780 |
| 11. Excess (deficiency) funds in separate section 30.7 accounts over (under) Management Target Amount | | | | 1,473,301 | 7785 |

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**EXCHANGE SUPPLEMENTARY INFORMATION**

| | | | |
|---|---|---|---|
| 1. | Capital to be withdrawn within 6 months | $ 0 | 8000 |
| 2. | Subordinated Debt maturing within 6 months | 0 | 8010 |
| 3. | Subordinated Debt due to mature within 6 months that you plan to renew | 0 | 8020 |
| 4. | Additional capital requirement for excess margin on Reverse Repurchase Agreements | 0 | 8045 |

If Adjusted Net Capital is less than $2,000,000 please complete lines 5 through 8:

| | | | |
|---|---|---|---|
| 5. | Number of Associated Persons | 0 | 8100 |
| 6. | Number of Branch Offices | 0 | 8110 |
| 7. | Number of Guaranteed Introducing Brokers | 0 | 8120 |
| 8. | Number of Guaranteed Introducing Broker Branch Offices | 0 | 8130 |

Futures Commission Merchants offering off-exchange foreign currency futures ("forex") to retail customers

| | | | |
|---|---|---|---|
| 9. | Is the firm a registered Futures Commission Merchant ("FCM") that offers to be or acts as a counterparty to retail foreign exchange transactions or a Retail Foreign Exchange Dealer ("RFED")? | No | 8135 |
| 10. | Gross revenue from Forex transactions with retail customers | 0 | 8140 |
| 11. | Total net aggregate notional value of all open Forex transactions in retail customer and non-customer (not proprietary) accounts | 0 | 8150 |
| 12. | Total aggregate retail forex assets [Reference CFTC Regulation 5.1(b)] | 0.00 | 8160 |
| 13. | Total amount of retail forex obligation [Reference CFTC Regulation 5.1(l)] | 0.00 | 8170 |

14. Retail forex related Minimum Dollar Amount Requirement reported in Other NFA Requirement, Box 7475, Statement of Computation of the Minimum Capital Requirements, Line C.

| | | |
|---|---|---|
| A. If offering to be or engaging as a counterparty in retail foreign exchange enter $20 million | 0.00 | 8175 |
| B. 5% of all liabilities the Forex Dealer Member ("FDM") owes to customers and eligible contract participant (ECP) counterparties that are not an affiliate of the FDM and are not acting as a dealer exceeding $10,000,000 | 0.00 | 8190 |
| C. 10% of all liabilities the FDM owes to ECP counterparties that are an affiliate of the FDM not acting as a dealer | 0.00 | 8195 |
| D. 10% of all liabilities ECP counterparties that are an affiliate of the FDM and acting as a dealer owe to their customers (including ECPs), including liabilities related to retail commodity transactions as described in 2(c)(2)(D) of the Act | 0.00 | 8200 |
| E. 10% of all liabilities the FDM owes to ECP counterparties acting as a dealer that are not an affiliate of the FDM, including liabilities related to retail commodity transactions as described in 2(c)(2)(D) of the Act | 0.00 | 8205 |
| F. Sum of 14.A. - 14.E. | 0.00 | 8210 |

| | | |
|---|---|---|
| 15. Is the firm an IB? | No | 8740 |

| | | |
|---|---|---|
| 16. The aggregate performance bond requirement for all customer and house accounts containing CME-cleared IRS and CDS positions. (Applicable for FCMs and broker-dealers which clear CME-cleared IRS and/or CDS products for customer or house accounts) | $ 0 | 8750 |

**General Comments:**

NFA Financial Requirements Section 16 Information

Leverage

| | | |
|---|---|---|
| 1. Total Assets | $6,267,847,659 | 8800 |
| 2. Amount required to be segregated | 963,951,626 | 8810 |
| 3. Amount required to be set aside in separate section 30.7 accounts | 24,211,339 | 8820 |
| 4. Amount required to be sequestered for cleared OTC derivatives customers | 0 | 8830 |
| 5. Reserve Requirement | 1,902,968,174 | 8840 |
| 6. US Treasury securities - Long (firm owned) | 0 | 8850 |
| 7. US Government agency and government sponsored entities - Long(firm owned) | 0 | 8860 |
| 8. Reverse Repos backed by US Treasury securities and US Government agency and government sponsored entities(firm owned) | 0 | 8870 |
| 9. Ownership Equity | 252,359,867 | 8880 |
| 10. Subordinated Loans | 0 | 8890 |
| 11. Leverage | 13.38 | 8900 |

Depositories

| | | |
|---|---|---|
| During the month did the firm maintain customer segregated funds at a depository which is an affiliate? | No | 8910 |
| During the month did the firm maintain separate 30.7 funds at a depository which is an affiliate? | No | 8920 |
| During the month did the firm maintain cleared swaps customer segregated funds at a depository which is an affiliate? | No | 8925 |

**FCM's Customer Segregated Funds Residual Interest Target (choose one):**

a. Minimum dollar amount: $ 13,000,000 8930 ; or

b. Minimum percentage of customer segregated funds required: 0.00 8940 ; or

c. Dollar amount range between: 0 8950a and 0 8950b ; or

d. Percentage range of customer segregated funds required between: 0.00 8960a and 0.00 8960b

**FCM's Customer Secured Amount Funds Residual Interest Target (choose one)**

a. Minimum dollar amount: $ 1,000,000 8970 ; or

b. Minimum percentage of customer secured funds required: 0.00 8980 ; or

c. Dollar amount range between: 0 8990a and 0 8990b ; or

d. Percentage range of customer secured funds required between: 0.00 9000a and 0.00 9000b

**FCM's Cleared Swaps Customer Collateral Residual Interest Target (choose one)**

a. Minimum dollar amount: $ 0 9010 ; or

b. Minimum percentage of cleared swaps customer collateral required: 0.00 9020 ; or

c. Dollar amount range between: 0 9030 and 0 9031 ; or

d. Percentage range of cleared swaps customer collateral required between: 0.00 9040 and 0.00 9041

**Eligible Contract Participants**

| | | |
|---|---|---|
| Did the firm act as counterparty to a forex transaction with any Eligible Contract Participants (ECP)? | No | 9042 |
| If yes, indicate the number of ECPs that the firm acted as a counterparty to a forex transaction(s). | 0 | 9043 |