

WEDBUSH STATEMENT REGARDING THE NATIONAL ADJUDICATORY COUNCIL DECISION

Los Angeles, CA - December 17, 2014 – Approximately a year and a half after the appeal hearing, FINRA’s National Adjudicatory Council (the “NAC”) has issued its decision in the Wedbush Securities appeal of the Financial Industry Regulatory Authority (“FINRA”) disciplinary proceeding against Wedbush Securities and its president, Edward Wedbush, related to the company’s regulatory reporting of Forms U-4 and U-5, NYSE Forms RE-3, and filing of certain statistical information. Wedbush Securities firmly disagrees with the NAC’s decision, and will exercise its right to appeal the decision.

Wedbush Securities stands behind its compliance record and its U-4 / U-5 reporting structure. The firm has cooperated fully with FINRA throughout its investigation and recognizes the importance of having effective policies, procedures and systems to review and file U-4 / U-5 reports in an accurate and timely manner. The period at issue in the decision began 10 years ago, and Wedbush’s reporting record in the last four years has met or exceeded industry standards.

This proceeding relates wholly to reporting, and has no bearing on client financial safety. Wedbush Securities remains focused on a high caliber of client service.

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