

MBS SOURCE ETRADING INC.

SCHEDULE I
COMPUTATION OF NET CAPITAL PURSUANT TO RULE 15c3-1
December 31, 2015

COMPUTATION OF NET CAPITAL

| | | | |
|------------------------------------|----|----------------|-----------------|
| Common stock | \$ | 2,000 | |
| Retained earnings | | <u>445,171</u> | |
| Total Stockholder's equity' | | | \$ 447,171 |
| Less: Non-allowable assets | | | |
| Accounts Receivable | | (4,609) | |
| Prepaid expenses | | (15,436) | |
| Other assets | | <u>(3,749)</u> | |
| Total non-allowable assets | | | <u>(23,794)</u> |
| Net capital | | | 423,377 |

Computation of net capital requirements

| | | | |
|--|----|--------------|-------------------|
| Minimum net capital requirements | | | |
| 6 2/3 percent of net capital requirements | \$ | 3,163 | |
| Minimum dollar net capital required | \$ | <u>5,000</u> | |
| Net capital required (greater of above) | | | <u>5000</u> |
| Excess net capital | | | <u>\$ 418,377</u> |
| Aggregate indebtedness | | | <u>\$ 47,450</u> |
| Ratio of aggregate indebtedness to net capital | | 0.112 to 1 | |

There was a difference of \$3,359 between net capital computation shown here and the net capital computation shown on the Company's unaudited Form X-17A-5 report dated December 31, 2015