

FSC Securities Corporation
(An indirect wholly-owned subsidiary of American International Group, Inc.)
Statement of Cash Flows
Year Ended December 31, 2015

(in thousands of dollars)

Cash flows from operating activities	
Net income	\$ 2,251
Adjustments to reconcile net income to net cash used in operating activities	
Amortization expense on intangible asset	124
Deferred taxes	360
Change in operating assets and liabilities	
Cash segregated under federal and other regulations	100
Receivables from broker-dealers and clearing organizations	1,229
Receivables from investment advisors	(82)
Securities owned, at fair value	(9,570)
Notes and accounts receivable from registered representatives	(471)
Forgivable loans, net	(1,473)
Other assets	(348)
Commissions payable	(1,176)
Accounts payable and accrued expenses	3,800
Income taxes receivable from Parent	1,698
Securities sold, not yet purchased, at fair value	2
Payables to affiliates, net	(2,488)
Net cash used in operating activities	<u>(6,044)</u>
 Cash flows from financing activity:	
Dividends paid to Parent	<u>(2,008)</u>
Net decrease in cash and cash equivalents	(8,052)
 Cash and cash equivalents	
Beginning of year	<u>17,436</u>
End of year	<u>\$ 9,384</u>
 Supplemental cash flow information	
Taxes paid, net of settlements	<u>\$ 925</u>

The accompanying notes are an integral part of these financial statements.