

D.A. DAVIDSON & CO.Statements of Financial Condition
As of September 30, 2016 and 2015

<u>Assets</u>	<u>2016</u>	<u>2015</u>
Cash and cash equivalents	\$ 52,578,730	\$ 47,354,678
Cash segregated under federal regulations	4,995,898	4,995,898
Securities purchased under agreements to resell	30,751,599	22,406,717
Receivables:		
Customers, net	132,357,740	138,251,125
Brokers, dealers and clearing organizations	21,185,028	44,266,222
Related parties	710,309	806,078
Other	14,960,894	14,665,441
Securities owned	101,211,677	71,924,196
Equipment and leasehold improvements, net	14,841,265	15,278,643
Notes receivable, net	17,581,142	19,481,411
Goodwill and intangible assets, net	9,578,396	4,451,802
Deferred tax asset, net	15,232,970	13,363,383
Income taxes receivable	744,123	—
Other assets	18,373,161	20,050,950
Total assets	<u>\$ 435,102,932</u>	<u>\$ 417,296,544</u>

Liabilities and Shareholder's Equity

Liabilities:		
Checks in advance of deposits	\$ 16,621,502	\$ 11,377,194
Payables:		
Customers	87,987,296	105,692,589
Brokers, dealers and clearing organizations	2,541,999	6,558,187
Related parties	5,512,079	2,984,757
Securities sold, not yet purchased	31,577,576	20,998,105
Income taxes payable	—	452,528
Accrued employee compensation	56,018,818	48,461,427
Other payables and accrued liabilities	21,349,233	19,423,210
Total liabilities	<u>221,608,503</u>	<u>215,947,997</u>

Commitments and contingencies	—	—
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Shareholder's equity:

Common stock (\$0.10 par value. Authorized 3,000,000 shares; 1,000 shares issued and outstanding)	100	100
Additional paid-in capital	101,510,500	82,150,231
Retained earnings	111,983,829	119,198,216
Total shareholder's equity	<u>213,494,429</u>	<u>201,348,547</u>
Total liabilities and shareholder's equity	<u>\$ 435,102,932</u>	<u>\$ 417,296,544</u>

See accompanying notes to the statements of financial condition.