



Report of Independent Accountants

To the Board of Directors and Management of National Financial Services LLC (A Wholly-Owned Subsidiary of FMR LLC):

In accordance with Rule 17a-5(e)(4) of the Securities Exchange Act of 1934 and with the SIPC Series 600 Rules, we have performed the procedures enumerated below, which were agreed to by National Financial Services LLC (the “Company”) and the Securities Investor Protection Corporation (“SIPC”) (collectively, the “specified parties”) with respect to the accompanying General Assessment Reconciliation (Form SIPC-7) of National Financial Services LLC for the year ended December 31, 2020, solely to assist the specified parties in evaluating National Financial Services LLC's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7). Management is responsible for National Financial Services LLC's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the Public Company Accounting Oversight Board (United States) and in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures performed and results thereof are as follows:

1. Compared the listed assessment payments on page 1, items 2B and 2G of Form SIPC-7 with the respective cash disbursement records entries, as follows: The SIPC-6 payment dated July 28, 2020 in the amount of \$1,743,334, which represents the amount due for the period January 1, 2020 through June 30, 2020, was compared to a screenshot from the internal wire transfer system (Wire Ref #61268590) obtained from Janice Keating (Director, Brokerage Accounting and Controllershship). The SIPC-7 payment dated February 10, 2021, in the amount of \$1,522,536, which represents the amount due for the period July 1, 2020 through December 31, 2020, was compared to a screenshot from the internal wire transfer system (Wire Ref #62727884) obtained from Janice Keating (Director, Brokerage Accounting and Controllershship). No differences were noted.
2. Compared the Total Revenue amount reported on page 4 of the Annual Audited Report Form X-17A-5 Part III for the year ended December 31, 2020 to the Total revenue amount of \$2,238,834,924 reported on page 2, item 2a of Form SIPC-7 for the year ended December 31, 2020, noting no differences.
3. Compared any adjustments reported on page 2, items 2b and 2c of Form SIPC-7 with the supporting schedules and working papers, as follows:
 - a. Compared additions on line 2b(4), “Interest and dividend expense deducted in determining item 2a.”, of \$415,214,278 to schedules for the year ended December 31, 2020 provided by Janice Keating (Director, Brokerage Accounting and Controllershship) noting no differences.
 - b. Compared deductions on line 2c(3), “Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions”, of \$32,716,446 to schedules for the year ended December 31, 2020 provided by Janice Keating (Director, Brokerage Accounting and Controllershship) noting no differences.

- c. Compared deductions on line 2c(4), "Reimbursement for postage in connection with proxy solicitation", of \$21,665,766 to schedules for the year ended December 31, 2020 provided by Janice Keating (Director, Brokerage Accounting and Controllershship), noting no differences.
 - d. Compared deductions on line 2c(7), "Direct expenses of printing advertising and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 16(9)(L) of the Act)", of \$7,205,803 to schedules for the year ended December 31, 2020 provided by Janice Keating (Director, Brokerage Accounting and Controllershship), noting no differences.
 - e. Compared deductions on line 2c(9)(i), "Total interest and dividend expense (FOCUS line 22/Part IIA Line 13, Code 4075 plus line 2b(4) above) but not in excess of total interest and dividend income", of \$415,214,278 and line 2c(9)(ii), "40% of margin interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960)", of \$70,347,026 to schedules provided by Janice Keating (Director, Brokerage Accounting and Controllershship), noting no differences.
4. Recalculated the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers obtained in procedure 3, as follows:
- a. Recalculated the mathematical accuracy of the SIPC Net Operating Revenues on page 2, line 2d and the General Assessment @ .0015 on page 2, line 2e of \$2,177,246,909 and \$3,265,870, respectively of the Form SIPC-7, noting no differences.
 - b. Recalculated the mathematical accuracy of line 2c(9)(ii), "40% of margin interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960)", of \$70,347,026 from supporting schedules provided by Janice Keating (Director, Brokerage Accounting and Controllershship), noting no differences. In addition, we verified that the greater of line 2c(9)(i) and line 2c(9)(ii) was applied in the SIPC calculation.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Company's preparation of Form SIPC-7 in accordance with the applicable instructions. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board of Directors and management of National Financial Services LLC and the Securities Investor Protection Corporation and is not intended to be and should not be used by anyone other than these specified parties.

PricewaterhouseCoopers LLP

New York, NY
February 12, 2021