

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III

OMB APPROVAL

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Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING 7/01/20 AND ENDING 6/30/21  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

**First Western Securities, Inc.**

OFFICIAL USE ONLY

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

FIRM ID. NO.

669 Airport Freeway, Ste 409

(No. and Street)

Hurst

(City)

Texas

(State)

76053

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Randal E. Ferguson

(817) 553-1492

(Area Code – Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

Phillip V. George, PLLC

(Name – if individual, state last, first, middle name)

5179 CR 1026

(Address)

Celeste

(City)

Texas

(State)

75423

(Zip Code)

CHECK ONE:

- ☒ Certified Public Accountant  
☐ Public Accountant  
☐ Accountant not resident in United States or any of its possessions.

FOR OFFICIAL USE ONLY

\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

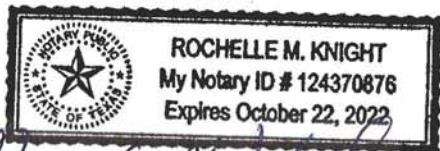
SEC 1410 (06-02)

Potential persons who are to respond to the collection of  
Information contained in this form are not required to respond  
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## OATH OR AFFIRMATION

I, Randal E. Ferguson, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of First Western Securities, Inc., as of June 30, 2021, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

NONE



Rochelle M. Knight  
Notary Public

Randal E. Ferguson  
Signature  
PRESIDENT  
Title

This report\*\* contains (check all applicable boxes):

- ☒ (a) Facing page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Cash Flows.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital.
- ☒ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☒ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☒ (i) Information Relating to the Possession or control Requirements Under Rule 15c3-3.
- ☒ (j) A Reconciliation, including appropriate explanation, of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

**FIRST WESTERN SECURITIES, INC.**

**FINANCIAL REPORT**

**JUNE 30, 2021**

**FIRST WESTERN SECURITIES, INC.**

**INDEX**

**JUNE 30, 2021**

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PHILLIP V. GEORGE, PLLC  
CERTIFIED PUBLIC ACCOUNTANT

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

Board of Directors  
First Western Securities, Inc.

**Opinion on the Financial Statements**

We have audited the accompanying statement of financial condition of First Western Securities, Inc. as of June 30, 2021, and the related statements of operations, changes in stockholders' equity, and cash flows for the year then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of First Western Securities, Inc. as of June 30, 2021, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

These financial statements are the responsibility of First Western Securities, Inc.'s management. Our responsibility is to express an opinion on First Western Securities, Inc.'s financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to First Western Securities, Inc. in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

**Auditor's Report on Supplemental Information**

The supplemental information contained in Schedule I has been subjected to audit procedures performed in conjunction with the audit of First Western Securities, Inc.'s financial statements. The supplemental information is the responsibility of First Western Securities, Inc.'s management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with 17 C.F.R. §240.17a-5. In our opinion, the supplemental information contained in Schedule I is fairly stated, in all material respects, in relation to the financial statements as a whole.



PHILLIP V. GEORGE, PLLC

We have served as First Western Securities, Inc.'s auditor since 2019.

Celeste, Texas  
September 16, 2021

**FIRST WESTERN SECURITIES, INC.**  
**STATEMENT OF FINANCIAL CONDITION**  
**JUNE 30, 2021**

**ASSETS**

Cash	\$	194,210	
Commissions receivable		96,641	
Related party receivable		49,818	
Clearing deposit		73,408	
Right-of-use asset		<u>203,442</u>	
<b>TOTAL ASSETS</b>			<b>\$ <u>617,519</u></b>

**LIABILITIES AND STOCKHOLDERS' EQUITY**

**LIABILITIES**

Commissions and wages payable	\$	131,350	
Accounts payable		4,392	
Federal income taxes payable		5,424	
Lease liability		<u>203,442</u>	
Total Liabilities			\$ 344,608

**STOCKHOLDERS' EQUITY**

Common stock, \$.01 par value, 1,200,000 shares authorized, 889,676 shares issued and outstanding		8,897	
Additional paid-in capital		78,639	
Retained earnings		<u>185,375</u>	
Total Stockholders' Equity			<u>272,911</u>

<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>			<b>\$ <u>617,519</u></b>
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The accompanying notes are an integral part of these financial statements.



**FIRST WESTERN SECURITIES, INC.**  
**STATEMENT OF OPERATIONS**  
**YEAR ENDED JUNE 30, 2021**

**REVENUES**

Securities commissions	\$ 241,755
Insurance commissions	992,786
Mutual fund commissions	609,707
Investment advisory fees	434,495
PPP loan forgiveness	106,752
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Total Revenues		\$ 2,385,495
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**EXPENSES**

Compensation and related costs	1,891,518
Clearing charges	75,166
Occupancy	80,537
Technology and communication	130,267
Regulatory fees and expenses	12,508
Professional fees	37,611
Other expenses	19,312
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Total Expenses		<hr/> 2,246,919
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INCOME BEFORE FEDERAL INCOME TAX		138,576
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PROVISION FOR FEDERAL INCOME TAX - CURRENT		<hr/> 5,026
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NET INCOME		<hr/> <hr/> \$ 133,550
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The accompanying notes are an integral part of these financial statements.

**FIRST WESTERN SECURITIES, INC.**  
**STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY**  
**YEAR ENDED JUNE 30, 2021**

	<u>Common Stock</u>	<u>Additional Paid-in Capital</u>	<u>Retained Earnings</u>	<u>Total Stockholders' Equity</u>
<b>BALANCES - July 1, 2020</b>	\$ 8,897	\$ 78,639	\$ 51,825	\$ 139,361
Net income	<u>-</u>	<u>-</u>	<u>133,550</u>	<u>133,550</u>
<b>BALANCES - June 30, 2021</b>	<u>\$ 8,897</u>	<u>\$ 78,639</u>	<u>\$ 185,375</u>	<u>\$ 272,911</u>

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



**FIRST WESTERN SECURITIES, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2021**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Net income	\$ 133,550
Adjustments to reconcile net income to net cash provided by operating activities:	
PPP loan forgiveness	(106,752)
Depreciation expense	380
(Increase) decrease in operating assets:	
Commissions receivable	(20,755)
Clearing deposit	(1,581)
Related party receivable	(21,084)
Increase (decrease) in operating liabilities:	
Commissions and wages payable	22,124
Accounts payable	(4,411)
Federal income taxes payable	5,424

Net Cash Provided by Operating Activities	\$	6,895
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<b><u>CASH</u></b> - Beginning of Year		187,315
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<b><u>CASH</u></b> - End of Year	\$	194,210
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**SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION**

There was no cash paid during the year for interest or income taxes.

Operating lease asset obtained in exchange for lease obligation	\$	221,161
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The accompanying notes are an integral part of these financial statements.

**FIRST WESTERN SECURITIES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 1 - ORGANIZATION AND OPERATIONS**

First Western Securities, Inc. (the Company) was incorporated in 1987. The Company is registered with the Securities and Exchange Commission (SEC) as a broker-dealer and as an investment advisor and is a member of the Financial Industry Regulatory Authority (FINRA) and Securities Investor Protection Corporation (SIPC).

The Company operates under the exemptive provisions of Rule 15c3-3(k)(2)(ii) of the Securities Exchange Act of 1934, and accordingly, is exempt from the remaining provisions of that Rule. For the Company's other business activities, it is considered a Non-Covered Firm exempt from 17 C.F.R. § 240.15c3-3. The Company does not hold customer funds or securities, carry accounts for customers or carry PAB accounts (as defined in Rule 15c3-3).

The Company is an independent full-service broker-dealer and investment advisor. The Company's operations consist primarily of providing securities brokerage, insurance brokerage and management and investment advisory services to individuals located primarily in Texas and Oklahoma.

In January 1999, the Company's shareholders entered into a Trust Agreement for the purpose of concentrating the vote of their shares into a clear and definite policy of management under the discretion of the Trustee, who is also the Company's majority shareholder.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America (U.S. GAAP). Policies and practices that materially affect the determination of financial position, changes in financial position, and results of operations are summarized as follows:

**USE OF ESTIMATES**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**INCOME TAXES**

The Company recognizes and discloses its tax positions in accordance with Accounting Standards Codification No. 740, which requires the disclosure of uncertain tax positions and related penalties and interest recognized in the financial statements. The Company has not maintained any tax positions which it believes would not be reasonably sustainable upon examination by a taxing authority. Accordingly, no related penalties or interest were recognized in the financial statements.

As of June 30, 2021, open Federal tax years subject to examination include the tax years ended June 30, 2018 through June 30, 2020.

The Company is also subject to state income taxes.

**FIRST WESTERN SECURITIES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

REVENUE RECOGNITION

*Securities Commissions*

The Company buys and sells securities on behalf of its customers. Each time a customer enters into a buy or sell transaction, the Company charges a commission. Commissions and related clearing expenses are recorded on the trade date (the date that the Company fills the trade order by finding and contracting with a counterparty and confirms the trade with the customer). The Company believes that the performance obligation is satisfied on the trade date because that is when the underlying financial instrument or purchaser is identified, the pricing is agreed upon and the risks and rewards of ownership have been transferred to/from the customer. Securities commissions also include commission on alternative investments, interest rebates on customer accounts, and other revenue related to customer accounts which is recorded on the trade date.

*Mutual Fund and Insurance Commissions*

The Company enters into arrangements with pooled investment vehicles (funds) to distribute shares to investors and insurance companies to issue variable annuity contracts. The Company may receive distribution fees and variable annuity fees paid by the funds and insurance companies up front, over time, upon the investor's exit from the fund and annuity contracts (that is, a contingent deferred sales charge), or as a combination thereof. The Company believes that its performance obligation is the sale of securities or variable annuity contracts to investors and as such this is fulfilled on the trade date or variable annuity contract funding date. Any fixed amounts are recognized on the trade date and variable amounts are recognized to the extent it is probable that a significant revenue reversal will not occur once the uncertainty is resolved. For variable amounts, as the uncertainty is dependent on the value of the shares or annuity contracts at future points in time as well as the length of time the investor remains in the fund and annuity contracts, both of which are highly susceptible to factors outside the Company's influence, the Company does not believe it can overcome this constraint until the market value of the funds and annuity contracts and the investor activities are known, which are either monthly or quarterly. Distribution and annuity contract fees recognized in the current period are primarily related to performance obligations that have been satisfied in prior periods.

*Investment Advisory Fees*

The Company provides investment advisory services on a daily basis. The Company believes the performance obligation for providing advisory services is satisfied over time because the customer is receiving and consuming the benefits as they are provided by the Company. Fee arrangements are based on a percentage applied to the customer's assets under management. Fees are received monthly and quarterly in advance. Fees are recognized as revenue monthly as they relate specifically to the services provided in that period, which are distinct from the services provided in other periods.

**FIRST WESTERN SECURITIES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**LEASES**

The Company leases office space. The determination of whether an arrangement is a lease is made at the lease's inception. Under ASC 842, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed.

The office space lease is included in operating lease right-of-use (ROU) asset and operating lease liability in the statement of financial condition. There are currently no finance leases.

ROU asset represents the right to use the underlying asset for the lease term, and lease liability represents the obligation to make lease payments. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Company uses the implicit rate when it is readily determinable. Since the Company's lease does not provide an implicit rate, to determine the present value of lease payments, management uses the Company's incremental borrowing rate based on the information available at lease commencement. Operating lease ROU asset also includes any lease payments made and excludes any lease incentives. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Company's lease terms may include options to extend or terminate the lease when it is reasonably certain the option will be exercised.

The office lease agreement includes provisions for variable rent payments, which are adjusted periodically for inflation. The office lease agreement does not contain any material residual value guarantees.

The Company has elected to apply the short-term lease exception to all leases with a term of one year or less.

**NOTE 3 - CLEARING DEPOSIT**

The Company has a clearing agreement with First Clearing, a trade name of Wells Fargo Clearing Services, LLC, a national clearing broker-dealer, to provide clearing, execution, and other related securities services. There is a minimum clearing and execution fee of \$60,000 per year. The agreement also requires the Company to maintain a minimum of \$50,000 in a deposit account with the clearing broker-dealer.

**NOTE 4 - NET CAPITAL REQUIREMENTS**

The Company is subject to the SEC Uniform Net Capital Rule (SEC Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At June 30, 2021, the Company had net capital of \$223,093 which was \$173,093 in excess of its required net capital of \$50,000. Net capital and the related net capital ratio may fluctuate on a daily basis. The Company's net capital ratio was 0.63 to 1.

**NOTE 5 - FEDERAL INCOME TAXES**

The current federal income tax provision differs from the expense that would result from applying federal statutory rates to net income before income taxes primarily due to permanent non-taxable income and utilization of prior years' net operating loss carryforward. There is no material deferred tax assets or liabilities.

**FIRST WESTERN SECURITIES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 6 - EMPLOYEE BENEFIT PLAN**

The Company adopted a 401(k) Profit Sharing Plan during the year ended June 30, 1993, whereby the employees may elect to make contributions pursuant to a salary reduction agreement upon meeting length of service requirements. The Company does not have a matching contribution obligation. During the year ended June 30, 2021, the Company elected to make a discretionary contribution of \$12,350.

**NOTE 7 – OFF-BALANCE SHEET RISK AND CONCENTRATION OF CREDIT RISK**

In the normal course of business, the Company's customer activities involve the execution and settlement of customer securities transactions on a fully disclosed basis with its clearing broker-dealer. The clearing broker-dealer carries accounts of the Company's customers and is responsible for execution, collection and payment of funds, and receipt and delivery of securities relative to customer transactions. These transactions may expose the Company to off-balance sheet risk in the event the customer or other broker is unable to fulfill their contractual obligations wherein the clearing-broker dealer may charge any losses it incurs to the Company. The Company seeks to minimize this risk through procedures designed to monitor the credit worthiness of its customers and that customer transactions are executed properly by the clearing broker-dealer.

The Company has commission receivables and a clearing deposit held by and due from its clearing broker-dealer of \$31,201 and \$73,408, respectively, totaling \$104,609, or approximately 17% of total assets as June 30, 2021.

**NOTE 8 – COMMITMENTS AND CONTINGENCIES**

**OFFICE LEASE**

The Company leases office space under a noncancelable operating lease through March 2024. The following summarizes the line items in the statement of financial condition which include amounts for the office space lease as of June 30, 2021:

<b>Operating Lease</b>	
Right-of-use-asset	<u>\$ 203,442</u>
Lease liability	<u>\$ 203,442</u>

The discount rate used on the operating lease was 5.5%.

The maturities of the lease liability as of June 30, 2021, were as follows:

Year Ending June 30:	
2022	\$ 78,935
2023	80,108
2024	60,742
Thereafter	<u>-</u>
Total lease payments	219,785
Less: interest	<u>(16,343)</u>
Present value of lease liability	<u>\$ 203,442</u>

Operating lease expense totaled \$79,303 for the year ended June 30, 2021, and is reflected in the accompany statement of income as occupancy and equipment.

**FIRST WESTERN SECURITIES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 8 – COMMITMENTS AND CONTINGENCIES (Continued)**

CONTINGENCIES

There are currently no asserted claims or legal proceedings against the Company, however, the nature of the Company's business subjects it to various claims, regulatory examinations, and other proceedings in the ordinary course of business. The ultimate outcome of any such action against the Company could have an adverse impact on the financial condition, results of operations, or cash flows of the Company

**NOTE 9 – PPP LOAN FORGIVENESS**

In April 2020, the Company received a Payroll Protection Program (PPP) loan authorized by the Coronavirus Aid, Relief and Economic Security (CARES) Act in the amount of \$106,752 bearing an interest rate of 1% per annum. On May 19, 2021, the Small Business Administration (SBA) approved the Company's application for full forgiveness of the loan. The income attributable to the forgiveness of \$106,752 is recognized in the statement of operations as revenue. The SBA retains the right to audit the appropriateness of borrowers' participation in the program for a period of six years from forgiveness.

**NOTE 10 - RELATED PARTY TRANSACTIONS**

The Company has a receivable from the majority shareholder of \$49,818 at June 30, 2021. The amount is unsecured, non-interest bearing and due on demand.

**NOTE 11 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events subsequent to June 30, 2021, and through September 16, 2021, which is the date that the financial statements were available for issuance. There have been no material subsequent events that occurred during such period that would require disclosure in this report or would be required to be recognized in the financial statements as of June 30, 2021.

## SCHEDULE I

### FIRST WESTERN SECURITIES, INC. SUPPLEMENTAL INFORMATION PURSUANT TO RULE 17a-5 JUNE 30, 2021

#### **Computation of Net Capital**

Total stockholders' equity	\$ 272,911
Deductions and/or Charges	
Non-allowable assets:	
Related party receivable	49,818
Total Deductions and/or Charges	49,818
Net Capital	\$ 223,093

#### **Aggregate Indebtedness**

Commissions and wages payable	\$ 131,350
Accounts payable	4,392
Federal income taxes payable	5,424
Total Aggregate Indebtedness	\$ 141,166

#### **Computation of Basic Net Capital Requirement**

Minimum net capital required (greater of \$50,000 or 6 2/3% of aggregate indebtedness)	\$ 50,000
Net capital in excess of minimum requirement	\$ 173,093
Ratio of aggregate indebtedness to net capital	0.63 to 1

#### **Reconciliation of Computation of Net Capital**

There are no material differences between the preceding computation and the Company's corresponding unaudited Part II of Form X-17A-5 as of June 30, 2021.

#### **Statement Regarding Changes in Liabilities Subordinated to Claims of General Creditors**

No statement is required as no subordinated liabilities existed at any time during the year.

#### **Statement Regarding the Reserve Requirements and Possession or Control Requirements**

The Company operates under the exemptive provisions of Rule 15c3-3(k)(2)(ii) of the Securities Exchange Act of 1934, and is also considered a Non-Covered Firm exempt from 17 C.F.R. § 240.15c3-3. The Company does not hold customer funds or securities. The Computation for Determination of Reserve Requirements and Information Relating to the Possession and Control Requirements are not required.

See accompanying report of independent registered public accounting firm.



PHILLIP V. GEORGE, PLLC  
CERTIFIED PUBLIC ACCOUNTANT

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

Board of Directors  
First Western Securities, Inc.

We have reviewed management's statements, included in the accompanying Exemption Report, in which (1) First Western Securities, Inc. identified the following provision(s) of 17 C.F.R. §15c3-3(k) under which First Western Securities, Inc. claimed the following exemption(s) from 17 C.F.R. §240.15c3-3:(k)(2)(ii) and (2) First Western Securities, Inc. stated that First Western Securities, Inc. met the identified exemption provisions throughout the most recent fiscal year without exception.

The Company is also filing this Exemption Report because the Company's other business activities contemplated by Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5 are limited effecting securities transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Company. In addition, the Company did not directly or indirectly receive, hold, or otherwise owe funds or securities for or to customers, other than money or other consideration received and promptly transmitted in compliance with paragraph (a) or (b)(2) of Rule 15c2-4 and/or funds received and promptly transmitted for effecting transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Company; did not carry accounts of or for customers; and did not carry PAB accounts (as defined in Rule 15c3-3) throughout the most recent fiscal year without exception.

First Western Securities, Inc.'s management is responsible for compliance with the exemption provisions and its statements.

Our review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, accordingly, included inquiries and other required procedures to obtain evidence about First Western Securities, Inc.'s compliance with the exemption provisions. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's statements. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to management's statements referred to above for them to be fairly stated, in all material respects, based on the provisions set forth in paragraph (k)(2)(ii) of Rule 15c3-3 under the Securities Exchange Act of 1934 and the Company's other business activities contemplated by Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5, and related SEC Staff Frequently Asked Questions.



PHILLIP V. GEORGE, PLLC

Celeste, Texas  
September 16, 2021

## **First Western Securities, Inc.**

669 Airport Freeway, Suite 409, Hurst, TX 76053  
817-553-1492 Direct / 817-553-2695 Fax  
800-327-1279 Toll Free

*Sound financial guidance since 1987.*

### **Exemption Report**

First Western Securities, Inc. (the "Company") is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (17 C.F.R. §240.17a-5, "Reports to be made by certain brokers and dealers"). This Exemption Report was prepared as required by 17 C.F.R. § 240.17a-5(d)(1) and (4). To the best of its knowledge and belief, the Company states the following:

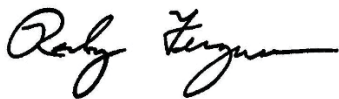
(1) The Company claimed an exemption from 17 C.F.R. § 240.15c3-3 under the following provisions of 17 C.F.R. §240.15c3-3 (k):(2)(ii).

(2) The Company met the identified exemption provisions in 17 C.F.R. §240.15c3-3 (k) throughout the most recent fiscal year without exception.

(3) The Company is also filing this Exemption Report because the Company's other business activities contemplated by Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5 are limited to effecting securities transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Company, and the Company (1) did not directly or indirectly receive, hold, or otherwise owe funds or securities for or to customers, (other than money or other consideration received and promptly transmitted in compliance with paragraph (a) or (b)(2) of Rule 15c2-4 and/or funds received and promptly transmitted for effecting transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Company); (2) did not carry accounts of or for customers; and (3) did not carry PAB accounts (as defined in Rule 15c3-3) throughout the most recent fiscal year without exception.

First Western Securities, Inc.

I, Randal E. Ferguson, affirm that, to my best knowledge and belief, this Exemption Report is true and correct.



Randal E. Ferguson  
President  
August 31, 2021