

**BBVA Securities, Inc.'s Exemption Report**

BBVA Securities, Inc. (the "Company") is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (SEC) (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). Based on the guidance from the SEC Staff on January 14, 2016, the Company may file this Exemption Report because:

1. The Company self-cleared its financing transactions and a portion of its proprietary trading and customer business on a Delivery vs. Payment / Receive vs. Payment ("DVP/RVP") basis, while introducing the remainder of its proprietary trading and its customer transactions through another dealer on a fully disclosed basis pursuant to an exemption claimed under 15c3-3 (k)(2)(ii);
2. The Company did not maintain customer cash or margin accounts, did not hold customer free credit balances other than those associated with DVP/RVP transactions, and did not hold customer securities in safekeeping as per the Securities and Exchange Commission ("SEC") Rule 15c3-3; and
3. The Company acts as custodian for one of its bank affiliates ("bank affiliate") and is party to a Non-Conforming Subordination Agreement with the bank affiliate pursuant to which the bank affiliate is not considered a Customer or PAB account as defined in SEC Rule 15c3-3.

To the best of its knowledge and belief, the Company states the following:

1. The Company met the identified circumstances mentioned above throughout the year ended December 31, 2017, except as described below.
  - a. Certain checks payable from the introducing division of the firm were not promptly transmitted to the carrier and/or the firm's clearing firm by noon of the next business day following receipt:

Checks and/ or securities were received after FedEx pick up time, which resulted in violation of prompt forwarding requirements			
Date Received	Date Transmitted	No. of Checks/Securities	Total Amount
2/1/2017	2/7/2017	1	500
2/1/2017	2/7/2017	1	300
2/1/2017	2/7/2017	1	125
2/3/2017	2/7/2017	1	10,160
2/24/2017	2/28/2017	1	5
3/10/2017	3/15/2017	1	1,630
2/22/2017	3/2/2017	1	\$ 150
11/9/2017	11/13/2017	1	77
11/9/2017	11/13/2017	1	31
11/9/2017	11/13/2017	1	46
11/9/2017	11/13/2017	1	97
Delay in transmittal due to miscommunication with registered representative which resulted in violation of prompt forwarding requirements			
Date Received	Date Transmitted	No. of Checks/Securities	Total Amount
4/6/2017	4/10/2017	1	\$60,000
9/11/2017	9/14/2017	1	\$96,133
9/11/2017	9/14/2017	1	\$96,133

BBVA Securities, Inc.

I, Diane Gigliotti, affirm that, to my best knowledge and belief, this Exemption Report is true and correct.

By: 

Chief Financial Officer

February 28, 2018