



Securities and Exchange Commission  
Washington, D.C. 20549:

I, the undersigned officer of Skyway Capital Markets, LLC, affirm that, to the best of my knowledge and belief the accompanying financial statements and accompanying schedules pertaining to the firm of Skyway Capital Markets, LLC, as of December 31, 2016, are true and correct. I further affirm that neither the Company, nor any officer or director has any proprietary interest in any account classified solely as that of a customer.

Skyway Capital Markets, LLC

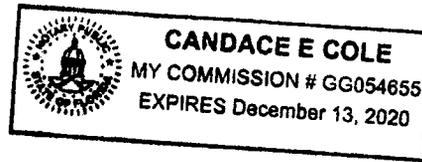


Russell Hunt  
CEO

Sworn to and subscribed before me this  
27 day of February, 2017.



(Signature of Notary Public)



Personally known: X

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

- (a) Facing page.
- (b) Statement of Financial Condition.
- (c) Statement of Income.
- (d) Statement of Cash Flows.
- (e) Statement of Changes in Stockholders' Equity.
- (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 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) And Oath or Affirmation.
- (m) A copy of SIPC Supplemental Report.
- (n) A report describing any material inadequacies found to have existed since the date of the previous audit.

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

**SKYWAY CAPITAL MARKETS, LLC**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

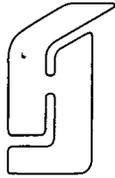
**DECEMBER 31, 2016**

**SKYWAY CAPITAL MARKETS, LLC**

**TABLE OF CONTENTS  
DECEMBER 31, 2016**

---

<b>REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</b>	<b>1</b>
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Condition	2
Statement of Operations and Changes in Members' Equity	3
Statement of Cash Flows	4
Notes to the Financial Statements	5
<b>SUPPLEMENTARY INFORMATION</b>	
Schedule I - Computation of Net Capital Under Rule 15c3-1 of the Securities and Exchange Commission	9
Schedule 11 - Computation of Determination of Reserve Requirements Under Rule 15c3-3 of the Securities and Exchange Commission	10
Schedule III - Information Relating to Possession or Control Requirements Under Rule 15c3-3 of the Securities and Exchange Commission	11
Schedule IV - Schedule of Segregation Requirements and Funds in Segregation for Customers' Regulated Commodity Futures and Options Accounts	12
<b>REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON MANAGEMENT'S EXEMPTION REPORT FROM SEC RULE 15C3-3</b>	<b>13</b>
<b>SKYWAY CAPITAL MARKETS, LLC'S EXEMPTION REPORT</b>	<b>14</b>
<b>REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON APPLYING AGREED-UPON PROECDURES RELATED TO AN ENTITIES RELATED SIPC ASSESSMENTS RECONCILIATION</b>	<b>15</b>
<b>FORM SIPC-7</b>	<b>17</b>



**Report of Independent Registered Public Accounting Firm**

To the Members  
Skyway Capital Markets, LLC  
Tampa, Florida

We have audited the accompanying statement of financial condition of Skyway Capital Markets, LLC (the "Company") as of December 31, 2016, and the related statements of income, changes in member's equity and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2016, 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.

The computation of net capital under Rule 15c3-1 of the Securities and Exchange Commission has been subjected to audit procedures performed in conjunction with the audit of the Company's financial statements. The supplemental information is the responsibility of the Company'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 Rule 15c3-1 of the Securities and Exchange Commission. In our opinion, the Computation of Net Capital under Rule 15c3-1 of the Securities and Exchange Commission is fairly stated, in all material respects, in relation to the financial statements as a whole.

*Hacker, Johnson & Smith PA*

HACKER, JOHNSON & SMITH PA  
Tampa, Florida  
February 27, 2017

**SKYWAY CAPITAL MARKETS, LLC  
STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2016**

---

**ASSETS**

Cash	\$84,106
Accounts receivable	4,777,500
Other assets	<u>14,652</u>
	<u>\$4,876,258</u>

**LIABILITIES AND MEMBERS' EQUITY**

**Liabilities**

Accounts payable and accrued expenses	\$33,459
Members' equity	<u>4,842,799</u>
	<u>\$4,876,258</u>

See notes to the financial statements.

**SKYWAY CAPITAL MARKETS, LLC**  
**STATEMENT OF OPERATIONS AND CHANGES IN MEMBERS' EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

---

**REVENUES**

Investment Banking and Advisory services \$7,794,571

**EXPENSES**

Personnel 916,645  
Selling Group 1,897,485  
General & Administrative 128,772  
Marketing & Promotion 34,829  
Other 53,853  
Total expenses \$3,031,584

**NET INCOME** \$4,762,987

**MEMBERS' EQUITY AT BEGINNING OF YEAR** 45,434

**DISTRIBUTIONS TO MEMBERS** (95,622)

**INVESTMENT BY MEMBERS** 130,000

**MEMBERS' EQUITY AT END OF YEAR** \$4,842,799

See notes to the financial statements.

**SKYWAY CAPITAL MARKETS, LLC  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2016**

---

**CASH FLOWS FROM OPERATING ACTIVITIES**

Net Income	\$4,762,987
Adjustments to reconcile net income to net cash provided by operating activities:	
Accounts receivable	(4,777,465)
Depreciation expense	3,893
Loss on Disposal of furniture & equipment	3,967
Other current assets	(7,720)
Accounts payable and accrued expenses	<u>30,666</u>
Net cash provided by operating activities	<u>16,328</u>

**CASH FLOWS FROM FINANCING ACTIVITIES**

Investment by Members	130,000
Member Distributions	<u>(95,622)</u>
Net cash provided by financing activities	<u>34,378</u>

<b>INCREASE IN CASH</b>	50,706
<b>CASH AT BEGINNING OF YEAR</b>	<u>33,400</u>
<b>CASH AT END OF YEAR</b>	<u>\$84,106</u>

See notes to the financial statements.

**SKYWAY CAPITAL MARKETS, LLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016**

---

**1. DESCRIPTION OF BUSINESS**

Skyway Capital Markets, LLC (the "Company") is a Florida limited liability company that was organized as Skyway Capital, LLC in 2002. It changed its name to Skyway Capital Partners, LLC in 2002, then changed its name to Skyway Advisors, LLC in 2003, and changed its name to Skyway Capital Markets, LLC in 2016. The Company is a broker dealer registered with the Securities and Exchange Commission ("SEC") and is a member of the Financial Industry Regulatory Authority ("FINRA"). The Company was formed to provide several classes of services including investment banking, debt financing, private placements and financial advisory services. The Company provides such services to companies throughout the country. The corporate headquarters is located in Tampa, Florida. The Company has two members, each of whom has the same rights and privileges. According to the Operating Agreement, the liability of the members is limited to their total capital contributions and their share of any assets and undistributed profits of the Company.

On August 18, 2016 the Company entered into an agreement with Caymus Capital Holdings, LLC ("Caymus") to sell 80 percent of its membership interests to Caymus. The consummation of the transaction is contingent upon approval of FINRA which is expected in the second quarter of 2017.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The financial statements of the Company are prepared under the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America ("GAAP").

**Use of Management Estimates**

Management uses estimates and assumptions in preparing these financial statements in accordance with GAAP. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

**Cash**

Cash is maintained at major financial institutions and, at times, balances may exceed federally insured limits. The Company has never experienced any losses related to these balances. As of December 31, 2016, the Company did not have cash deposits in excess of federally insured limits.

**Accounts Receivable**

Accounts receivable are billed based on the terms of the individual contracts with the Company's customers or amounts due for expense reimbursement. Receivables for success fees are considered past due two business days after the transaction closing, unless other payment arrangements have been agreed to. Other receivables are generally considered past due if not paid within 30 days of the invoice date, although specific exceptions are made for affiliate receivables. The allowance for doubtful accounts is estimated on a specific identification basis considering the financial condition of the customer and other specific facts and circumstances. Accounts receivable are written off when they are determined to be uncollectible. Based on management's review of accounts receivable, an allowance for doubtful accounts was not considered necessary at December 31, 2016 as a result of the subsequent collection of all accounts receivable as of December 31, 2016 in 2017. Interest is not typically charged on past due receivables.

**SKYWAY CAPITAL MARKETS, LLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016**

---

**2. SUMMARY OF SIGNIFICANT ACCOUNTING - CONTINUED**

**Furniture and Equipment**

Furniture and equipment are recorded at cost. Depreciation is calculated by the straight-line method over the estimated useful lives of the assets, generally three to five years. Maintenance and repairs are charged to operations when incurred. Betterments and renewals are capitalized. When furniture and equipment are sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved, and any gain or loss is included in operations.

**Revenues**

Revenues consist of fees earned from providing financial restructuring, securities sales, customer referrals and advisory services. Success fees that are contingent upon the success of the services provided are recorded upon successful completion of the transaction. Advisory services, including retainer fees, are recognized over the shorter of the initial term of the engagement or the estimated duration of the work performed. Referral fees are recognized as the fees become due under the specific referral agreement.

**Income Taxes**

The Company is treated as a partnership for income tax purposes. As a result, the members will report the entire taxable income on their income tax returns. Therefore, no provision for income taxes has been included in these financial statements.

The Financial Accounting Standards Board Accounting Standards Codification Topic 740, "Income Taxes," requires an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will not be sustained upon examination. If the tax position meets the more-likely-than-not recognition threshold, the tax effect is recognized at the largest amount of the benefit that is greater than 50 percent likely of being realized upon ultimate settlement. Any difference between the tax position taken in the tax return and the tax position recognized in the financial statements using the criteria above results in the recognition of a liability in the financial statements for the unrecognized benefit. Similarly, if a tax position fails to meet the more-likely-than-not recognition threshold, the benefit taken in the tax return will also result in the recognition of a liability in the financial statements for the full amount of the unrecognized benefit. The Company has evaluated its tax positions and determined that there are none that need to be recognized as of December 31, 2016. The Company's income tax returns are no longer subject to examination by U.S. taxing authorities for years prior to 2013.

**SKYWAY CAPITAL MARKETS, LLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016**

---

**3. FURNITURE AND EQUIPMENT**

Depreciation expense amounted to \$3,893 for the year ended December 31, 2016. The Company expensed as worthless assets the balance of furniture and equipment of \$3,967 in 2016.

**4. RELATED PARTY TRANSACTIONS**

The Company has an expense sharing agreement with a company related by common ownership, whereby the Company receives certain personnel services and office space in return for payment of communications, general office expenses, and a monthly cash payment. During the year, adjustments were made to the expense sharing agreement, including a change to the counter-party to the agreement. As of December 31, 2016, the Company owed \$12,439 to this related party, which is included in accounts payable on the accompanying statement of financial condition.

**5. CAPITAL WITHDRAWALS**

As the Company closes investment banking transactions, it may, at its discretion, withdraw capital from the business to make distributions to its members. These withdrawals are dependent on the timing and amount of investment banking fees received. The Company distributed \$95,622 to members during the year ended December 31, 2016.

**7. NET CAPITAL REQUIREMENTS**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC Rule 15c3-1), which requires the maintenance of minimum net capital and that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15-to-1 (and the rule of the "applicable" exchange also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10-to-1). At December 31, 2016, the Company had net capital of \$50,647, which was \$45,647 in excess of its required minimum net capital of \$5,000. The Company's aggregate indebtedness to net capital ratio was 0.66-to-1.00.

**8. CUSTOMER CONCENTRATION**

During the year ended December 31, 2016, 62% of the Company's revenues were from one customer.

**SKYWAY CAPITAL MARKETS, LLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016**

---

**9. LEASE**

On November 30, 2016 the Company entered into a lease agreement commencing March 1, 2017 for its new main office facility. The lease has a term of eighty seven months and provides for the payment of common area maintenance as well as an allocable share of increases in property taxes. The lease is also collateralized by a letter of credit which is guaranteed by certain related parties. At December 31, 2016, rental commitments are as follows:

Year Ended December 31, -----	Amount -----
2017	\$125,040
2018	170,471
2019	175,590
2020	180,865
2021	186,297
Thereafter	490,548
	-----
Total	\$1,328,811

**10. SUBSEQUENT EVENTS**

Subsequent to the year ended December 31, 2016, the Company received payment in full of the accounts receivable as of December 31, 2016.

**SUPPLEMENTARY INFORMATION**

**SKYWAY CAPITAL MARKETS, LLC**  
**SCHEDULE I - COMPUTATION OF NET CAPITAL UNDER**  
**RULE 15C3-1 OF THE SECURITIES AND EXCHANGE COMMISSION**  
**DECEMBER 31, 2016**

---

**NET CAPITAL**

Total members' equity	<u>\$4,842,799</u>
-----------------------	--------------------

Deductions and/or charges: Non-allowable assets:

Accounts receivable	4,777,500
Other assets	<u>14,652</u>
Total deductions and/or charges	<u>4,792,152</u>

<b>TOTAL NET CAPITAL</b>	<u>\$50,647</u>
--------------------------	-----------------

**AGGREGATE INDEBTEDNESS**

Items included in statement of financial condition:

Accounts payable and accrued expenses	<u>\$33,459</u>
---------------------------------------	-----------------

Computation of basic net capital requirement:

Minimum net capital required based upon aggregate indebtedness (which is calculated as 6 and 2/3% of aggregate indebtedness)	<u>\$2,231</u>
---	----------------

Minimum net capital required	<u>\$5,000</u>
------------------------------	----------------

Excess net capital	<u>\$45,647</u>
--------------------	-----------------

Ratio: aggregate indebtedness to net capital	<u>66.06%</u>
--	---------------

There are no material differences between the preceding computation and the Company's corresponding unaudited Part II of Form X-17A-5 as of December 31, 2016.

**SKYWAY CAPITAL MARKETS, LLC**

**SCHEDULE 11- COMPUTATION OF DETERMINATION OF RESERVE REQUIREMENTS  
UNDER RULE 15C3-3 OF THE SECURITIES AND EXCHANGE COMMISSION  
DECEMBER 31, 2016**

---

The Company is claiming an exemption from Rule 15c3-3 under Section (k)(2)(i).

**SKYWAY CAPITAL MARKETS, LLC  
SCHEDULE III - INFORMATION RELATING TO POSSESSION OR  
CONTROL REQUIREMENTS UNDER RULE 15C3-3 OF THE  
SECURITIES AND EXCHANGE COMMISSION  
DECEMBER 31, 2016**

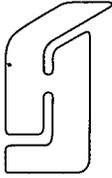
---

The Company is claiming an exemption from Rule 15c3-3 under Section (k)(2)(i).

**SKYWAY CAPITAL MARKETS, LLC  
SCHEDULE IV - SCHEDULE OF SEGREGATION REQUIREMENTS  
AND FUNDS IN SEGREGATION FOR CUSTOMERS' REGULATED  
COMMODITY FUTURES AND OPTIONS ACCOUNTS  
DECEMBER 31, 2016**

---

The Company is claiming an exemption from Rule 15c3-3 under Section (k)(2)(i).



**Report of Independent Registered Public Accounting Firm**

To the Members  
Skyway Capital Markets, LLC  
Tampa, Florida:

We have reviewed management's statements, included in the accompanying Exemption Report, in which (1) Skyway Capital Markets, LLC identified the following provisions of 17 C.F.R. § 15c3-3(k) under which Skyway Capital Markets, LLC claimed an exemption from 17 C.F.R. § 240.15c3-3: under a (k)(2)(i) exemption (the "exemption provisions") and (2) Skyway Capital Markets, LLC stated that Skyway Capital Markets, LLC met the identified exemption provisions for the year ended December 31, 2016 without exception. Skyway Capital Markets, LLC'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 Skyway Capital Markets, LLC'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)(i) of Rule 15c3-3 under the Securities Exchange Act of 1934.

*Hacker, Johnson & Smith PA*

HACKER, JOHNSON & SMITH PA  
Tampa, Florida  
February 27, 2017

## Skyway Capital Markets LLC's Exemption Report

Skyway Capital Markets LLC (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).

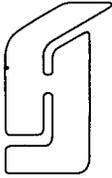
To the best of its knowledge and belief, the Company states the following:

- (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)(i) and
- (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.'

Skyway Capital Markets LLC

I, Russell L. Hunt, swear (or affirm) that, to my best knowledge and belief, this Exemption Report is true and correct.

By:   
Russell L. Hunt, CEO  
February 27, 2017



**Report of Registered Public Accounting Firm on Applying Agreed-Upon  
Procedures Related to an Entity's SIPC Assessment Reconciliation**

Skyway Capital Markets, LLC  
412 East Madison Street, Suite 1206  
Tampa, Florida 33602

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, we have performed the procedures enumerated below with respect to the accompanying Schedule of Assessment and Payments [General Assessment Reconciliation (Form SIPC-7)] to the Securities Investor Protection Corporation (SIPC) for the year ended December 31, 2016, which were agreed to by Skyway Capital Markets, LLC and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc., and SIPC, solely to assist you and the other specified parties in evaluating Skyway Capital Markets, LLC's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7). Skyway Capital Markets, LLC's management is responsible for Skyway Capital Markets, LLC's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with standards of the Public Company Accounting Oversight Board (United States). The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed and our findings are as follows:

1. Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries by agreeing amounts to image of canceled checks noting no difference;
2. Compared the amounts reported on the audited Form X-17A-5 for the year ended December 31, 2016, with the amounts reported in Form SIPC-7 for the year ended December 31, 2016, noting no differences;
3. Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers by agreeing amounts to the statement of income for the year ended December 31, 2016 and the respective quarterly FOCUS reports noting no differences;

4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers by reviewing the Form SIPC-7 worksheet supporting the adjustments noting no differences.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. 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 specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

*Hacker, Johnson & Smith PA*

HACKER, JOHNSON & SMITH PA  
Tampa, Florida  
February 27, 2017

**General Assessment Reconciliation**

For the fiscal year ended 12/31/2016

(Read carefully the instructions in your Working Copy before completing this Form)

**TO BE FILED BY ALL SIPC MEMBERS WITH FISCAL YEAR ENDINGS**

1. Name of Member, address, Designated Examining Authority, 1934 Act registration no. and month in which fiscal year ends for purposes of the audit requirement of SEC Rule 17a-5:

Skyway Capital Markets, LLC  
2909 W. Bay to Bay Blvd, Suite 300  
Tampa, FL 33629

Note: If any of the information shown on the mailing label requires correction, please e-mail any corrections to form@sipc.org and so indicate on the form filed.

Name and telephone number of person to contact respecting this form.

Russell Hunt 813-503-8642

**WORKING COPY**

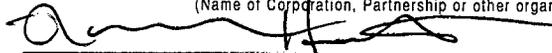
- 2. A. General Assessment (item 2e from page 2) \$ 14,743
- B. Less payment made with SIPC-6 filed (exclude interest) ( 0 )
- Date Paid \_\_\_\_\_
- C. Less prior overpayment applied ( 0 )
- D. Assessment balance due or (overpayment) 14,743
- E. Interest computed on late payment (see instruction E) for \_\_\_\_\_ days at 20% per annum 0
- F. Total assessment balance and interest due (or overpayment carried forward) \$ 14,743
- G. PAYMENT:  the box  Check mailed to P.O. Box  Funds Wired   
Total (must be same as F above) \$ 14,743
- H. Overpayment carried forward \$( \_\_\_\_\_ )

3. Subsidiaries (S) and predecessors (P) included in this form (give name and 1934 Act registration number):

The SIPC member submitting this form and the person by whom it is executed represent thereby that all information contained herein is true, correct and complete.

Skyway Capital Markets, LLC

(Name of Corporation, Partnership or other organization)



(Authorized Signature)

Dated the 22 day of February, 20 16.

Chief Executive Officer

(Title)

This form and the assessment payment is due 60 days after the end of the fiscal year. Retain the Working Copy of this form for a period of not less than 6 years, the latest 2 years in an easily accessible place.

**SIPC REVIEWER**

Dates:                      Postmarked                      Received                      Reviewed                     

Calculations                      Documentation                      Forward Copy                     

Exceptions: \_\_\_\_\_

Disposition of exceptions: \_\_\_\_\_

**DETERMINATION OF "SIPC NET OPERATING REVENUES"  
AND GENERAL ASSESSMENT**

Amounts for the fiscal period  
beginning 1/01/2016  
and ending 12/31/2016

Item No.*	Eliminate cents
2a. Total revenue (FOCUS Line 12/Part IIA Line 9, Code 4030)	\$ <u>7,794,571</u>
2b. Additions:	
(1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above.	<u>0</u>
(2) Net loss from principal transactions in securities in trading accounts.	<u>0</u>
(3) Net loss from principal transactions in commodities in trading accounts.	<u>0</u>
(4) Interest and dividend expense deducted in determining item 2a.	<u>0</u>
(5) Net loss from management of or participation in the underwriting or distribution of securities.	<u>0</u>
(6) Expenses other than advertising, printing, registration fees and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities.	<u>0</u>
(7) Net loss from securities in investment accounts.	<u>0</u>
Total additions	<u>0</u>
2c. Deductions:	
(1) Revenues from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts, and from transactions in security futures products.	<u>0</u>
(2) Revenues from commodity transactions.	<u>0</u>
(3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.	<u>1,897,485</u>
(4) Reimbursements for postage in connection with proxy solicitation.	<u>0</u>
(5) Net gain from securities in investment accounts.	<u>0</u>
(6) 100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers acceptances or commercial paper that mature nine months or less from issuance date.	<u>0</u>
(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).	<u>0</u>
(8) Other revenue not related either directly or indirectly to the securities business. (See Instruction C):	
<hr/>	
(Deductions in excess of \$100,000 require documentation)	
(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.	\$ <u>0</u>
(ii) 40% of margin interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960).	\$ <u>0</u>
Enter the greater of line (i) or (ii)	<u>0</u>
Total deductions	<u>1,897,485</u>
2d. SIPC Net Operating Revenues	\$ <u>5,897,086</u>
2e. General Assessment @ .0025	\$ <u>14,743</u>

(to page 1, line 2.A.)