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

SEC FILE NUMBER
8-41505

FACING PAGE

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 01/01/2018 AND ENDING 12/31/2018  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: MELVIN SECURITIES, LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

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

455 CITYFRONT PLAZA DRIVE, 31ST FLOOR

(No. and Street)

CHICAGO

ILLINOIS

60611

(City)

(State)

(Zip Code)

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

BDL COMPLIANCE CONSULTING (312) 813-0318

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

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

Robert Cooper & Company CPA PC

(Name - If individual, state last, first, middle name)

141 W. Jackson Blvd Suite 1702 Chicago

IL

60604

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

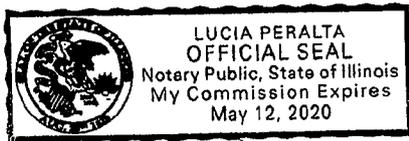
<b>FOR OFFICIAL USE ONLY</b>

\*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)

RMS

OATH OR AFFIRMATION

I, CHRISTOPHER C. MELVIN, JR., swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of MELVIN SECURITIES, LLC, as of DECEMBER 31, 2018, 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:



Signature: [Handwritten Signature]
MANAGING MEMBER
Title

[Handwritten Signature]
Notary Public Cook County, Illinois

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

- (a) Facing Page.
(b) Statement of Financial Condition.
(c) Statement of Income (Loss) or, if there is other comprehensive income in the period(s) presented, a Statement of Comprehensive Income (as defined in §210.1-02 of Regulation S-X).
(d) Statement of Changes in Financial Condition.
(e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' 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).

**Melvin Securities, LLC**

(An Illinois Limited Liability Company)

**Financial Statements and  
Independent Accountant Report**

**December 31, 2018**

**Melvin Securities, LLC**  
(An Illinois Limited Liability Company)

**Index**

**December 31, 2018**

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Member:  
of Melvin Securities, LLC

**Opinion on the Financial Statements**

We have audited the accompanying statement of financial condition of Melvin Securities, LLC as of December 31, 2018, the related statements of income, changes in members' equity, and cash flows for the year then ended, and the related notes and supplemental schedules (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of Melvin Securities, LLC as of December 31, 2018, 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 Melvin Securities, LLC's management. Our responsibility is to express an opinion on Melvin Securities, LLC'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 Melvin Securities, LLC 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.

**Supplemental Information**

- Schedule I, Computation of Net Capital Under SEC Rule 15c3-1.
- Schedule II, Computation for Determination of Reserve Requirements Under SEC Rule 15c3-3 (exemption).
- Schedule III, Information Relating to Possession or Control Requirements Under SEC Rule 15c3-3 (exemption)

The supplemental information contained on pages 11 through 12 has been subjected to audit procedures performed in conjunction with the audit of Melvin Securities, LLC's financial statements. The supplemental information is the responsibility of Melvin Securities, LLC'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 schedules on pages 11-12 are fairly stated, in all material respects, in relation to the financial statements as a whole.



Robert Cooper & Company CPA PC

We have served as Melvin Securities, LLC's auditor since 2016.

Chicago, Illinois 60604

February 27, 2019

**MELVIN SECURITIES, LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
**AS OF DECEMBER 31, 2018**

**ASSETS**

Current Assets:	
Cash and cash equivalents	\$ 386
Receivables from broker/dealers and clearing organizations	198,005
Other current assets	113,174
Total current assets	<u>311,565</u>
Noncurrent Assets:	
Equipment	\$ 1,407
Other noncurrent assets	3,100
Total noncurrent assets	<u>4,507</u>
Total assets	<u>\$ 316,072</u>

**LIABILITIES AND MEMBERS' CAPITAL**

Current Liabilities:	
Trade payables	\$ 12,208
Other accrued expenses	15,445
Total current liabilities	<u>27,653</u>
Members' Capital	<u>288,419</u>
Total liabilities and members' capital	<u>\$ 316,072</u>

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

**MELVIN SECURITIES, LLC**  
**STATEMENT OF INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

Management Fee Income	\$ 9,262	
Underwriting fees	<u>232,030</u>	
Total revenue		\$ 241,292
Employee compensation and related benefits	147,513	
Communications	6,253	
Commissions, floor brokerage and clearance	4,199	
Guaranteed payments	200,700	
Occupancy	51,714	
Professional fees	59,678	
Depreciation expense	402	
Other	<u>100,362</u>	
Total expenses		<u>570,821</u>
Net income (loss)		<u>\$ (329,529)</u>

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

**MELVIN SECURITIES, LLC**  
**STATEMENT OF CHANGES IN MEMBERS' EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

Balance, beginning of year	\$ 265,977
Members' contributions	351,971
Members' distributions	-
Net income (loss)	<u>(329,529)</u>
Balance, end of year	<u><u>\$ 288,419</u></u>

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

**MELVIN SECURITIES, LLC**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

**CASH FLOWS FROM (TO) OPERATING ACTIVITIES**

Net income (loss)	\$ (329,529)	
Depreciation expense	402	
Adjustments to reconcile net income (loss) to net cash from (to) operating activities:		
(Increase) Decrease in:		
Receivables from broker/dealer and clearing organizations	(194,641)	
Other Asssets	(98,615)	
Increase (Decrease) in:		
Accounts payable and accrued expenses	<u>(25,027)</u>	
Net cash flows from (to) operating activities		\$ (647,410)

**CASH FLOWS FROM (TO) INVESTING ACTIVITIES**

Capital expenditures	\$	-
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**CASH FLOWS FROM (TO) FINANCING ACTIVITIES**

Members' contributions	351,971	
Members' distributions	-	
Net cash flows from (to) financing activities		<u>351,971</u>
Net increase (decrease) in cash		(295,439)
Cash at beginning of the year		295,825
Cash and cash equivalents at end of year		<u>\$ 386</u>

**SUPPLEMENTAL INFORMATION**

Interest expense paid during the year ended December 31, 2018 was:	<u>\$ 3,116</u>
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The accompanying notes are an integral part of these financial statements.

**MELVIN SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

**NOTE 1      ORGANIZATION**

**Nature of Business**

Melvin Securities, LLC (the Company) is an Illinois Limited Liability Company registered as a broker-dealer with the Securities and Exchange Commission (SEC) and with Financial Industry Regulatory Authority (FINRA), conducting business as an institutional broker. The Company's primary focus is to participate in securities underwritings. Commissions are earned when the Company acts as a participating underwriter for the sale of securities. The securities transactions are carried and cleared by the managing underwriter.

**NOTE 2      SIGNIFICANT ACCOUNTING POLICIES**

A summary of significant accounting policies which have been followed by Melvin Securities, LLC in preparing the accompanying financial statements is set forth below.

**Accounting Policies** In October 2017, the FASB issued Accounting Standards Update No. 2017-13, Revenue Recognition (Topic 615), Revenue from Contracts with Customers (Topic 606), Leases (Topic 840) and Leases (Topic 842): The accounting for a broker-dealer's proprietary trading operations and lending activities (including securities lending and repurchase arrangements) will not be in the scope of the new standard. Recognition of interest and dividend income and expense from financial instruments owned or sold short, interest (rebate) from securities lending, repurchase agreements and similar arrangements also will be outside of the scope of the standard. Recognition of realized and unrealized gains and losses on the transfer of derecognition of financial instruments will continue to be within the scope of Accounting Standards Codification (ASC) 860.

**Use of Estimates** The preparation of financial statements in conformity with generally accepted accounting principles 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Revenue Recognition** The Company underwrites securities for business entities and governmental entities that want to raise funds through a sale of securities. Revenues are earned from fees arising from securities offering in which the Company acts as a participating underwriter.

Revenue is recognized on the trade date. The Company believes that the trade date is the appropriate point in time to recognize revenue as there are no significant actions which the Company needs to take subsequent to this date and the issuer obtains the control and benefit of the capital markets offering at this point.

Underwriting costs and fees, if any, are recognized in expense at this time the related revenues are recorded.

**MELVIN SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

**NOTE 2      SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Cash Equivalents** Cash and cash equivalents include highly liquid instruments with original maturities of three months or less.

**Equipment** Equipment is stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets with a half year convention in the year of acquisition. For assets sold or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any related gain or loss is reflected in income for the period.

**Income Taxes** Effective January 1, 2016 the Company is disregarded for tax purposes and results from operations will be included on Melvin & Company, LLC's tax return.

The Company is considered as a disregarded entity and under the provisions of the Internal Revenue Code, accordingly, is not subject to federal income taxes. Instead, the member is liable for federal and state income taxes on their respective share of the taxable income of the Company. Accordingly, no provision for federal income tax has been provided for in the accompanying financial statements.

FASB guidance requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Company's tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained "when challenged" or "when examined" by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit or expense and liability in the current year.

Management has reviewed the Company's tax positions for the open tax years (current and prior three tax years) and concluded that no provision for income tax is required in the Company's financial statements. Such open tax years remain subject to examination by tax authorities.

**NOTE 3      RECEIVABLES FROM BROKER-DEALERS & CLEARING ORGANIZATIONS**

At December 31, 2018, receivables from broker-dealers and clearing organizations consist of:

Municipal Underwriting Fee	\$ 197,904
Cash at Interactive Brokers	\$ 101

**NOTE 4      RELATED PARTIES**

The Company is 100% owned by Melvin & Company, LLC. During the year ending December 31, 2018, the Company made no distributions of capital to Melvin & Company, LLC.

**MELVIN SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

During the year the following related party transactions took place with Melvin & Company:

Loan Receivables	\$ 100,505
Receivables from Credit Card Transactions	<u>7,550</u>
	\$108,055

The intercompany receivables have been recorded in other assets. All transactions have been recorded at arm's length.

Guaranteed payments of \$200,700 were paid to Christopher Melvin, Jr., the majority shareholder of Melvin & Company.

Additional related entities include Chicago River Capital LLC; CRC Holdings; Melvin LLC and Mansfield Willis LLC through ownership by Christopher Melvin, Jr. No transactions took place during the year with these companies.

**NOTE 5**      **EMPLOYEE BENEFITS**

On January 1, 2015, the Company has adopted a 401(K) Plan that covers all employees who have attained one-year of service and are at least twenty-one years of age. Employees may contribute up to \$18,500 per annum. For the year ended December 31, 2018, the Company made no matching contributions.

The Company also has a profit-sharing plan that allows a maximum of 25% of each employee's compensation to be added to the 401K account. For the year ended December 31, 2018, the Company had no profit-sharing expense.

All full-time salaried employees have the option to obtain health insurance through an employer sponsored plan. The company pays for 80% of the employee's insurance premiums. The employee pays for 20% of the insurance premiums for their own coverage and 100% of the premium cost for dependents.

**NOTE 6**      **COMMITMENTS, CONTINGENCIES & INDEMNIFICATIONS**

The Company leases space on a month to month basis at 455 N. Cityfront Plaza Drive with no minimum annual rentals. The total occupancy rental expense included in the statement of operations for the year ended December 31, 2018 was \$51,714 of which all was related to the month to month lease.

In the normal course of business, the Company enters into contracts that contain a variety of representations and warranties that provide indemnifications under certain circumstances. The Company's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Company that have not yet occurred. The Company expects the risk of loss to be remote.

**MELVIN SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

The Company has agreed to indemnify its clearing brokers for losses that the clearing brokers may sustain from their customer account activity. The account had no activity during the year ending December 31, 2018. Accordingly, no indemnifications were estimated nor recorded. The Company believes that it is unlikely it will have to make any material payments under these agreements and has not recorded a contingent liability in the financial statements for these indemnifications.

**NOTE 7**      **FINANCIAL INSTRUMENTS WITH OFF BALANCE-SHEET RISK & CONCENTRATION OF CREDIT RISK**

The Company maintains cash at a financial institution where the total cash balance is insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor, per bank. At any given time, the Company's cash balance may exceed the balance insured by the FDIC. The Company monitors such credit risk at the financial institution and has not experienced any losses related to such risks to date.

**NOTE 8**      **GOING CONCERN OPERATION**

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. Management continues to evaluate its operations in an effort to reduce operating costs. In addition, management has indicated their intention to increase the Company's net capital above the minimum required level through capital contributions and retention of future profits within the Company. There can be no assurance that management's plans, as described above, will be realized.

**NOTE 9**      **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. Rule 15c3-1 also provides that equity capital may not be withdrawn if the resulting net capital ratio would exceed 10 to 1. As of December 31, 2018, the Company had net capital of \$178,289 which was \$78,289 in excess of its required net capital of \$100,000. The Company's net capital ratio was 1.78 to 1.

**MELVIN SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

**NOTE 10**     **SUBSEQUENT EVENTS**

In accordance with the provisions set forth in FASB ASC Topic 855, *Subsequent Events*, management has evaluated subsequent events through February 27, 2019, the issued date of the financials.

On January 17, 2019, Melvin Securities, LLC was included as a syndicate member in the issuance of City of Chicago Sales Tax Securitization Bonds, Taxable Series 2019A with Citigroup Global Markets, Inc. serving as the Senior Managing Underwriter. An estimated municipal underwriting fee receivable of \$225,000 is recorded as of this date.

**MELVIN SECURITIES, LLC**  
**COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1**  
**AS OF DECEMBER 31, 2018**

Total members' capital	\$ 288,419
Additions: Subordinated borrowings, allowable	<u>                  -</u>
Total members' capital and allowable subordinated borrowing	288,419
Deductions and/or charges:	
Non-Allowable Assets	<u>110,130</u>
Net capital	178,289
Minimum net capital requirement	<u>100,000</u>
Excess net capital	<u><u>\$ 78,289</u></u>
Aggregate indebtedness:	
Accounts payable and accrued expenses	<u>\$ 27,653</u>
Total aggregate indebtedness	<u><u>\$ 27,653</u></u>
Ratio of aggregate indebtedness to net capital	<u><u>15.51%</u></u>
 <b>Reconciliation with Company's computation of Net Capital</b> <b>(included in Part IIA of Form X-17A-5 as of December 31, 2018)</b>	
Net capital, as reported in Company's Part IIA Focus Report	192,936
Adjustments:	
Decrease receivables from non-customers.	(2,818)
Increase in accounts payables, accrued expenses and other liabilities.	<u>(11,829)</u>
Net capital, per December 31, 2018 audit report	<u><u>\$ 178,289</u></u>
 <b>Reconciliation with Company's computation of Aggregate Indebtedness</b> <b>(included in Part IIA of Form X-17A-5 as of December 31, 2018)</b>	
Aggregate Indebtedness, as reported in Company's Part IIA Focus Report	7,455
Adjustments:	
Decrease in accounts payable, accrued expenses and other liabilities	<u>20,198</u>
Aggregate Indebtedness, per December 31, 2018 audit report	<u><u>\$ 27,653</u></u>

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

MELVIN SECURITIES, LLC  
COMPUTATION OF RESERVE REQUIREMENTS  
UNDER RULE 15C3-3  
AS OF DECEMBER 31, 2018  
(see note below)

MELVIN SECURITIES, LLC  
INFORMATION RELATING TO POSSESSION OR CONTROL REQUIREMENTS  
UNDER RULE 15C3-3  
AS OF DECEMBER 31, 2018  
(see note below)

Melvin Securities, LLC claims an exemption pursuant to Rule 15c3-3 subparagraph 15c3(k)(2) and, therefore, no Computation for Determination of Reserve Requirements or Information for possession or Control under the rule have been provided. The Company does not transact a business in securities with, or for, other than members of a national securities exchange and does not carry margin amounts, credit balances or securities for any person defined as a “customer pursuant to Rule 71a-5(c)(4). Accordingly, there are no amounts reportable under these sections.

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

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**Robert Cooper & Company CPA PC**  
141 W. Jackson Blvd Suite 1702  
Chicago, Illinois 60604  
312-322-2238  
Facsimile 312-698-8722  
rwcoopercpa@gmail.com

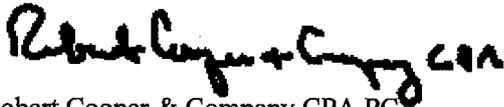
REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Members  
of Melvin Securities, LLC

We have reviewed management's statements, included in the accompanying Exemption Report, in which (1) Melvin Securities, LLC identified the following provisions of 17 C.F.R. §15c3-3(k) under which Melvin Securities, LLC stated it may file an exemption report because it has no obligation Under 17 C.F.R. §240.15c3-3 and the Company stated that it did not have an obligation throughout the most recent fiscal year without exception. Melvin Securities' 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 Melvin Securities, 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 Rule 15c3-3 under the Securities Exchange Act of 1934.



Robert Cooper & Company CPA PC

Chicago, Illinois 60604

February 27, 2019

Melvin Securities, LLC  
455 N. Cityfront Plaza Drive  
Suite 3100  
Chicago Illinois 60611

Exemption Report  
For the year ending December 31, 2018

February 27, 2019

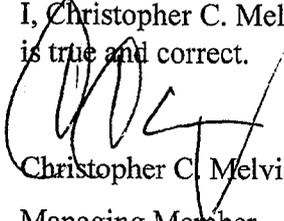
Securities & Exchange Commission  
100 F Street, NW  
Washington, DC 20549

Melvin Securities, LLC (the "Company") is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (17 CFR § 240.17a-5, "Reports to be made by certain brokers and dealers").

The Exemption Report was prepared as required by 17 CFR § 240.17a-5(d)(1) and (4). To the best of its knowledge and belief, the Company states the following:

- a) For the fiscal year ending December 31, 2018, Melvin Securities, LLC claimed exemption from 17 CFR § 240.15c3-3 as outlined under paragraph (k)(2) of the respective rule.
  - (1) For the fiscal year ending December 31, 2018, the Company may file an Exemption and Report because the Company had no obligations under 17 CFR § 240.15c3-3.
  - (2) The Company had no obligations under 17 CFR § 240.15c3-3 throughout the period January 1, 2018 through December 31, 2018 without exception.
- b) The Company met the identified exemption provisions in 17 CFR § 240.15c3-3(k)(2)(ii) throughout the most recent fiscal year without exception.
- c) The Company had no obligations under 17 CFR § 240.15c3-3 throughout the most recent fiscal year without exception.

I, Christopher C. Melvin, Jr., swear that, to my best knowledge and belief, this Exemption Report is true and correct.

  
Christopher C. Melvin, Jr.  
Managing Member  
Melvin Securities, LLC

February 27, 2019

**OATH OR AFFIRMATION  
REGARDING ACCURACY AND COMPLETENESS  
OF FINANCIAL STATEMENTS AS OF  
THE PERIOD ENDING DECEMBER 31, 2018**

To the best of my knowledge and belief, the information contained herein is accurate and complete.

A handwritten signature in black ink, consisting of stylized initials and a surname, positioned above the printed name.

Christopher C. Melvin, Jr.  
Managing Member

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON  
APPLYING AGREED-UPON PROCEDURES**

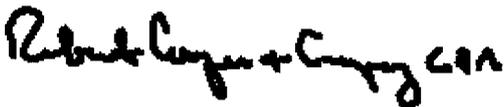
Member of Melvin Securities, LLC

In accordance with Rule 17a-5(e)(4) under 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 Melvin Securities, LLC and the Securities Investor Protection Corporation (SIPC) with respect to the accompanying General Assessment Reconciliation (Form SIPC-7) of Melvin Securities, LLC for the year ended December 31, 2018, solely to assist you and SIPC in evaluating Melvin Securities, LLC's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7). Melvin Securities, LLC's management is responsible for Melvin Securities, 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). 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, noting no differences;
- 2) Compared the Total Revenue amount reported on the Annual Audited Report Form X-17A-5 Part III for the year ended December 31, 2018 with the Total Revenue amount reported in Form SIPC-7 for the year ended December 31, 2018, noting no differences;
- 3) Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting no differences;
- 4) Recalculated the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments, noting no differences; and
- 5) Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7 on which it was originally computed, 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 with the applicable instructions of the Form SIPC-7. 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.



Robert Cooper & Company CPA PC  
Chicago, Illinois 60604  
February 27, 2019