

SEC Mail Processi

19010294

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	August 31, 2020
Estimated average burden	
hours per response.....	12.00

MAR 13 2019

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

SEC FILE NUMBER
8-50313

Washington, DC

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: TCM Securities, Inc.

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

2230 Towne Lake Pkwy, Bldg 800, Suite 130

(No. and Street)

Woodstock

Georgia

30189

(City)

(State)

(Zip Code)

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

Praston Spears

(404) 889-8733 Extn. 202

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Dave Banerjee, CPA, An Accountancy Corp.

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

21860 Burbank Blvd., Suite 150,

Woodland Hills

CA.

91367

(Address)

(City)

(State)

(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 (11-05)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

RMS

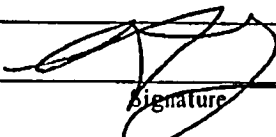
OATH OR AFFIRMATION

I, Preston A. Spears, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of TCM Securities, Inc., 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:

NONE

Carolyn Preavett
NOTARY PUBLIC
Paulding County, GEORGIA
My Commission Expires 01/10/2023

Carolyn Preavett
Notary Public


Signature
President, CEO, CFO & CCO
Title

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).**



DAVE BANERJEE, CPA

An Accountancy Corporation – Member AICPA and PCAOB

21860 Burbank Blvd., Suite 150, Woodland Hills, CA 91367 • (818) 657-0288 • FAX (818) 657-0299 • (818) 312-3283

Report of Independent Registered Public Accounting Firm

To the Shareholders of TCM Securities, Inc.

Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of TCM Securities, Inc. (the "Company") as of December 31, 2018, the related statement of operations, changes in shareholders' 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 the Company 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 TCM Securities, Inc. management. Our responsibility is to express an opinion on the Company'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 the Company 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

The information contained in Schedule I, II, and III ("Supplemental Information") has been subject 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 17 C.F.R. § 240.17a-5. In our opinion, Schedules I, II, and III are fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Dave Banerjee CPA, an Accountancy Corporation
We have served as the Company's auditor since 2009.
Woodland Hills, California
March 13, 2019

TCM SECURITIES, INC.

Statement of Financial Condition December 31, 2018

ASSETS

Cash and cash equivalents	\$ 129,022
Other Current Assets	<u>138,447</u>
Total assets	<u>\$ 267,469</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Liabilities:

Current liabilities	\$ 183,499
Due to/from TIA	-
Income Taxes Payable	<u>790</u>
Total liabilities	\$ 184,289

Stockholders' equity

Common stock - \$.10 par value, 5,000 shares authorized, issued and outstanding	\$ 500
Paid in Capital	659,826
Retained deficits	<u>(577,146)</u>
Total stockholders' equity	<u>\$ 83,180</u>
Total liabilities and stockholders' equity	<u>\$ 267,469</u>

The accompanying notes are an integral part of these financial statements

TCM SECURITIES, INC.

Statement of Operations For the year ended December 31, 2018

REVENUE

Total revenue	\$ 2,466,678
---------------	--------------

EXPENSES:

Professional fees	\$ 58,718
Regulatory fees	127,125
Commission expense & payroll	2,223,231
Rent expense	27,588
Other operating expenses	<u>183,191</u>

Total expenses	<u>\$ 2,619,853</u>
----------------	---------------------

NET INCOME BEFORE INCOME TAXES	<u>\$ (153,175)</u>
--------------------------------	---------------------

NET INCOME	<u><u>\$ (153,175)</u></u>
------------	----------------------------

The accompanying notes are an integral part of these financial statements

TCM SECURITIES, INC.

Statement of Changes in Stockholders' Equity For the year ended December 31, 2018

	Capital Stock	Paid in Capital	Retained Deficit	Total Stockholders' Equity
Beginning balance December 31, 2018	\$ 500	\$ 659,826	\$ (423,971)	\$ 236,355
Net Loss			(153,175)	(153,175)
Ending balance December 31, 2018	\$ 500	\$ 659,826	\$ (577,146)	\$ 83,180

The accompanying notes are an integral part of these financial statements

TCM SECURITIES, INC.

Statement of Cash Flows For the year ended December 31, 2018

CASH FLOWS FROM OPERATING ACTIVITIES

Net income	\$ (153,175)
Adjustments to reconcile net income to net cash provided/(used) by operating activities:	
(Increase) decrease in:	
Other Assets	(20,996)
Increase (decrease) in:	
Accounts Payable	24,270
Accrued Income Tax Payable	135,981
Total adjustments	<u>\$ 139,255</u>
Net cash provided by operating activities	<u>\$ (13,920)</u>
Increase in cash	\$ (13,920)
Cash - beginning of year	\$ 142,942
Cash - end of period	<u><u>\$ 129,022</u></u>
Interest	-
Taxes	-

The accompanying notes are an integral part of these financial statements

TCM Securities, Inc.
Notes To Financial Statements
December 31, 2018

Note 1: Organization

Taylor Capital Management Inc. (the "Company"), a Georgia corporation, was formed on December 22, 1993. The Company is registered as a broker-dealer under Section 15(b) of the Securities and Exchange Act of 1934. The Company's authorized issued and outstanding shares of capital stock at December 31, 2013 were Common stock, \$.10 par value: 5,000 shares authorized, issued and outstanding. On August 29, 2012 the Company changed its name to TCM Securities Inc.

The Company has incurred cumulative losses of approximately \$577,146 since its inception.

Note 2: Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America. The Company uses accrual method of accounting.

Use of estimates

The preparation of financial statements in conformity with 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 as well as the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash and Cash Equivalents

The Company considers all highly liquid instruments with an original maturity of three months or less when purchased to be cash equivalents. As of December 31, 2018, the Company had the cash balance of \$129,022.

Revenue Recognition

The Company generates income from commission and related brokerage fees as transaction fees. Securities transactions are recorded on a trade date basis and the Company recognizes revenue when the transactions are completed.

Note 2: Summary of Significant Accounting Policies (continued)

Commission expense

At present the Company has a total of 85 registered representatives working as independent contractors and paid on a commission basis. As of December 31, 2018, the Company recorded

TCM Securities, Inc.
Notes To Financial Statements
December 31, 2018

\$1,826,530 as commission expense. The Company paid a total of \$1,740,052 and accrued the remaining balance of \$86,478 as a liability.

Comprehensive Income

The Company adopted SFAS No. 130, "Reporting Comprehensive Income," which requires that an enterprise report, by major components and as a single total, the changes in equity. There were no comprehensive income items for the year ended December 31, 2018.

The firm did not have any adjustments that would have made comprehensive income different from net income.

Recent Accounting Pronouncement

In February 2016, the FASB issued ASU 2016-02, Leases. Under the new guidance, lessees will be required to recognize a lease liability and a right-of-use asset for all leases (with the exception of short-term leases) at the commencement date. ASU 2016-02 is effective for annual and interim periods beginning on or after December 15, 2018 and early adoption is permitted. The Company is currently in the process of evaluating the impact of the pending adoption of ASU 2016-02 on its financial statements beginning January 1, 2019.

Note 3: Securities owned

As of the balance sheet date the Company does not own any corporate stocks or debt instruments.

Note 4: Income taxes

The Company complies with Statement of Financial Accounting Standards ("SFAS") No. 109, "Accounting for Income Taxes" which requires an asset and liability approach to financial accounting and reporting for Income taxes. The liability method is used in accounting for income taxes. Under this method, deferred tax assets and liabilities are determined based on differences between financial reporting and tax basis of assets and liabilities and are measured using anticipated tax rates and laws that will be in effect when the difference are expected to be reverse. The realizability of deferred tax assets are evaluated annually and a valuation allowance is provided if it is more likely than not that the deferred tax assets will not give rise to future benefits in the Company's tax return. Under section 6501(a) of the Internal Revenue Code (Tax Code) and section 301.6501(a)-1(a) of the Income Tax Regulations (Tax Regulations), for the tax years 2015, 2016 and 2017, the IRS is required to assess tax within 3 years after the tax return was filed with the IRS.

Note 5: Fair Value

The Company adopted Financial Accounting Standards ("SFAS") ASC820 Measurements and Disclosures," for assets and measured at fair value on a recurring basis. The ASC 820 had no

TCM Securities, Inc.
Notes To Financial Statements
December 31, 2018

effect on the Company's financial ASC 820 accomplishes the following key objectives:

- Defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date;
- Establishes a three-level hierarchy (the "Valuation Hierarchy") for fair value measurements;
- Requires consideration of the Company's creditworthiness when valuing liabilities; and expands disclosures about instruments measured at fair value.

The Valuation Hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. A financial instrument's categorization within the Valuation Hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The three levels of the Valuation Hierarchy and the distribution of the Company's financial assets within it are as follows:

Level 1 - inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - inputs to the valuation methodology included quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 - inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Certain financial instruments are carried at cost on the balance sheet, which approximates fair value due to their short- term, highly liquid nature. These instruments include cash and cash equivalents, accounts receivable, accrued expenses and other liabilities and deferred revenue.

Note 6: Recently issued accounting standards

ASC 606, Revenue from Contracts with Customers, was issued on May 28, 2014. ASC 606 provides guidance related to revenue from contracts with customers. Guidance applies to all entities and to all contracts with customers, with the exception of the following transactions noted in ASC 606-10: lease contracts, insurance contracts, financial instruments and other contractual rights or obligations, guarantees, nonmonetary exchanges between entities in the same line of business. For public business entities, certain not-for-profit entities, and certain employee plans, the effective date for ASC 606 is annual reporting periods (including interim reporting periods within those periods) beginning after December 15, 2017. The new standard was adopted January 01, 2018 using the modified retrospective method. The Company has performed an assessment of its revenue contracts as well as worked with industry participants on matters of interpretation and application and has not identified any material changes to the timing or amount of its revenue

TCM Securities, Inc.
Notes To Financial Statements
December 31, 2018

recognition under ASU 2014-09. The Company's accounting policies did not change materially as a result of applying the principles of revenue recognition from ASU-2014-09 and are largely consistent with existing guidance and current practices applied by the Company.

Note 7: Net capital requirements

Pursuant to the Basic Uniform Net Capital provisions of the Securities and Exchange Commission, the Company is required to maintain a minimum net capital, as defined, in such provision. Further, the provisions require that the ratio of aggregate indebtedness, as defined, to net capital shall not exceed 15 to 1. Net capital and the related net capital ratio may fluctuate on a daily basis. As December 31, 2018 the Company had net capital of \$34,244 which is in excess of its required net capital of \$5,000, and the Company's ratio of aggregate indebtedness (\$184,289) to net capital was 5.38 to 1, which is less than the 15 to 1 maximum allowed.

Note 8: Financial instrument with off-balance sheet risk

In the normal course of business, the Company executes, as agent, transactions on behalf of customers. If the agency transactions do not settle because of failure to perform by either customer or the counterparty, the Company may be obligated to discharge the obligation of the nonperforming party and as a result, may incur a loss if the market value of the security is different from the contract amount of the transactions.

The company does not anticipate nonperformance by customers or counterparties in the above situation. The Company's policy is to monitor its market exposure and counterparty risk. In addition, the Company has a policy of reviewing, as considered necessary, the credit standing of each counterparty and customer with which it conducts business.

Note 9: Office lease

The Company TCM Securities, Inc. signed an agreement for office space lease with Ransford Properties I, "Landlord" wherein the landlord, in consideration of lease payment, leases to tenant a 2,272 square foot office area [the "premises"]. The Company is located and conduct business from an office building located at 2230 Towne Lake Parkway, Building 800 Suite 120 & 140, Woodstock, GA 30189. The term of the lease starts on January 1, 2018 for a term of no less than 60 months. The expense for the year of 2018 is \$27,360.

2019	\$27,360
2020	\$27,360
2021	\$27,360
2022	\$27,360
2023	0

The lease expense also includes "Common area maintenance" and water for the units.

TCM Securities, Inc.
Notes To Financial Statements
December 31, 2018

Note 10: Contingencies

Management expects to prevail in all matters of arbitration and litigation as a matter of law. Claimants were clients of independent RIA firms and CPA firms. TCM received no paperwork or compensation and was not involved in any part of the transactions.

Note 11: Subsequent Events

These financial statements were approved by management and available for issuance on March 13, 2019 Subsequent events have been evaluated through this date.

TCM SECURITIES, INC.

Statement of Net Capital Schedule I For the year ended December 31, 2018

	<u>Focus 12/31/18</u>	<u>Audit 12/31/18</u>	<u>Change</u>
Stockholder's equity, December 31, 2018	\$ 83,180	\$ 83,180	\$ -
Subtract - Non allowable assets:			
Other asset	(48,936)	(48,936)	-
Tentative net capital	<u>\$ 34,244</u>	<u>\$ 34,244</u>	<u>-</u>
Haircuts:	-	-	-
NET CAPITAL	<u>\$ 34,244</u>	<u>\$ 34,244</u>	<u>\$ -</u>
Minimum net capital	(12,286)	(12,286)	
Excess net capital	<u>\$ 21,958</u>	<u>\$ 21,958</u>	<u>\$ -</u>
Aggregate indebtedness	\$ 184,289	\$ 184,289	\$ -
Ratio of aggregate indebtedness to net capital	5.38: 1	5.38: 1	

There was no difference noted between the Audit and Focus report as of December 31, 2018.

The accompanying notes are an integral part of these financial statements

TCM SECURITIES, INC
December 31, 2018

Schedule II
Determination of Reserve Requirements
Under Rule 15c3-3 of the Securities and Exchange Commission

The Company is exempt from the Reserve Requirement of computation according to the provision of Rule 15c3-3(k)(2)(ii)

Schedule III
Information Relating to Possession or Control
Requirements Under Rule 15c3-3

The Company is exempt from the Rule 15c3-3 as it relates to Possession and Control requirements under the (k)(2)(ii) exemptive provision.

The accompanying notes are an integral part of these financial statements



DAVE BANERJEE, CPA

An Accountancy Corporation – Member AICPA and PCAOB

21860 Burbank Blvd., Suite 150, Woodland Hills, CA 91367 • (818) 657-0288 • FAX (818) 657-0299 • (818) 312-3283

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Preston Spears, CEO
TCM Securities, Inc

We have reviewed management's statements, included in the accompanying TCM Securities, Inc Exemption Report in which (1) TCM Securities, Inc, identified the following provisions of 17 C.F.R. §15c3-3(k) under which TCM Securities, Inc claimed an exemption from 17 C.F.R. §240.15c3-3: (k)(2)(ii) (the "exemption provision") and (2) Company, stated that TCM Securities, Inc met the identified exemption provision throughout the most recent fiscal year of 2018, without exception. TCM Securities, Inc management is responsible for compliance with the exemption provision 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 the Company's compliance with the exemption provision. 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.

Dave Banerjee CPA, an Accountancy Corporation
We have served as the Company's auditor since 2009.
Woodland Hills, California
March 13, 2019



Dave Banerjee, CPA an Accountancy Corporation
21860 Burbank Blvd., Suite 150
Woodland Hills, CA 91367

March 11, 2019

Assertions Regarding Exemption Provisions

We, as principals of TCM Securities, Inc ("the company"), are responsible for compliance with the annual reporting requirements under Rule 17a-5 of the Securities Exchange Act of 1934. Those requirements compel a broker or dealer to file annual reports with Securities Exchange Commission (SEC) and the broker or dealer's designated examining authority (DEA). One of the reports to be included in the annual filing is an exemption report prepared by an independent public accountant based upon a review of assertions provided by the broker or dealer. Pursuant to that requirement, principals of the Company hereby make the following assertions:

Identified Exemption Provision:

The Company claims exemption from the custody and reserve provisions of Rule 15c3-3 by operating under the exemption provided by Rule 15c3-3, (k)(2)(ii).

Statement Regarding Meeting Exemption Provision:

The Company met the identified exemption provision without exception throughout the most recent fiscal year starting January 1, 2018 through December 31, 2018.

TCM Securities, Inc

By:

A handwritten signature in black ink, appearing to read 'Preston Spears', is written over a horizontal line. The signature is stylized with a large, sweeping 'S' and a long horizontal stroke extending to the right.

Preston Spears

Taylor Capital Management, Inc.
2230 Towne Lake Parkway | Bldg 800-Ste 130 | Woodstock, GA 30189
Main 404-889-8733 | 404-889-8748 Fax



DAVE BANERJEE, CPA

An Accountancy Corporation – Member AICPA and PCAOB

21860 Burbank Blvd., Suite 150, Woodland Hills, CA 91367 • (818) 657-0288 • FAX (818) 657-0299 • (818) 312-3283

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

To the Shareholders of TCM Securities, Inc

We have performed the procedures included in Rule 17a-5(e)(4) under the Securities Exchange Act of 1934 and in the Securities Investor Protection Corporation (SIPC) Series 600 Rules, which are enumerated below, and were agreed to by TCM Securities, Inc (Company) and the SIPC, solely to assist you and the SIPC in evaluating the Company's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7) for the year ended December 31, 2018. Management of the Company is responsible for its Form SIPC-7 and for its compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of 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 amounts reported on the Annual Audited Report Form X-17A-5 Part III for the year ended December 31, 2018, with the Total Revenue amounts 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 or a review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Company's compliance with the applicable instructions of the Form SIPC-7 for the year ended December 31, 2018. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Company and the SIPC and is not intended to be and should not be used by anyone other than these specified parties.

Dave Banerjee CPA, an Accountancy Corp.
We have served as the Company's auditor since 2009.
Woodland Hills, CA
March 13, 2019

SIPC-7

(36 REV 12/18)

SECURITIES INVESTOR PROTECTION CORPORATION
P.O. Box 92185 Washington, D.C. 20090-2185
202-371-8300
General Assessment Reconciliation

SIPC-7

(36 REV 12/18)

For the fiscal year ended 12/31/2018
(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:

99-1702 MIXED AADC 220
50313 FINRA DEC
TCM SECURITIES INC
130
2230 TOWNE LAKE PKWY BLDG 800-STE
WOODSTOCK, GA 30189-5540

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.

Dennis Taylor
404-889-8733 Ext 105

2. A. General Assessment (Item 2e from page 2)

\$ 2,016

B. Less payment made with SIPC 6 filed (exclude interest)

\$ 1,044

7.26.2018
Date Paid

C. Less prior overpayment applied

\$ 0

D. Assessment balance due or (overpayment)

\$ 922

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)

\$ 922

G. PAYMENT: ☒ the box

Check mailed to P.O. Box ☒ Funds Wired ☐ ACH ☐

Total (must be same as F above)

\$ 922.00

H. Overpayment carried forward

\$ 0

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.

TCM Securities, Inc.

Jason P. Daugherty

Executive Vice President

Dated the 11 day of Feb, 2019

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 1-1-2018
and ending 12-31-2018

Eliminate cents

Item No.

2a. Total revenue (FOCUS Line 12: Part IIA Line 9, Code 4030)

\$ 2,460,484

2b. Additions:

- (1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above.
- (2) Net loss from principal transactions in securities in trading accounts.
- (3) Net loss from principal transactions in commodities in trading accounts.
- (4) Interest and dividend expense deducted in determining item 2a.
- (5) Net loss from management of or participation in the underwriting or distribution of securities.
- (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.
- (7) Net loss from securities in investment accounts.

0
0
0
0
0
0
0

Total additions

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.
- (2) Revenues from commodity transactions
- (3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.
- (4) Reimbursements for postage in connection with proxy solicitation.
- (5) Net gain from securities in investment accounts.
- (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.
- (7) Direct expenses of printing advertising and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 1619(L) of the Act).
- (8) Other revenue not related either directly or indirectly to the securities business.
(See Instruction C):

1,082,783
0
0
0
0
0
0

Supervision of FIA transactions
(Deductions in excess of \$100,000 require documentation)

39,806

- (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.

\$ 0

- (ii) 40% of margin interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960).

\$ 0

Enter the greater of line (i) or (ii)

Total deductions

0
1,122,607
1,344,075
3,016

2d. SIPC Net Operating Revenues

2e. General Assessment @ .0015

(to page 1, line 2.A.)