

**SUPPLEMENT TO
FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II**

BROKER OR DEALER:

UBS FINANCIAL SERVICES INC.

as of: 12/31/2016

**STATEMENT OF SEGREGATION REQUIREMENTS AND FUNDS IN SEGREGATION
FOR CUSTOMERS TRADING ON U.S. COMMODITY EXCHANGES**

SEGREGATION REQUIREMENTS(Section 4d(2) of the CEAct)

1. Net ledger balance				
A. Cash		\$ 57,944,164	7010	
B. Securities (at market)		18,401,224	7020	
2. Net unrealized profit (loss) in open futures contracts traded on a contract market		12,166,787	7030	
3. Exchange traded options				
A. Add market value of open option contracts purchased on a contract market		416,555	7032	
B. Deduct market value of open option contracts granted (sold) on a contract market		(736,046)	7033	
4. Net equity (deficit) (add lines 1, 2 and 3)		88,192,684	7040	
5. Accounts liquidating to a deficit and accounts with debit balances				
- gross amount	0		7045	
Less: amount offset by customer securities	0	0	7047	7050
6. Amount required to be segregated (add lines 4 and 5)		\$ 88,192,684	7060	

FUNDS IN SEGREGATED ACCOUNTS

7. Deposited in segregated funds bank accounts				
A. Cash		94,055,092	7070	
B. Securities representing investments of customers' funds (at market)		0	7080	
C. Securities held for particular customers or option customers in lieu of cash (at market)		0	7090	
8. Margins on deposit with derivatives clearing organizations of contract markets				
A. Cash		0	7100	
B. Securities representing investments of customers' funds (at market)		0	7110	
C. Securities held for particular customers or option customers in lieu of cash (at market)		0	7120	
9. Net settlement from (to) derivatives clearing organizations of contract markets		0	7130	
10. Exchange traded options				
A. Value of open long option contracts		0	7132	
B. Value of open short option contracts		0	7133	
11. Net equities with other FCMs				
A. Net liquidating equity		13,543,483	7140	
B. Securities representing investments of customers' funds (at market)		0	7160	
C. Securities held for particular customers or option customers in lieu of cash (at market)		18,401,224	7170	
12. Segregated funds on hand (describe:)		0	7150	
13. Total amount in segregation (add lines 7 through 12)		125,999,799	7180	
14. Excess (deficiency) funds in segregation (subtract line 6 from line 13)		\$ 37,807,115	7190	
15. Management Target Amount for Excess funds in segregation		22,000,000	7194	
16. Excess (deficiency) funds in segregation over (under) Management Target Amount Excess		15,807,115	7198	

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**STATEMENT OF SECURED AMOUNTS AND FUNDS HELD IN SEPARATE ACCOUNTS
PURSUANT TO COMMISSION REGULATION 30.7**

FOREIGN FUTURES AND FOREIGN OPTIONS SECURED AMOUNTS

Amount required to be set aside pursuant to law, rule or regulation
of a foreign government or a rule of a self-regulatory organization
authorized thereunder

	\$ 0	7305
1. Net ledger balance - Foreign Futures and Foreign Options Trading - All Customers		
A. Cash	\$ 2,857,099	7315
B. Securities (at market)	\$ 1,299,285	7317
2. Net unrealized profit (loss) in open futures contracts traded on a foreign board of trade	\$ 1,118,177	7325
3. Exchange traded options		
A. Market value of open option contracts purchased on a foreign board of trade	\$ 0	7335
B. Market value of open option contracts granted (sold) on a foreign board of trade	\$ 0	7337
4. Net equity (deficit) (add lines 1, 2, and 3)	\$ 5,274,561	7345
5. Accounts liquidating to a deficit and accounts with debit balances - gross amount	\$ 0	7351
Less: amount offset by customer owned securities	\$ 0	7352
	\$ 0	7354
6. Amount to be set aside as the secured amount - Net Liquidating Equity Method (add lines 4 and 5)	\$ 5,274,561	7355
7. Greater of amount required to be set aside pursuant to foreign jurisdiction (above) or line 6.	\$ 5,274,561	7360

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**STATEMENT OF SECURED AMOUNTS AND FUNDS HELD IN SEPARATE ACCOUNTS
PURSUANT TO COMMISSION REGULATION 30.7**

FUNDS DEPOSITED IN SEPARATE REGULATION 30.7 ACCOUNTS

1. Cash in banks				
A. Banks located in the United States	\$ 27,341,842	7500		
B. Other banks qualified under Regulation 30.7				
Name(s): <u>See Attached</u>		7510		
	0	7520	\$ 27,341,842	7530
2. Securities				
A. In safekeeping with banks located in the United States	\$ 0	7540		
B. In safekeeping with other banks qualified under Regulation 30.7				
Name(s): <u>_</u>		7550		
	0	7560	0	7570
3. Equities with registered futures commission merchants				
A. Cash	\$ 585,805	7580		
B. Securities	0	7590		
C. Unrealized gain (loss) on open futures contracts	83,832	7600		
D. Value of long option contracts	0	7610		
E. Value of short option contracts	0	7615	669,637	7620
4. Amounts held by clearing organizations of foreign boards of trade				
Name(s): <u>_</u>		7630		
A. Cash	\$ 0	7640		
B. Securities	0	7650		
C. Amount due to (from) clearing organization - daily variation	0	7660		
D. Value of long option contracts	0	7670		
E. Value of short option contracts	0	7675	0	7680
5. Amounts held by members of foreign boards of trade				
Name(s): <u>See Attached</u>		7690		
A. Cash	\$ 1,368,393	7700		
B. Securities	1,299,285	7710		
C. Unrealized gain (loss) on open futures contracts	1,034,345	7720		
D. Value of long option contracts	0	7730		
E. Value of short option contracts	0	7735	3,702,023	7740
6. Amounts with other depositories designated by a foreign board of trade				
Name(s): <u>_</u>		7750	0	7760
7. Segregated funds on hand (describe): <u>_</u>			0	7765
8. Total funds in separate section 30.7 accounts			\$ 31,713,502	7770
9. Excess (deficiency) Set Aside for Secured Amount (subtract line 7 Secured Statement Page 1 from Line 8)			26,438,941	7380
10. Management Target Amount for Excess funds in separate section 30.7 accounts			15,000,000	7780
11. Excess (deficiency) funds in separate section 30.7 accounts over (under) Management Target Amount			11,438,941	7785