Truist Securities, Inc.
(A Wholly Owned Subsidiary of Truist Financial Corporation)

Statement of Financial Condition and Supplemental Information

Unaudited as of June 30, 2023

Contents

Related Party Transactions

Both the Parent and Truist Bank ("the Affiliate Bank") provide certain services and staff support functions for their affiliates, and the Company pays a fee for those services. The Company earns revenue from affiliates for providing certain corporate finance, underwriting, and trading services. For additional information on the Company's related party transactions see Note 11, *Transactions with Related Parties*.

Income Taxes

The Company's operating results are included in the consolidated federal income tax return and various consolidated or combined state income tax returns filed by Parent. The method of allocating federal income tax expense is determined under tax allocation agreements between the Company and the Parent. The allocation agreements specify that the Company's income taxes are calculated as if the Company filed separate income tax returns with appropriate adjustments to properly reflect the impact of a consolidated filing. Payments to tax authorities are made by Parent. Additionally, the Company files its own separate state income tax returns in certain jurisdictions.

Credit Losses

The Company accounts for estimated credit losses on financial assets measured on an amortized cost basis in accordance with ASC Topic 326-20. This topic requires the Company to estimate expected credit losses over the life of its financial assets as of the reporting date based on relevant information about past events, current conditions, and reasonable and supportable forecasts. No expected credit losses have been recorded under ASC Topic 326-20 for the six months ended June 30, 2023. Below is a description of the various types of financial assets that are within the scope of ASC Topic 326-20.

Receivables

The Company's receivables include amounts from underwriting and corporate finance activity, securities failed to deliver and other receivables with customers and broker-dealers, accrued interest, as well as cash deposits with clearing organizations. These amounts are short-term in nature. The Company also presents a net amount payable for unsettled securities transactions. As noted in ASC 940-320-05-4, the risk of nonperformance of regular-way settling trades is minimal, given the following: (a) they are fully collateralized on the trade date, (b) the period of time between trade and settlement date is reasonably short, and (c) most securities are affirmed by both parties to the trade and settle net through a clearing entity. Accordingly, receivables and payables arising from these unsettled regular-way transactions may be recorded net. The Company continually reviews the credit quality of its counterparties and monitors the aging of receivables.

Securities purchased under agreements to resell and securities borrowed.

Securities purchased under agreement to resell and securities borrowed transactions require the Company to deliver cash in exchange for securities. Interest on such contract amounts is accrued and is included in the statement of financial condition in accrued interest and other income receivable. The Company has established policies and procedures for mitigating credit risk on these transactions that include (a) reviewing and establishing limits for credit exposure, (b) monitoring the market value of securities purchased or borrowed and obtaining additional collateral as necessary to ensure appropriate collateralization, and (c) continually assessing the creditworthiness of counterparties. Where eligible, the Company applies the collateral maintenance practical expedient in estimating any allowance for credit losses. The Company determines if it is eligible for the collateral maintenance practical expedient and considers the credit quality of these assets and the related need for an allowance for credit losses. These determinations and considerations are based on several factors: the daily revaluation of the underlying collateral used to secure the contract amounts, the counterparty's continuing ability to meet additional collateral requests, and the Company's right to sell the securities collateralizing the contract amounts when additional collateral requests are not met by the counterparty or the contract amounts are not returned on demand. Where not eligible for this practical expedient, any potential expected credit losses would be limited to the Company's net exposure after consideration of the market value of collateral. The majority of this net exposure has an open or overnight maturity, which provides the Company with the option to either re-price or close out transactions on a daily basis. The option mitigates any risk extending beyond one day. For more information on these transactions, see Note 6, *Securities Purchased Under Agreements to Resell, Securities Borrowed, and Securities Sold Under Agreements to Repurchase*.

Revenue Recognition

The Company's contracts with customers generally do not contain terms that require significant judgment to determine the amount of revenue to recognize, the timing of when performance obligations to the customer are satisfied, or the amount of costs incurred to obtain or fulfill a contract with a customer.

Corporate finance fees, which primarily include in-scope advisory as well as out of scope loan syndication fees, are negotiated based on specific services offered. Revenue is recognized for in scope services at the point in time that the Company's performance obligation under the contract is complete upon closing of the transaction. Revenue is recognized for the out-of-scope services at the point in time that the transaction closes. Payments for these services are settled shortly after closing. Retainers and other fees received from customers prior to recognizing revenue are recorded as contract liabilities.

Underwriting fees are primarily based on the issuance price and quantity of the underlying instruments, and the execution of the client's transaction on the trade date represents the completion of the performance obligation. The Company recognizes revenue at this point in time 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 that point. The Company acts in a principal capacity in these transactions as it is responsible for selling its portion of the underwriting and is liable for the proportionate costs of the underwriting. The transaction price is based on a percentage of the total transaction amount and payments are settled shortly after the trade date.

Commissions are earned primarily for trade execution services, which represent the Company's performance obligation. The Company satisfies its performance obligation on the trade date, and therefore recognizes commissions revenue on that date. Payments are settled shortly after trade date.

The Company recognizes trading gains, net of losses, from the purchase and sale of securities. The Company also recognizes trading gains, net of losses, as a result of changes in the fair value of securities. The Company's securities owned, securities owned but not yet purchased, and derivatives include various types of debt and equity securities. For additional information see section regarding securities owned, securities sold but not yet purchased, and derivatives in Note 2, *Summary of Significant Accounting Policies,* and Note 7, *Fair Value of Financial Instruments*.

As of June 30, 2023, the Company did not have any material contract assets or liabilities.

3. Accounting Policies Recently Adopted and Pending Accounting Pronouncements

There were no standards adopted during the current year that had a material effect on the Company's statement of financial condition, and no standards not yet adopted by the Company that are expected to have a material effect on the Company's statement of financial condition.

4. Subsequent Events

The Company evaluated subsequent events through the date its financial statements were issued. Based upon this evaluation no material events or transactions occurred that require recognition or disclosure in these financial statements.

5. Securities Segregated Under Federal and Other Regulations

The Company is subject to SEC Rule 15c3-3 which requires the Company to segregate cash or qualified securities in an account for the exclusive benefit of customers. At June 30, 2023, a U.S. Treasury security with a fair value of $44.2 million was segregated in a special reserve account for the exclusive benefit of the Company's customers and is included within securities owned and derivatives on the statement of financial condition.

6. Securities Purchased Under Agreements to Resell, Securities Borrowed, and Securities Sold Under Agreements to Repurchase

Securities purchased under agreements to resell are collateralized primarily by U.S. government securities. Securities borrowed are collateralized primarily by corporate securities. Securities sold under agreements to repurchase are collateralized primarily by state and municipal obligations and corporate debt securities. These securities purchased under agreements to resell, securities borrowed, and securities sold under agreements to repurchase are carried at the amounts at which the securities will be subsequently resold or repurchased. Securities purchased under agreements to resell and securities borrowed are primarily used to cover firm short positions. Securities sold under agreements to repurchase are primarily used to fund firm securities inventory.

The following is a summary of securities sold under agreements to repurchase and the fair market value of related collateral pledged as of June 30, 2023 (in thousands):

	Overnight Maturities	Term < 30 days	Total	Fair Market Value of Collateral
Corporate debt	$ 150,000	$ 320,000	$ 470,000	$ 496,662
State and municipal obligations	195,000	-	195,000	209,394
Total collateral pledged	$ 345,000	$ 320,000	$ 665,000	$ 706,056

Securities purchased under agreements to resell and securities sold under agreements to repurchase are governed by a master repurchase agreement. Securities borrowed are governed by a master securities lending agreement. Under the terms of these agreements, all transactions between the Company and the counterparty constitute a single business relationship such that in the event of default, the non-defaulting party is entitled to set off claims and apply property held by that party in respect of any transaction against obligations owed. Any payments, deliveries, or other transfers may be applied against each other and netted. These amounts are limited to the contract asset/liability balance, and accordingly, do not include excess collateral received/pledged. None of the Company's repurchase and reverse repurchase transactions met the right of setoff criteria at June 30, 2023.

The following table includes the amount of collateral pledged or received related to exposures subject to these agreements as of June 30, 2023. While these agreements are typically over-collateralized, GAAP requires disclosure in this table to limit the amount of such collateral to the amount of the related recognized asset or liability for each counterparty.

(In thousands)	Gross Amount	Amount Offset	Net Amounts Presented in the Statement of Financial Condition	Held/Pledged Financial Instruments	Net Amount
Assets					
Securities purchased under agreements to resell	$ 930,593	$ -	$ 930,593	$ 930,375	$ 218
Securities borrowed	1,081,201	-	1,081,201	1,046,540	34,661
Total Assets	$ 2,011,794	$ -	$ 2,011,794	$ 1,976,915	$ 34,879
Liabilities					
Securities sold under agreements to repurchase	$ 665,000	$ -	$ 665,000	$ 665,000	$ -
Total Liabilities	$ 665,000	$ -	$ 665,000	$ 665,000	$ -

7. Fair Value of Financial Instruments

The Company's recurring fair value measurements are based on a requirement to carry certain assets and liabilities at fair value. The carrying value of financial instruments presented on the statement of financial condition that are not measured at fair value approximates fair value. Assets and liabilities that are required to be measured at fair value on a recurring basis include securities owned, securities sold but not yet purchased, and derivatives; and they are classified on the basis of the measurement inputs employed as level 1, 2, or 3 within the fair value hierarchy as follows:

Level 1 – Quoted prices for identical instruments in active markets

Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets

Level 3 – Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable

Depending on the nature of the asset or liability, the Company uses various valuation techniques and assumptions when estimating fair value. The assumptions used to estimate the value of an instrument have varying degrees of impact to the overall fair value of the asset or liability. This process involves gathering multiple sources of information including broker quotes, values provided by pricing services, trading activity in other identical or similar securities, market indices, and data from the FINRA Trade Reporting and Compliance Engine ("TRACE"). When observable market prices for the asset or liability are not available, the Company employs various modeling techniques, such as discounted cash flow analyses, to estimate fair value. Models used to produce material financial reporting information are validated prior to use and following any material change in methodology. Their performance is monitored at least quarterly, and any material deterioration in model performance is escalated.

The Company has formal processes and controls in place to support the appropriateness of its fair value estimates, including an independent price validation function that provides oversight for these estimates. For level 2 instruments and certain level 3 instruments the validation generally involves evaluating pricing received from two or more third party pricing sources that are widely used by market participants. The Company evaluates this pricing information from both a qualitative and quantitative perspective and determines whether any pricing differences exceed acceptable thresholds. If thresholds are exceeded, the Company assesses the differences between the valuation approaches used. The assessment may include contacting a pricing service to gain further insight into the valuation of a particular security or class of securities to resolve the pricing variance, which could result in an adjustment to the price used for financial reporting purposes.

The Company classifies instruments within level 2 in the fair value hierarchy when it determines that external pricing sources estimated fair value using prices for similar instruments trading in active markets. A wide range of quoted values from pricing sources may imply a reduced level of market activity and indicate that significant adjustments to price indications have been made. In such cases, the Company evaluates whether the asset or liability should be classified as level 3.

Determining whether to classify an instrument as level 3 involves judgment and is based on a variety of subjective factors, including whether a market is inactive. A market is considered inactive if significant decreases in the volume and level of activity for the asset or liability have been observed.

The following table presents securities owned, securities sold but not yet purchased, and derivatives measured at fair value on a recurring basis:

	Fair Value Measurements at June 30, 2023			
(in thousands)	**Level 1**	**Level 2**	**Level 3**	**Total Assets/Liabilities**
Securities owned and derivatives:				
U.S. government obligations	$ -	$ 81,660	$ -	$ 81,660
Corporate debt and other securities	2,621	1,248,796	-	1,251,417
Commercial paper	-	112,995	-	112,995
State and municipal obligations	-	465,636	-	465,636
Derivatives	-	64	-	64
Total securities owned and derivatives	$ 2,621	$ 1,909,151	$ -	$ 1,911,772
Securities sold but not yet purchased and derivatives:				
U.S. government obligations	$ -	$ 309,076	$ -	$ 309,076
Corporate debt and other securities	27,193	966,668	-	993,861
Derivatives	-	241	-	241
Total securities sold but not yet purchased and derivatives	$ 27,193	$ 1,275,985	$ -	$ 1,303,178

U.S. government obligations

The Company classifies U.S. Treasury securities as level 2. For these debt obligations, the Company estimated fair value based on pricing from observable trading activity for similar securities or obtained fair values from a third party pricing service; accordingly, the Company has classified these instruments as level 2.

Corporate debt and other securities

Corporate debt and other securities are predominantly debt obligations of domestic corporations and non-agency ABS securities that are classified as level 2. The Company estimates the fair value of these securities based on observable pricing from executed trades of similar instruments. Also, the Company's other securities include exchange-traded equity securities for which pricing is readily available in active markets and are therefore classified as level 1.

State and municipal obligations

The Company's investments in U.S. state and municipal obligations include obligations of county and municipal authorities and agency bonds, which are general obligations of the municipality or are supported by a specified revenue source and are predominantly highly rated. Holdings are geographically dispersed with no significant concentrations in any one state or municipality. The Company derives value for these obligations based on trading activity in secondary markets and new issue pricings in the primary market. These obligations are classified as level 2 in the fair value hierarchy.

Commercial paper

The Company trades commercial paper (CP) that is generally short-term in nature (less than 30 days) and highly rated. The Company estimates the fair value of the CP based on observable pricing from executed trades of similar instruments and it is, therefore, classified as level 2 in the fair value hierarchy.

Derivatives

The Company records all contracts accounted for as derivatives at fair value in securities owned and derivatives or securities sold but not yet purchased and derivatives in the statement of financial condition. Accounting for changes in the fair value of a derivative is dependent upon whether or not it has been designated in a formal, qualifying hedging relationship. None of the Company's derivatives have been designated in a formal, qualifying hedging relationship. The Company offsets all outstanding derivative transactions with a single counterparty as well as any cash collateral paid to and received from that counterparty for derivative contracts that are subject to legally enforceable netting arrangements and that meet accounting guidance for offsetting treatment.

Securities settling beyond regular way

Transactions in securities set to settle beyond regular-way are considered forward contracts and are accounted for as derivatives. Within the statement of financial condition, the unrealized gains on these transactions are reflected in securities owned and derivatives and the losses on these transactions are reflected in securities sold but not yet purchased and derivatives. These gains and losses are classified as level 2 in the fair value hierarchy and reflected within trading gains, net of losses, on the statement of comprehensive income. These instruments are used to meet the needs of customers and manage market risks, and they are subject to varying degrees of market and counterparty credit risk. The Company estimates fair value on these securities based on pricing from observable trading activity of similar securities or from a third party pricing service. At June 30, 2023, the gross notional amount of these derivatives was $85.0 million. The gross fair value of these derivative assets was $64 thousand. The gross fair value of these derivative liabilities was $9 thousand.

Swaps

Transactions in swaps are accounted for as derivatives. Within the statement of financial condition, the unrealized gains on these transactions are reflected in securities owned and derivatives and the losses on these transactions are reflected in securities sold but not yet purchased and derivatives.

These gains and losses are classified as level 2 in the fair value hierarchy. These instruments are used to manage market risks and are subject to varying degrees of market and counterparty credit risk. The Company estimates fair value on these securities based on pricing from observable trading activity of similar securities or from a third party pricing service. At June 30, 2023, the gross notional amount of these derivatives was $125 million. The gross fair value of the associated derivative liabilities was and $231 thousand as of June 30, 2023.

8. Leases

The Company leases certain office facilities under operating leases that expire through 2025, some of which have stated rate increases. Generally, the right-of-use assets do not include renewal options and do include lessee termination options. At lease commencement, the Company assesses whether it is reasonably certain to exercise a renewal option, or reasonably certain not to exercise a termination option, by considering various economic factors. Options that are reasonably certain of being exercised are factored into the determination of the lease term, and related payments are included in the calculation of the right-of-use asset and lease liability. The Company accounts for each separate lease component of a contract and its associated non-lease components as a single lease component for all of its real estate leases. Variable costs, such as maintenance expenses, property and sales taxes, and association dues, are expensed as they are incurred.

The weighted average remaining lease term for leases as of June 30, 2023 was 0.98 years. Minimum rental commitments on leases for each of the following years ending June 30 are as follows (in thousands):

2024	$ 5,201
2025	419
2026	-
2027	-
2028	-
Thereafter	-
Total minimum lease payments	5,620
Less: Imputed interest	355
Present value of lease liabilities	$ 5,265

The Company uses its incremental borrowing rate to calculate the present value of lease payments when the interest rate implicit in the lease is not disclosed. The weighted average discount rate used to calculate the net present value of the future lease payments that determine the lease liability was 1.88% as of June 30, 2023. The right-of-use asset and lease liability are not remeasured as a result of any subsequent change in the index or rate unless remeasurement is required for another reason.

9. Fixed Assets

Fixed assets consisted of the following (in thousands):

	Useful Life	As of June 30, 2023
Leasehold improvements	1-30 years	$ 13,240
Furniture and equipment	1-20 years	5,912
		19,152
Less: Accumulated depreciation and amortization		(15,383)
Total fixed assets		$ 3,769

10. Employee Benefits

At June 30, 2023, restricted stock units were outstanding from equity-based compensation plans that have been approved by the Parent's shareholders. Those plans are intended to assist the Company in recruiting and retaining employees and directors and to align the interests of eligible participants with those of the Parent and its shareholders. All incentive awards are subject to clawback provisions.

All awards allow for accelerated vesting for holders who retire and have met all retirement eligibility requirements or in connection with certain other events. Until vested, awards are subject to forfeiture under specified circumstances.

Generally, grants to employees vest pro-rata annually over three years. Restricted stock units granted may be subject to one or more criteria, including employment, performance, or other conditions. Compensation cost for restricted stock units is generally equal to the fair value of the shares on the grant date of the award and is amortized to compensation expense over the vesting period.

11. Transactions with Related Parties

Both the Parent and the Affiliate Bank provide certain services and staff support functions for their affiliates and the Company pays a fee for those services. The Company earns revenue from affiliates for providing certain corporate finance, underwriting, and trading services. The Company has a fee sharing agreement in regard to syndicated finance fees with the Affiliate Bank in instances where the Affiliate Bank has underwritten certain transactions.

Balances with respect to related parties at June 30, 2023, are (in thousands):

Cash held at the Affiliate Bank	37,598
Due from related parties	271
Income tax receivable from Parent	36,039
Securities of related parties owned	43,585
Securities of related parties sold but not yet purchased	11,598
Due to related parties	737
Line of credit payable to the Parent	125,000

As of June 30, 2023, the Company had a $400 million unsecured demand revolving line of credit with the Parent. The line of credit has a stated interest rate equal to 30 day SOFR Average plus 0.54% which was 5.69% at June 30, 2023, with interest due monthly. At June 30, 2023, the outstanding balance on this unsecured line of credit was $125 million and is included in lines of credit payable to related parties in the statement of financial condition.

The Company also has a $500 million committed unsecured line of credit with the Affiliate Bank. The line of credit has a stated interest rate equal to SOFR plus 1.15% plus a credit spread adjustment of 0.10% per annum, which was 6.32% at June 30, 2023, with interest due monthly. At June 30, 2023, there was no outstanding balance included in lines of credit payable to related parties in the statement of financial condition.

The Company also has a $5 million overdraft facility note with the Affiliate Bank. The overdraft facility has a stated interest rate equal to the Affiliate Bank's overnight cost of funds at the date of advance plus ten basis points. Advances and accrued interest under the facility are due the following business day. At June 30, 2023, there were no outstanding borrowings under the facility.

12. Commitments and Contingencies

Litigation and Regulatory Matters

The Company is routinely named as a defendant in or a party to numerous actual or threatened legal proceedings, including civil litigation and regulatory investigations or enforcement matters, arising from the ordinary conduct of its regular business activities. The matters range from individual actions involving a single plaintiff to class action lawsuits with many class members and can involve claims for substantial or indeterminate alleged damages or for injunctive or other relief. Investigations may involve both formal and informal proceedings, by both governmental agencies and self-regulatory organizations and could result in fines, penalties, restitution, and/or alterations in the Company's business practices. These legal proceedings are at varying stages of adjudication, arbitration or investigation and may consist of a variety of claims, including common law tort and contract claims, as well as statutory antitrust, securities, and consumer protection claims. The ultimate resolution of any proceeding and the timing of such resolution is uncertain and inherently difficult to predict. It is possible that the ultimate resolution of these matters including those described below, if unfavorable, may be material to the consolidated financial position, consolidated results of operations, or consolidated cash flows of the Company, or cause significant reputational consequences.

The Company establishes accruals for legal matters when potential losses associated with the actions become probable and the amount of loss can be reasonably estimated. There is no assurance that the ultimate resolution of these matters will not significantly exceed the amounts that the Company has accrued. Accruals for legal matters are based on management's best judgment after consultation with counsel and others. For certain matters, the Company may be unable to estimate the loss or range of loss, even if it believes that a loss is probable, until developments in the case provide additional information sufficient to support such an estimate and the Company does not establish accruals for such matters.

The following is a description of a certain legal proceeding in which the Company is involved:

Millennium Lender Claim Trust

In August 2017, the Trustee of the Millennium Lender Claim Trust filed a suit in the New York State Court against the Company and other lenders of the $1.8 Billion Millennium Health LLC f/k/a Millennium Laboratories LLC (Millennium) syndicated loan. The Trustee alleged that the loan was actually a security and that the defendants misrepresented or omitted to state material facts in the offering materials and communications provided concerning the legality of Millennium's sales, marketing, and billing practices and the known risks posed by a pending government investigation into the illegality of such practices. The Trustee brought claims for violation of the California Corporate Securities Law, the Massachusetts Uniform Securities Act, the Colorado Securities Act, and the Illinois Securities Law, as well as negligent misrepresentation and sought rescission of sales of securities as well as unspecified rescissory damages, compensatory damages, punitive damages, interest, and attorneys' fees and costs. The defendants removed the case to the U.S. District Court for the Southern District of New York and the Trustee's motion to remand the case back to state court was denied. The defendants filed a motion to dismiss the claims which motion was granted on May 22, 2020 with the judge finding that the syndicated loan was not a security and that the misrepresentation claims failed because the loan agreement clearly held that a lender should do its own due diligence and not rely on any representations. However, Plaintiff was given leave to file an amended complaint. On June 12, 2020, the Trustee filed a motion to amend its complaint seeking to bring fraud claims and a negligent misrepresentation claim. Specifically, the claims the Trustee sought to assert against the Company were Aiding and Abetting the Insiders' Fraud, Conspiracy to Defraud Investors, and Negligent Misrepresentation. On December 1, 2020, the magistrate judge recommended that the motion to amend the complaint be denied because the proposed claims were subject to dismissal based on the court's prior order as well as the disclaimers included in the syndicated loan agreement that lenders should not rely on the defendants and should do their own due diligence and on October 1, 2021, the court adopted the magistrate judge's recommendation and dismissed all claims and entered final judgment for the defendants. On October 28, 2021, the Trustee filed an appeal of the decision to dismiss the case in the Second Circuit Court of Appeals. The appeal has been fully briefed, oral argument was held on March 9, 2023, and the Company awaits the Second Circuit to rule. Although the matter is still on-going at this time, the Company believes, based on the information available, the matter will not have a material adverse effect on either the Company's statement of financial condition or statement of comprehensive income.

13. Guarantees to Third Parties

The Company uses a third-party clearing broker to clear and execute customers' equity securities transactions and to hold customer accounts. Under the agreement with the clearing broker, the Company agrees to indemnify the broker for losses that result from a customer's failure to fulfill its contractual obligations. As the clearing broker's rights to charge the Company have no maximum amount, the Company believes that the maximum potential obligation cannot be estimated. However, to mitigate exposure, the Company may seek recourse from the customer through cash or securities held in the defaulting customer's account. The Company believes it is unlikely it will have to make material payments under this arrangement and has not recorded any contingent liability in the financial statements for this indemnification. For the six months ended June 30, 2023, the Company experienced no losses as a result of the indemnity.

The Company utilizes the Fixed Income Clearing Corporation ("FICC") for trade comparisons, netting and settlement of fixed income securities. As a Government Securities Division netting member, the Company has a commitment to the FICC to meet its financial obligations as a central counterparty clearing house in the event the FICC has insufficient liquidity recourses through a potential Capped Contingency Liquidity Facility ("CCLF") repurchase transaction. This commitment would be based on the Company's share of its liquidity burden on the FICC. The Company believes that it is unlikely it will have to be counterparty to a potential committed liquidity resource repurchase transaction under this agreement and has not recorded a liability in the financial statements.

14. Net Capital Requirements

The Company is subject to SEC Rule 15c3-1, which requires the maintenance of minimum net capital. The Company has elected to use the alternative method, permitted by SEC Rule 15c3-1, which requires that the Company maintain minimum net capital, as defined, equal to the greater of the minimum dollar net capital requirement or 2% of aggregate debit balances arising from customer transactions, as defined. At June 30, 2023, the Company had net capital, as defined, of $1.3 billion, which was $1.3 billion in excess of the required net capital.

Supplemental Information

Truist Securities, Inc.
(A Wholly Owned Subsidiary of Truist Financial Corporation)

Schedule I
Computation of Net Capital Under Rule 15c3-1
of the Securities and Exchange Commission

Unaudited as of June 30, 2023
(In Thousands)

Computation of net capital		
Total shareholder's equity		$ 2,166,979
Total capital and allowable subordinated borrowings		2,166,979
Deductions and/or charges:		
Nonallowable assets:		
Goodwill and other intangibles, net of accumulated depreciation	174,363	
Accrued interest, receivables, and other assets	91,359	
Deposits with clearing organizations	4,156	
Deferred tax assets	17,281	
Fixed assets, net of accumulated depreciation	3,769	
Total nonallowable assets	290,928	
Other deductions or charges	115,993	406,921
Net capital before haircuts on securities positions		1,760,058
Open contractual commitments	29,411	
Haircuts on securities:		
Corporate debt obligations	364,319	
U.S. government obligations	11,446	
State and municipal obligations	30,066	
Commercial paper	48	
Equity securities	4,079	
Other securities	27,824	
Swaps	1,780	468,973
		$ 1,291,085
Net capital		
Computation of alternative net capital requirement		
2% of aggregate debit items as shown in formula for reserve requirements pursuant to Rule 15c3-3 prepared as of the date of the net capital computation or minimum net capital requirement (if greater)		1,000
Excess net capital		$ 1,290,085
Net capital in excess of 5% of aggregate debit items or 120% of the net capital requirement if greater		$ 1,289,885

There are no material differences between this computation and the Company's unaudited Financial and Operational Combined Uniform Single ("FOCUS") Report as of June 30, 2023, filed on July 25, 2023.

Truist Securities, Inc.
(A Wholly Owned Subsidiary of Truist Financial Corporation)

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

Unaudited as of June 30, 2023
(In Thousands)

Credit balances:		
Customer-related fails to receive	$	17,197
Market value of short securities and credits in all suspense accounts over 30 calendar days		75
Total credit balances		17,272
Debit balances:		
Customer-related fails to deliver		11,605
Gross debits		11,605
Less 3%		(348)
Total debit balances		11,257
Reserve computation:		
Excess of total credits over total debits required to be on deposit in the "Reserve Bank Account"	$	6,016
Amount on deposit in the "Reserve Bank Account" at June 30, 2023	$	44,187
Amount of deposit/(withdrawal) on July 3, 2023		(14,583)
New amount in "Reserve Bank Account"	$	29,604

There are no material differences between this computation and the Company's unaudited Financial and Operational Combined Uniform Single ("FOCUS") Report as of June 30, 2023, filed on July 25, 2023.