



SECURITIES INVESTOR PROTECTION CORPORATION

**Rules Relating to Supplemental  
Report on SIPC Membership**

17 C.F.R. § 300.600  
Adopted March 2016

**SECURITIES INVESTOR  
PROTECTION CORPORATION**

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**SECURITIES INVESTOR  
PROTECTION CORPORATION**

## **Series 600 Rules**

### **Rules Relating to Supplemental Report on SIPC Membership**

- (a)(1) *Who must file the supplemental report.* Except as provided in paragraph (a)(2) of this section, a broker or dealer must file with SIPC, within 60 days after the end of its fiscal year, a supplemental report on the status of its membership in SIPC (commonly referred to as the “Independent Accountants’ Report on Applying Agreed-Upon Procedures”) if a rule of the Securities and Exchange Commission (SEC) requires the broker or dealer to file audited financial statements annually.
- (2) If the broker or dealer is a member of SIPC, the broker or dealer is not required to file the supplemental report for any year in which it reports \$500,000 or less in total revenues in its annual audited statement of income filed with the SEC.
- (b) *Requirements of the supplemental report.* The supplemental report must cover the SIPC Annual General Assessment Reconciliation Form (Form SIPC-7) or the Certification of Exclusion From Membership Form (Form SIPC-3) for each year for which an SEC Rule requires audited financial statements to be filed. The supplemental report must include the following:
- (1) A copy of the form filed or a schedule of assessment payments showing any overpayments applied and overpayments carried forward, including payment dates, amounts, and name of SIPC collection agent to whom mailed; or
  - (2) If exclusion from membership was claimed, a statement that the broker or dealer qualified for exclusion from membership under the Securities Investor Protection Act of 1970, as amended, and the date the Form SIPC-3 was filed with SIPC; and
- (3) An independent public accountant’s report. The independent public accountant, who must be independent in accordance with the provisions of 17 CFR 210.2-01, must be engaged to perform the following agreed-upon procedures in accordance with standards of the Public Company Accounting Oversight Board (PCAOB):
- (i) Compare assessment payments made in accordance with the General Assessment Payment Form (Form SIPC-6) and applied to the General Assessment calculation on the Form SIPC-7 with respective cash disbursements record entries;
  - (ii) For all or any portion of a fiscal year, compare amounts reflected in the audited financial statements required by an SEC rule with amounts reported in the Form SIPC-7;
  - (iii) Compare adjustments reported in the Form SIPC-7 with supporting schedules and working papers supporting the adjustments;
  - (iv) Verify the arithmetical accuracy of the calculations reflected in the Form SIPC-7 and in the schedules and working papers supporting any adjustments; and
  - (v) Compare the amount of any overpayment applied with the Form SIPC-7 on which it was computed; or
  - (vi) If exclusion from membership is claimed, compare the income or loss reported in the audited financial statements required by an SEC rule with the Form SIPC-3.