



Comerica Securities, Inc.
STATEMENT OF FINANCIAL CONDITION

June 30, 2025

411 W. Lafayette, Detroit, MI 48226

Securities products and services are offered through Comerica Securities, Inc., which is a broker/dealer, member FINRA/SIPC and subsidiary of Comerica Bank. Securities products are not insured by the FDIC or any government agency; are not deposits or other obligations of or guaranteed by Comerica Bank or any of its affiliates; and are subject to investment risks, including possible loss of the principal invested.

Comerica Securities, Inc. and its affiliates do not provide tax or legal advice. Please consult with your tax and legal advisors regarding your specific situation.

STATEMENT OF FINANCIAL CONDITION

Comerica Securities, Inc.

June 30, 2025

Contents

Statement of Financial Condition (unaudited)	1
Notes to Statement of Financial Condition (unaudited)	2

Comerica Securities, Inc.
Statement of Financial Condition (unaudited)
June 30, 2025
(In thousands)

ASSETS	
Cash and cash equivalents	\$ 47,621
Cash segregated for the benefit of customers	256
Receivables from brokers/dealers	1,059
Deferred tax asset, net	330
Receivables from affiliates	167
Other assets	30
Total assets	\$ 49,463
LIABILITIES AND SHAREHOLDER'S EQUITY	
Payables to affiliates	\$ 802
Deferred revenue	243
Accrued expenses and other liabilities	76
Total liabilities	1,121
Common stock - \$1 par value:	
50,000 shares authorized, issued and outstanding	50
Additional paid-in capital	47,175
Retained earnings	1,117
Total shareholder's equity	48,342
Total liabilities and shareholder's equity	\$ 49,463

See accompanying notes.

NOTE 1 - ORGANIZATION

Comerica Securities, Inc. (the Company) is a broker/dealer operating in the United States, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. The Company participates in firm commitment and best efforts underwritings as a syndicate member and also advises on merger and acquisition ("M&A") transactions. The Company operates as one reportable segment and is a wholly owned, direct subsidiary of Comerica Bank and indirect subsidiary of Comerica Incorporated (the Corporation).

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

The following summarizes the significant accounting policies of the Company applied in the preparation of the accompanying financial statements.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Management believes that the estimates utilized in preparing its financial statements are reasonable and prudent. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers cash in bank accounts and money market investments with original maturities of three months or less to be cash and cash equivalents. Money market investments are held in listed money market funds and are reported at fair value.

Cash Segregated for the Benefit of Customers

Cash is segregated in an unaffiliated special reserve account for the exclusive benefit of customers pursuant to federal regulations under Rule 15c3-3(e) of the Securities and Exchange Commission (SEC). Amounts payable to customers from segregated cash at June 30, 2025 included \$1 thousand of stale checks awaiting escheatment recorded in accrued expenses and other liabilities.

Financial Instruments with Off-Balance Sheet Risk

In the normal course of business, the Company participates in firm commitment and best efforts underwritings as a syndicate member. Through these transactions, the Company enters into a syndicate agreement with an underwriting group where the Company is severally obligated to purchase the offered securities for their own accounts or sell the offered securities to investors. The liability of the underwriting group is divided amongst syndicate members and each member of the group has a specified maximum liability to buy a certain number of shares of stock or principal amount of bonds. The Company's specified maximum liability is not recorded on the Statement of Financial Condition. At June 30, 2025, there were \$10 million of outstanding commitments with off-balance sheet risk.

Revenue Recognition

Revenue from contracts with customers is recognized when services are completed. Contract and other receivables from underwriting participations are included in receivables from brokers/dealers on the Statement

of Financial Condition. Contract and other receivables from M&A advisory services are included in other assets on the Statement of Financial Condition. Payment terms vary by services offered, and the timing between completion of performance obligations and payment is typically not significant. Revenue from contracts with customers did not generate significant contract assets and liabilities.

Income Taxes

The Company is included in a consolidated federal income tax return with the Corporation. The Company computes income tax expense and settles with the Corporation on the same basis as if the Company had filed a separate federal income tax return.

The Company accounts for income taxes under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis.

NOTE 3 - FAIR VALUE MEASUREMENTS

Fair value is defined as the exchange price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market in an orderly transaction as of the measurement date. The Company utilizes fair value measurements to record fair value adjustments to certain assets and to determine fair value disclosures. Money market investments are recorded at fair value on a recurring basis. The Company had no liabilities that require fair value measurement as of June 30, 2025.

Financial instruments are categorized into a three-level hierarchy based on the markets in which the instruments are traded and the reliability of the assumptions used to determine fair value. The valuation methodologies and key inputs used to measure financial instruments recorded at fair value are described below:

- Level 1 – Valuation is based upon quoted prices for identical instruments traded in active markets, such as stocks, exchange-traded funds, mutual fund shares and negotiable certificates of deposit. Money market investments held in listed money market funds and reported in cash and cash equivalents on the Statement of Financial Condition are included in Level 1.
- Level 2 – Valuation is based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are less active and model-based valuation techniques for which all significant assumptions are observable in the market.
- Level 3 – Valuation is generated from model-based techniques that use at least one significant assumption not observable in the market. These unobservable assumptions reflect estimates of assumptions that market participants would use in pricing the asset. Valuation techniques include use of discounted cash flow models and similar techniques.

Financial assets recorded at fair value on a recurring basis at June 30, 2025 consisted of money market investments of \$47 million classified as Level 1. No Level 2 or Level 3 assets were held at June 30, 2025. There were no transfers of assets recorded at fair value on a recurring basis into or out of Level 3 fair value measurements during the six months ended June 30, 2025.

NOTE 4 - RELATED-PARTY TRANSACTIONS

In the normal course of business, the Company engages in transactions with related parties, primarily Comerica Bank and the Corporation. Such transactions mainly include reimbursements for employee compensation and shared services as well as fees payable for the referral of customers to the Company.

Payables to affiliates totaled \$802 thousand at June 30, 2025 and primarily consisted of compensation and shared services costs due to Comerica Bank and the Corporation. Receivables from affiliates totaled \$167 thousand at June 30, 2025 and primarily consisted of \$144 thousand of taxes receivable due from the Corporation and Comerica Bank.

NOTE 5 - NET CAPITAL REQUIREMENTS

As a registered broker/dealer, the Company is subject to the SEC's Uniform Net Capital Rule (Rule 15c3-1). Based on the provisions of this rule, the Company must maintain minimum net capital, as defined, equivalent to the greater of \$250 thousand or 1/15th of aggregate indebtedness, as defined. At June 30, 2025, net capital was \$44 million and required net capital was \$250 thousand. The ratio of aggregate indebtedness to net capital (which may not exceed 15 to 1) was 0.020 to 1.

NOTE 6 - INCOME TAXES

The principal components of the deferred tax asset of \$330 thousand at June 30, 2025 were as follows:

(in thousands)

Deferred tax asset:		
Deferred compensation	\$	293
Deferred revenue		61
Total deferred tax asset		354
Deferred tax liability:		
State timing differences		(14)
Other temporary differences		(10)
Total deferred tax liability		(24)
Net deferred tax asset (liability)	\$	330

NOTE 7 - COMMITMENT AND CONTINGENCIES

The Company recognizes liabilities for contingencies when analysis indicates it is both probable that a liability has been incurred and the amount of loss can be reasonably estimated as part of accrued expenses and other liabilities on the Statement of Financial Condition. Through the normal course of business operations, the Company may be subject to various pending or threatened legal proceedings, examinations, inquiries, and investigations by regulatory authorities, and operational or customer matters. The Company cannot state the eventual outcome of these matters. Based on current knowledge and after consultation with legal counsel, management believes that current reserves are adequate, and the amount of any incremental liability arising from these matters is not expected to have a material adverse effect on the Company's financial condition, results of operations or cash flows.

For matters where a loss is not probable, the Company has not established legal reserves. Based on current knowledge, expectation of future earnings and after consultation with legal counsel, the Company believes the

maximum amount of reasonably possible losses would not have a material adverse effect on the Company's financial condition, results of operations or cash flows.

Depending on future developments, it is possible that the ultimate resolution of these matters may be material to the Company's financial condition, results of operations or cash flows.