

**Schedule I**  
**SANDERS MORRIS HARRIS LLC**

COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1  
OF THE SECURITIES AND EXCHANGE COMMISSION  
AS OF DECEMBER 31, 2015  
(\$ in thousands)

Net capital:	
Total consolidated members' equity per the accompanying financial statements	\$ 8,970
Other allowable credits	188
	<u>9,158</u>
Nonallowable assets	
Nonallowable receivables	800
Furniture, equipment, and leasehold improvements, net	523
Not readily marketable securities	47
Receivable from parent and affiliates	2,627
Other nonallowable assets	405
	<u>4,402</u>
Total nonallowable assets	<u>4,402</u>
Net capital before haircuts on securities positions	4,756
Haircuts on securities positions	38
	<u>38</u>
Net capital	<u>\$ 4,718</u>
Aggregate indebtedness	
Accounts payable and other accrued liabilities	\$ 1,045
Accrued compensation	1,500
	<u>2,545</u>
Total aggregate indebtedness	<u>\$ 2,545</u>
Ratio of aggregate indebtedness	<u>0.54</u>
Computation of basis net capital requirement	
Minimum net capital required (greater of 6-2/3 % of aggregate indebtedness or \$250)	\$ 250
	<u>250</u>
Excess net capital	<u>\$ 4,468</u>

See accompanying report of independent registered public accounting firm.

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Reconciliation with Company's computation (included in Part II of Form X-17 A-5) as of December 31, 2015:

Net capital, as reported in Company's Part II (unaudited FOCUS report)	\$ 3,943
Tax accrual adjustment related to change in tax status of entity	<u>775</u>
Net capital per audit	<u><u>\$ 4,718</u></u>