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UNITED STATES  
SECURITIES AND EXCHANGE COMM.  
Washington, D.C. 20549



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3235-0123  
Expires: April 30, 2013  
Estimated average burden  
hours per response..... 12.00

**ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III**

SEC FILE NUMBER  
8- 52572

**FACING PAGE  
Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING 01/01/10 AND ENDING 12/31/10  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: White Mountain Capital LLC

OFFICIAL USE ONLY  
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
352 SEVENTH AVENUE - 17TH FL PH

(No. and Street)  
NEW YORK NY 10001  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
PETER MONTALBANO 212-509-0313  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

KAMLER, LEWIS & NOREMAN LLP

(Name - if individual, state last, first, middle name)  
ONE LINDEN PLACE GREAT NECK NY 11021  
(Address) (City) (State) (Zip Code)

**CHECK ONE:**

- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

SEC  
Mail Processing  
Section

**FOR OFFICIAL USE ONLY**  
FEB 22 2011  
Washington, DC  
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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

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OATH OR AFFIRMATION

I, PETER MONTALBANO, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of WHITE MOUNTAIN CAPITAL, LLC, as of DECEMBER 31, 20 10, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

NONE

[Handwritten Signature]

Signature

CEO

Title

[Handwritten Signature]

Notary Public

DAISY J GUZMAN
NOTARY PUBLIC, STATE OF NEW YORK
REGISTRATION NO. 01GU6102913
COMMISSION EXPIRES 12/8/11

This report \*\* contains (check all applicable boxes):

- (a) Facing Page.
(b) Statement of Financial Condition.
(c) Statement of Income (Loss).
(d) Statement of Changes in Financial Condition.
(e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
(f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
(g) Computation of Net Capital.
(h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
(i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
(j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
(k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
(l) An Oath or Affirmation.
(m) A copy of the SIPC Supplemental Report.
(n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

WHITE MOUNTAIN CAPITAL, LLC  
FINANCIAL STATEMENTS AND SUPPLEMENTARY  
INFORMATION REQUIRED BY RULE 17a-5 OF  
THE SECURITIES AND EXCHANGE COMMISSION  
AND INDEPENDENT AUDITOR'S REPORT  
AND REPORT ON  
INTERNAL ACCOUNTING CONTROL  
DECEMBER 31, 2010

WHITE MOUNTAIN CAPITAL, LLC  
Financial Statements and Supplementary  
Information Required By Rule 17a-5 of  
The Securities and Exchange Commission  
And Independent Auditor's Report  
and Report on  
Internal Accounting Control  
December 31, 2010

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**KAMLER, LEWIS & NOREMAN LLP**

*Certified Public Accountants*

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220 White Plains Road  
Tarrytown, NY 10591  
Tel (914) 997-0800

## Independent Auditor's Report

Members and Directors of  
White Mountain Capital, LLC

We have audited the accompanying statement of financial condition of White Mountain Capital, LLC (the Company) as of December 31, 2010 and the related statements of income, changes in members' equity and cash flows for the year then ended that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of White Mountain Capital, LLC at December 31, 2010 and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script, appearing to read 'Kamler, Lewis &amp; Noreman'.

Kamler, Lewis & Noreman LLP

February 9, 2011  
Great Neck, New York

WHITE MOUNTAIN CAPITAL, LLC  
Statement of Financial Condition  
December 31, 2010

Assets

Cash and Cash Equivalents	\$ 663,588
Deposits with clearing organization - (Note 1)	75,000
Due from clearing organization	63,087
Property and equipment-net (Note 2)	53,585
Prepaid expenses and other assets	<u>44,871</u>
Total Assets	\$ <u>900,131</u>

Liabilities and Members' Equity

Liabilities:

Accounts payable and accrued expenses	\$ 89,268
Payable to clearing broker	9,119
Deferred income (Note 10)	<u>103,334</u>
	201,721
Commitments and contingencies (Notes 3, 4, 5, 6, 7, 8, 9 and 10)	
Members' Equity	<u>698,410</u>
Total Liabilities and Members' Equity	\$ <u>900,131</u>

See accompanying notes to financial statements.

WHITE MOUNTAIN CAPITAL, LLC  
Statement of Income  
For the Year Ended December 31, 2010

Revenues:	
Firm trading income, net	\$ 1,229,883
Commissions	1,364,532
Interest and dividends	104,657
Other	<u>40,000</u>
Total Revenues	<u>2,739,072</u>
Direct expenses:	
Compensation, payroll taxes and benefits	1,364,470
Commissions	158,821
Floor brokerage and clearance charges	398,020
Short dividends	46,330
Interest	2,498
Other operating expenses	<u>550,434</u>
	<u>2,520,573</u>
Income from operations	218,499
Local income taxes	<u>54,190</u>
Net income	\$ <u>164,309</u>

See accompanying notes to financial statements.

WHITE MOUNTAIN CAPITAL, LLC  
Statement of Changes in Members' Equity  
For the Year Ended December 31, 2010

Opening Balance, January 1, 2010	\$ 534,101
Net income	<u>164,309</u>
Balance, December 31, 2010	<u>\$ 698,410</u>

See accompanying notes to financial statements.

WHITE MOUNTAIN CAPITAL, LLC  
Statement of Cash Flows  
For the Year Ended December 31, 2010

Cash Flows From Operating Activities:	
Net Income	\$ 164,309
Adjustments to reconcile net loss to cash:	
Depreciation and amortization	6,936
Deferred income	(40,000)
Loss on abandonment of property and equipment	9,956
Changes in assets and liabilities:	
Increase in due from clearing house	(23,095)
Decrease in other receivables	5,664
Increase in prepaid expenses and other assets	(372)
Increase in accounts payable and accrued liabilities	<u>11,487</u>
Net Cash Provided By Operating Activities	<u>134,885</u>
Cash Flows From Investing Activities:	
Acquisition of property and equipment	<u>(53,078)</u>
Net Cash Used By Investing Activities	<u>(53,078)</u>
Cash Flows from Financing Activities:	
Payments of note payable	(31,734)
Increase in due to clearing broker	<u>1,323</u>
Net Cash Used by Financing Activities	<u>(30,411)</u>
Net Increase in Cash and Cash Equivalents	51,396
Cash and Cash Equivalents, beginning of year	<u>612,192</u>
Cash and Cash Equivalents, end of year	<u>\$ 663,588</u>
Supplemental Disclosure of Cash Flows Information	
Cash Paid During the Year For:	
Interest	\$ <u>2,498</u>
Local taxes	\$ <u>28,114</u>

See accompanying notes to financial statements.

WHITE MOUNTAIN CAPITAL, LLC  
Notes to Financial Statements  
December 31, 2010

Note 1 - Summary of Significant Accounting Policies

Business Organization and Description

White Mountain Capital, LLC (the "Company") is a securities broker and also earns commissions on sales of subscriptions in Mutual Funds and Annuity Contracts. The Company also engages in proprietary trading of equity securities. The Company's customers are primarily located in the New York Tri-State Area. The Company does not carry customer accounts and does not process or safe-keep customer funds or securities and is therefore exempt from Rule 15c3-3 of the Securities and Exchange Commission. The Company is registered with the Securities and Exchange Commission (SEC) and is a member of the Financial Industry Regulatory Authority (FINRA).

Basis of Presentation

The Company is engaged in a single line of business as a securities broker-dealer, which comprises several classes of services, including principal transactions, agency transactions, investment banking, investment advisory and venture capital businesses.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid instruments purchased with maturities of less than three months that are not held for sale in the ordinary course of business at the date of purchase to be cash equivalents.

Fair Value of Financial Instruments

The carrying amounts of the Company's cash and cash equivalents, marketable securities, accounts payable and accrued expenses approximate their respective fair values at December 31, 2010.

Securities Transactions

Marketable security positions, which consist primarily of institutional mortgage-backed securities and asset-backed securities, are valued at the lower of cost or market. Securities not readily marketable are valued at fair value as determined by management.

Property and Equipment

Property and equipment are carried at cost. Depreciation is computed using the straight-line method at rates adequate to allocate the cost of applicable assets over their expected useful lives. The cost of maintenance and repairs is charged to income as incurred. Significant renewals and betterments are capitalized. Leasehold improvements are amortized over the lesser of the economic useful life of the improvement or the term of the lease.

Impairment of Long-Lived Assets

The Company investigates potential impairments of its long-lived assets when evidence exists that events or changes in circumstances may have made recovery of an asset's carrying value unlikely. An impairment loss is recognized when the sum of the expected undiscounted future net cash flows is less than the carrying amount of the asset. No such losses have been identified.

KAMLER, LEWIS & NOREMAN LLP  
*Certified Public Accountants*

WHITE MOUNTAIN CAPITAL, LLC  
Notes to Financial Statements  
December 31, 2010

Note 1 - Summary of Significant Accounting Policies (continued)

Revenue Recognition

Generally accepted accounting principles require that trading profits and losses, commission income and related expenses be recorded on a trade date basis as securities transactions occur.

Income Taxes

The Company was organized as a limited liability company, and accordingly, no provision is required for federal and state income taxes. Under the Internal Revenue Code and similar state regulations, the Company is treated as a partnership and the income of the Company is taxed to the members. The Company is subject to local New York City income taxes.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Changes in such estimates may affect amounts reported in future periods.

Guaranteed Payments to Members

Guaranteed payments to members that are intended as compensation for services rendered are accounted for as expenses rather than as allocations of net income.

Subsequent Events

The Company evaluates events occurring after the date of the financial statements to consider whether or not the impact of such events needs to be reflected or disclosed in the financial statements. Such evaluation is performed through the date the financial statements are issued, which is February 7, 2011 for these financial statements.

Note 2 - Property and Equipment - Net

Property and equipment consist of the following at December 31, 2010:

Furniture and fixtures	\$ 9,792
Computer equipment	8,195
Leasehold improvements	<u>40,374</u>
	58,361
Less: Accumulated depreciation	<u>(4,776)</u>
	<u>\$ 53,585</u>

Depreciation and amortization charged to income was \$6,936 during the year ended December 31, 2010.

Note 3 - Related Party Transactions

The Company is a member of a group of affiliated entities in the financial services industry. The Company earns commission income from an affiliated investment partnership (IP) as well as from officers and employees of companies in the affiliated group, and their family members. In connection with the Company's broker agreement, under certain circumstances, the Company also earns fees on the IP's short cash balances held at the broker and on the margin interest paid by the IP to the broker.

The Company received commission income of approximately \$963,000 from affiliates and other related parties.

Note 4 - Membership Interests

The Company's membership interest consists of three classes. All classes share in the Company's profits and losses. Class A and B also have voting rights. Upon dissolution of the Company, each holder of Class B units is entitled to receive, distributions equal to the total amount of initial capital contributed. After paying the initial capital contribution to class B units, the remaining distributions shall be pro rata according to ownership percentage.

Note 5 - Financial Instruments With Off Balance Sheet Risk

The Company is engaged in various trading and brokerage activities whose counterparties include primarily broker-dealers, banks, and other financial institutions. In the event counterparties do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on the credit worthiness of the counter party. It is the Company's policy to review, as necessary, the credit standing of each counterparty. The Company's exposure to risk associated with nonperformance of customers in fulfilling their contractual obligations pursuant to securities transactions can be directly impacted by volatile trading markets which may impair a customer's ability to satisfy their obligations to the Company and the Company's ability to liquidate the collateral at an amount equal to the original contracted amount. The agreement between the Company and its clearing broker provides that the Company is obligated to assume any exposure related to such nonperformance by its customers. The Company seeks to control the aforementioned risks by requiring customers to maintain margin collateral in compliance with the clearing broker's internal guidelines. The Company monitors its customers' activity by reviewing information it receives from its clearing broker on a daily basis and requiring customers to deposit additional collateral, or reduce positions, when necessary.

Note 6 - Securities Sold Short

The Company is subject to certain inherent risks arising from its activities of selling securities short. The ultimate cost of the Company to acquire these securities may exceed the liability reflected in the financial statements. In addition, the Company is required to maintain collateral with the broker to secure these short positions. At December 31, 2010, the Company did not have any securities sold short.

Note 7 - Leases

In May, 2010, the Company entered into an operating lease for office space in New York City, which expires on August 31, 2017. The lease requires minimum rent payment and increases for real estate taxes and fuel over base amounts as specified in the lease.

WHITE MOUNTAIN CAPITAL, LLC  
Notes to Financial Statements  
December 31, 2010

Note 7 - Leases (continued)

Minimum annual lease payments are as follows:

Year Ended <u>December 31,</u>	
2011	\$ 103,500
2012	106,600
2013	109,800
2014	113,100
2015	116,500
Later years	<u>201,600</u>
	<u>\$ 751,100</u>

Note 8 - Concentrations of Credit Risk

As a securities broker and dealer, the Company is engaged in various securities trading and brokerage activities servicing a diverse group of domestic and foreign corporations, institutional and individual investors. A substantial portion of the Company's transactions are executed with and on behalf of institutional investors including other brokers and dealers, mortgage brokers, commercial banks, U.S. governmental agencies, mutual funds and other financial institutions. The Company's exposure to credit risk associated with the nonperformance of these customers in fulfilling their contractual obligations pursuant to securities transactions, can be directly impacted by volatile securities markets, credit markets and regulatory changes.

Note 9 - Net Capital Requirements

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15:1. The rule also provides that capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10:1. At December 31, 2010, the Company had net capital of \$599,954, which was \$499,954 in excess of its required net capital of \$100,000. The Company's ratio of Aggregate Indebtedness to Net Capital was to .34 to 1.

Note 10 - Clearing Broker

Effective August 2008, the Company has an agreement with National Financial Services, LLC (NFS) to execute and clear transactions and carry accounts on a fully disclosed basis on behalf of the Company's customers. The agreement requires the Company to maintain minimum net capital of \$250,000 and an escrow deposit of \$75,000. The minimum clearing and execution charges are \$15,000 per month. As part of the agreement, NFS provided the Company a credit of \$200,000 towards its clearance fees. This amount is being amortized over the life of the five year agreement. In 2010, the amortization of the clearance fee credit was \$40,000 and is included in other revenues in the statement of income.

Note 11 - Exemption

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934, in that the Company's activities are limited to those set forth in the conditions for exemption appearing in paragraph (k)(2)(ii) of the Rule.



**KAMLER, LEWIS & NOREMAN LLP**

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Independent Auditor's Report  
On Supplementary Information  
Required By Rule 17a-5 of the  
Securities and Exchange Commission

Members and Directors  
White Mountain Capital, LLC

We have audited the accompanying financial statements of White Mountain Capital, LLC for the year ended December 31, 2010 and have issued our report thereon dated February 7, 2011. Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in Schedule I and II is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by Rule 17a-5 of the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

A handwritten signature in cursive script, appearing to read 'Kamler, Lewis &amp; Noreman'.

Kamler, Lewis & Noreman LLP

February 9, 2011  
Great Neck, New York

WHITE MOUNTAIN CAPITAL, LLC  
Computation of Net Capital Under Rule 15c3-1  
Of the Securities and Exchange Commission  
December 31, 2010

Schedule I

Net Capital:

Total members' equity per statement of financial condition	\$ <u>698,410</u>
Total net capital	<u>698,410</u>

Deductions - nonallowable assets:

Property and equipment, net	53,585
Other assets	<u>44,871</u>
Total nonallowable assets	<u>98,456</u>

Haircuts on trading securities	-
Total Net Capital (Note 11)	\$ <u><u>599,954</u></u>

Aggregate Indebtedness:

Payable to clearing broker	\$ 9,119
Accounts payable and accrued expenses	89,268
Deferred income	<u>103,334</u>
Total Aggregate Indebtedness	\$ <u><u>201,721</u></u>

Computation of Basic Net Capital Requirement:

Minimum net capital required (6-2/3% of \$201,721)	\$ <u>13,448</u>
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Minimum dollar net capital requirement	\$ <u>100,000</u>
Net capital requirement	\$ <u>100,000</u>

Excess net capital (Note 11)	\$ <u>499,954</u>
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Ratio of aggregate indebtedness to net capital (Note 10)	<u>.34 to 1</u>
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WHITE MOUNTAIN CAPITAL, LLC  
Reconciliation Pursuant to Rule 17a-5(d)(4) of  
The Securities and Exchange Commission  
December 31, 2010

Schedule II

Net Capital, as reported in the Company's Part II (unaudited) Focus report	\$ 608,829
Accrued expense	(3,875)
Accrued local income taxes	<u>(5,000)</u>
Net Capital per this report (Schedule I)	\$ <u>599,954</u>



**KAMLER, LEWIS & NOREMAN LLP**

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**Independent Auditor's Report on Internal  
Control Required by SEC Rule 17a-5**

Members and Directors  
White Mountain Capital, LLC

In planning and performing our audit of the financial statements and supplemental schedules of White Mountain Capital, LLC as of and for the year ended December 31, 2010, in accordance with auditing standards generally accepted in the United States of America, we considered the Company's internal control, over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by White Mountain Capital, LLC including tests of such practices and procedures that we considered relevant to the objectives stated in rule 17a-5(g) in making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons and recordation of differences required by rule 17a-13
2. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.



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Independent Auditor's Report on Internal  
Control Required by SEC Rule 17a-5  
(Continued)

Because of inherent limitations in internal control or the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

*A control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing the assigned functions, to prevent or detect misstatements on a timely basis. *A significant deficiency* is a deficiency, or a combination of control deficiencies that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

*A material weakness* is a significant deficiency, or combination of significant deficiencies that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control was the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. We did not identify any deficiencies in internal control and control activities for safeguarding securities that we consider to be material weaknesses, as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicated a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures, as described in the second paragraph of this report, were adequate at December 31, 2010, to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, and other regulatory agencies that rely on rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.

Kamler, Lewis & Noreman LLP

February 9, 2011  
Great Neck, New York

**KAMLER, LEWIS & NOREMAN LLP**

One Linden Place • Great Neck, NY 11021-2640  
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WHITE MOUNTAIN CAPITAL LLC  
AGREED UPON PROCEDURES REQUIRED BY  
SEC RULE 17a-5(e)(4)  
FOR THE YEAR ENDED  
DECEMBER 31, 2010



## KAMLER, LEWIS & NOREMAN LLP

*Certified Public Accountants*

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### Independent Accountants' Report

Members and Directors of White Mountain Capital LLC  
352 Seventh Avenue  
New York, NY 10001

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, we have performed the procedures enumerated below with respect to the accompanying Schedule of Assessment and Payments (General Assessment Reconciliation (Form SIPC-7) ) to the Securities Investor Protection Corporation (SIPC) for the year ended December 31, 2010, which were agreed to by White Mountain Capital LLC and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc., and SIPC, solely to assist you and the other specified parties in evaluating White Mountain Capital LLC's compliance with the applicable instructions of the Assessment Reconciliation (Form SIPC - 7). White Mountain Capital LLC's management is responsible for the White Mountain Capital LLC's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed and our findings are as follows:

1. Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries noting no differences;
2. Compared the amounts reported on the audited form X-17A-5 for the year ended December 31, 2010, as applicable, with the amounts in Form SIPC-7 for the year ended December 31, 2010, noting no differences;
3. Compared any adjustments reported in Form SIPC-7 with supporting schedules noting no differences;
4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and related working papers supporting the adjustments noting no differences; and

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

Kamler, Lewis & Noreman LLP

February 9, 2011  
Great Neck, New York

WHITE MOUNTAIN CAPITAL LLC  
Schedule of Assessment and Payments  
Transitional Assessment Reconciliation (Form SIPC-7)  
To the Securities Investor Protection Corporation (SIPC)  
For the year Ended December 31, 2010

Assessment \$ 5,732

Payments made to Securities Investor Protection Corporation:

<u>Date</u>	<u>Amount</u>
July 29, 2010	\$ 3,108
To be paid	<u>2,624</u>
	\$ <u>5,732</u>

Unaudited – See accompanying agreed upon procedures.

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