

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

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

SEC
Processing
Section
FEB 26 2013

SEC FILE NUMBER
8- 68868 ✓

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 01/01/2012 AND ENDING 12/31/2012 ✓
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: SLCA Capital, LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

1177 West Loop South, Suite 1670

(No. and Street)

Houston, Texas 77027

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Cary M. Grossman, FINOP

(713) 468-2717 ✓

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Harper & Pearson Company, P.C. CPA

(Name - if individual, state last, first, middle name)

One Riverway, Suite 1900, Houston, Texas 77056-1973

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

FOR OFFICIAL USE ONLY

*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)

SEC 1410 (06-02)

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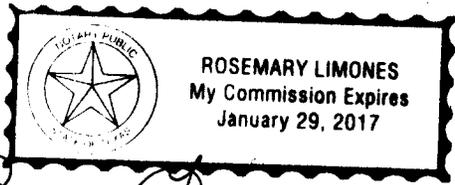
OATH OR AFFIRMATION

I, Cary M. Grossman, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of SLCA Capital, LLC, as of February 20, 2013, 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:

[Handwritten Signature]

Signature

Cary M. Grossman, FINOP
Title



[Handwritten Signature]
Notary Public

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).



**INDEPENDENT AUDITOR'S REPORT ON APPLYING AGREED UPON PROCEDURES
RELATED TO AN ENTITY'S SIPC ASSESSMENT RECONCILIATION**

February 20, 2013

To the Member
SLCA Capital, LLC

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 [Transitional Assessment Reconciliation (Form SIPC-7)] to the Securities Investor Protection Corporation (SIPC) for the year ended December 31, 2012, which were agreed to by SLCA Capital, LLC and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc., and the SIPC, solely to assist you and the other specified parties in evaluating SLCA Capital, LLC's compliance with the applicable instructions of the Transitional Assessment Reconciliation (Form SIPC-7). SLCA Capital, LLC's management is responsible for SLCA 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. We compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries including the general ledger detail and cash disbursements journal noting no differences.
2. We compared the amounts reported on the audited Form X-17A-5 for the year ended December 31, 2012, as applicable, with the amounts reported in Form SIPC-7 for the year ended December 31, 2012 noting no differences.
3. We compared adjustments reported in Form SIPC-7 with supporting schedules and working papers including general ledger detail and clearing broker reports noting no differences.
4. We proved the arithmetical accuracy of the calculation reflected in Form SIPC-7 and in the related schedules and working papers including general ledger detail and quarterly Focus reports supporting the adjustments noting no differences.
5. We compared the amount of overpayment applied to the current assessment with the Form SIPC-7 on which it was originally computed noting overpayments were not applicable for this report.

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.

Harper & Pearson Company, P.C.

Houston, Texas

SIPC-7

03 REV 7/10

SECURITIES INVESTOR PROTECTION CORPORATION

P.O. Box 92185 Washington, D.C. 20090-2185
202-371-8300

SIPC-7

03 REV 7/10

General Assessment Reconciliation

For the fiscal year ended 12/31/2012

Read carefully the instructions in your Working Copy before completing this Form

TO BE FILED BY ALL SIPC MEMBERS WITH FISCAL YEAR ENDINGS

1. Name of Member, address, Designated Examining Authority (1934 Act registration number) and month in which fiscal year ended for purposes of the audit requirement of SEC Rule 17a-5.

066868 FINRA DEC
SLCA CAPITAL LLC 1818
1177 WEST LOOP S STE 1670
HOUSTON TX 77027-9027

Note: If any of the information shown on the mailing label requires correction, please contact any representative at 1-800-619-6199 and to indicate on the form filed.

Name and telephone number of person to contact respecting this form.

- 2. A. General Assessment (item 2e from page 2) \$ 2,823.27
- B. Less payment made with SIPC-6 filed (exclude interest) (375.00)
- 7-30-12
Date Paid
- C. Less prior overpayment applied (_____)
- D. Assessment balance due or overpayment 2,448.27
- E. Interest computed on late payment (see instruction E) for _____ days at 20% per annum _____
- F. Total assessment balance and interest due (or overpayment carried forward) \$ 2,448.27
- G. PAID WITH THIS FORM:
Check enclosed, payable to SIPC
Total (must be same as F above) \$ 2,448.27
- H. Overpayment carried forward \$ _____

3. Subsidiaries (S) and predecessors (P) included in this form (give name and 1934 Act registration number)

The SIPC member submitting this form and the person by whom it is executed represent thereby that all information contained herein is true, correct and complete.

SLCA CAPITAL LLC

Member of Corporation, Partnership or other organization

[Signature]

Authorized Signature

PRESIDENT

Title

Dated the 10 day of JANUARY, 2013.

This form and the assessment payment is due 60 days after the end of the fiscal year. Retain the Working Copy of this form for a period of not less than 6 years, the latest 2 years in an easily accessible place.

SIPC REVIEWER	Dates	<u> </u>	<u> </u>	<u> </u>
		Postmarked	Received	Reviewed
	Calculations	<u> </u>		Documentation <u> </u>
	Exceptions:			Forward Copy <u> </u>
	Disposition of exceptions:			

**DETERMINATION OF "SIPC NET OPERATING REVENUES"
AND GENERAL ASSESSMENT**

Amounts for the fiscal period
beginning 1/1/2012
and ending 12/31/2012

Eliminate cents

Item No. 2a. Total revenue (FOCUS Line 12 Part I A Line 3, Code 4000)

\$ 1,129,309

2b. Additions:

- (1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above.
- (2) Net loss from principal transactions in securities in trading accounts.
- (3) Net loss from principal transactions in commodity futures in trading accounts.
- (4) Interest and dividend expense deducted in determining item 2a.
- (5) Net loss from management of or participation in the underwriting or distribution of securities.
- (6) Expenses other than advertising, printing, registration fees and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities.
- (7) Net loss from securities in investment accounts.

Total additions

2c. Deductions:

- (1) Revenues from the distribution of shares of a registered open-end investment company or unit investment trust; from the sale of variable annuities; from the business of insurance; from investment advisory services rendered to registered investment companies or insurance company separate accounts; and from transactions in security futures products.
- (2) Revenues from commodity transactions.
- (3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.
- (4) Reimbursements for postage in connection with proxy solicitation.
- (5) Net gain from securities in investment accounts.
- (6) 100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers acceptances or commercial paper that mature nine months or less from issuance date.
- (7) Direct expenses of printing, advertising and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 169(l)(L) of the Act).
- (8) Other revenue not related either directly or indirectly to the securities business.
(See Instruction C)

(Deductions in excess of \$100,000 require documentation)

(i) Total interest and dividend expense (FOCUS Line 20-PART IIA Line 13 Code 4075 plus line 2b(4) above) but not in excess of total interest and dividend income \$ _____

(ii) 40% of margin interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960) \$ _____

Enter the greater of line (i) or (ii)

Total deductions

2d. SIPC Net Operating Revenues

\$ 1,129,309

2e. General Assessment @ .0025

\$ 3823.27

Go page 1 line 2.A.1



**REPORT ON INTERNAL CONTROL STRUCTURE REQUIRED BY SEC RULE 17 A-5
FOR A BROKER-DEALER CLAIMING AN EXEMPTION FROM SEC RULE 15C3-3**

To the Member
SLCA Capital, LLC

In planning and performing our audit of the financial statements and supplemental schedules of SLCA Capital, LLC (the Company), as of and for the year ended December 31, 2012, in accordance with auditing standards generally accepted in the United States, we considered the Company's internal control over financial reporting (internal control) as a basis for designing our auditing 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 the Company including consideration of control activities for safeguarding securities. This study included 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 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.

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 *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Company's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control was for 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 the practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at December 31, 2012, to meet the SEC's objectives.

This report is intended solely for the information and use of the member's, 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 an should not be used by anyone other than these specified parties.

Harper & Pearson Company, P.C.

Houston, Texas
February 20, 2013

SLCA CAPITAL, LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2012, AND 2011

CONTENTS

	<u>Page</u>
Independent Auditor's Report.....	2-3
Statements of Financial Condition	4
Statements of Operations.....	5
Statements of Changes in Member's Equity	6
Statements of Cash Flows	7
Notes to Financial Statements	8-9
Schedule I - 2012	10
Schedule II - 2012.....	11



INDEPENDENT AUDITOR'S REPORT

Board of Directors
SLCA Capital, LLC
Houston, Texas

We have audited the accompanying statements of financial condition of SLCA Capital, LLC (the Company) as of December 31, 2012 and 2011 and the related statements of operations, changes in member's equity and cash flows for the period from March 22, 2011 (date of inception) through December 31, 2011, and for the year ended December 31, 2012 and the related notes to the financial statements that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of SLCA Capital, LLC as of December 31, 2012 and 2011, and the results of its operations and its cash flows for the period from March 22, 2011 (date of inception) through December 31, 2011, and the year ended December 31, 2012 in conformity with generally accepted accounting principles in the United States.

Other Matter

Our audits were made for the purpose of forming an opinion on the financial statements taken as a whole. Schedules I and II on pages 10 and 11 are presented for purposes of additional analysis and are not a required part of the financial statements, but are supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Harper & Pearson Company, P.C.

Houston, Texas
February 20, 2013

SLCA CAPITAL, LLC
STATEMENTS OF FINANCIAL CONDITION
DECEMBER 31, 2012 AND 2011

ASSETS	<u>2012</u>	<u>2011</u>
Cash and cash equivalents	\$ 25,186	\$ 19,082
TOTAL ASSETS	<u>\$ 25,186</u>	<u>\$ 19,082</u>
 LIABILITIES AND MEMBER'S EQUITY		
Accounts payable	\$ 3,805	\$ -
MEMBER'S EQUITY	<u>21,381</u>	<u>19,082</u>
TOTAL LIABILITIES AND MEMBER'S EQUITY	<u>\$ 25,186</u>	<u>\$ 19,082</u>

The accompanying notes are an integral part of the financial statements.

SLCA CAPITAL, LLC
STATEMENTS OF OPERATIONS
FOR THE PERIOD MARCH 22, 2011 (DATE OF INCEPTION)
THROUGH DECEMBER 31, 2011 AND THE YEAR ENDED DECEMBER 31, 2012

	<u>2012</u>	<u>2011</u>
REVENUES		
Investment banking and financial advisory fees	\$ 1,129,309	\$ -
TOTAL REVENUE	<u>1,129,309</u>	<u>-</u>
EXPENSES		
Service fees and compensation paid to affiliates	1,045,001	-
Other	<u>5,209</u>	<u>4,918</u>
TOTAL EXPENSES	<u>1,050,210</u>	<u>4,918</u>
NET INCOME (LOSS)	<u>\$ 79,099</u>	<u>\$ (4,918)</u>

The accompanying notes are an integral part of the financial statements.

SLCA CAPITAL, LLC
STATEMENTS OF CHANGES IN MEMBER'S EQUITY
FOR THE PERIOD MARCH 22, 2011 (DATE OF INCEPTION)
THROUGH DECEMBER 31, 2011 AND THE YEAR ENDED DECEMBER 31, 2012

	<u>Member's Equity</u>
Balance at inception - March 22, 2011	\$ -
Contributions	24,000
Net loss	<u>(4,918)</u>
Balance, December 31, 2011	19,082
Distributions	(76,800)
Net income	<u>79,099</u>
Balance, December 31, 2012	<u>\$ 21,381</u>

The accompanying notes are an integral part of the financial statements.

SLCA CAPITAL, LLC
STATEMENTS OF CASH FLOWS
FOR THE PERIOD MARCH 22, 2011 (DATE OF INCEPTION)
THROUGH DECEMBER 31, 2011 AND THE YEAR ENDED DECEMBER 31, 2012

	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers and others	\$ 1,129,309	\$ -
Cash paid for management fees and expenses	<u>(1,046,405)</u>	<u>(4,918)</u>
Net cash provided (used) by operating activities	<u>82,904</u>	<u>(4,918)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions by member	-	24,000
Distributions to member	<u>(76,800)</u>	<u>-</u>
Net cash (used) provided by financing activities	<u>(76,800)</u>	<u>24,000</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	6,104	19,082
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>19,082</u>	<u>-</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 25,186</u>	<u>\$ 19,082</u>
RECONCILIATION OF NET INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Net income (loss)	\$ 79,099	\$ (4,918)
Increase in accounts payable	<u>3,805</u>	<u>-</u>
Net cash provided (used) by operating activities	<u>\$ 82,904</u>	<u>\$ (4,918)</u>

The accompanying notes are an integral part of the financial statements.

NOTE A BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

SLCA Capital, LLC (the Company) maintains its accounts on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States. Accounting principles followed by the Company and the methods of applying those principles which materially affect the determination of financial position, results of operations and cash flows are summarized below:

Description of Business – The Company is located in Houston, Texas and is a private investment banking firm. Accordingly, the Company has claimed an exemption from the Securities and Exchange Commission (SEC) Rule 15c3-3 under section (K)(2)(i). The Company is registered as a Broker-Dealer with the SEC, and a member of the Financial Industry Regulatory Authority (FINRA). The Company was admitted as a member of FINRA in January 2012.

Statement Presentation – The unclassified statement of financial condition is presented in accordance with industry standards.

Cash and Cash Equivalents – The Company considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

Revenue Recognition – Financial advisory fees and retainers are recognized in accordance with the terms contained in the Company's written engagement agreements. Placement Agent fees and other transaction related success fees are recognized when transactions close and receivables are recorded at that time.

Income Taxes – No provision has been made for federal income tax, since these taxes are the responsibility of the member. State margin tax is accrued and is included as a component of other expense.

The Company believes that all significant tax positions utilized by the Company will more likely than not be sustained upon examination. As of December 31, 2012, the tax years that remain subject to examination by the major tax jurisdictions under the statute of limitations are from the year 2011 forward (with limited exceptions). Tax penalties and interest, if any, would be accrued as incurred and would be classified as tax expense in the statements of operations.

Estimates – The preparation of financial statements 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.

Subsequent Events – The Company has evaluated subsequent events through February 20, 2013, the date the financial statements were available to be issued. No subsequent events occurred, which require adjustment or disclosure to the financial statements at December 31, 2012.

NOTE B EXPENSE SHARING AGREEMENT

The Company entered into an expense sharing agreement with its sole member, Shoreline Capital Advisors, Inc. ("Shoreline") to provide administrative and operational services, facilities, furniture and payroll and pay all overhead expenses of the Company.

Shoreline receives an incremental allocation services fee of \$300 per month and a proportional allocation service fee equal to 95% of the monthly adjusted net operating income of the Company. The service fees may be adjusted upon written notice by Shoreline. The agreement is for a period of one year, is automatically renewable, and provides that either party may terminate the agreement by providing 30 days of advance notice.

NOTE C NET CAPITAL REQUIREMENTS

Pursuant to the net capital provisions of Rule 15c3-1 of the Securities Exchange Act of 1934, the Company is required to maintain a minimum net capital, as defined under such provisions. Net capital and the related net capital ratio may fluctuate on a daily basis.

At December 31, 2012, the Company had net capital of \$21,381, and a net capital requirement of \$5,000. The Company's ratio of aggregate indebtedness to net capital was .18 to 1 at December 31, 2012. The Securities and Exchange Commission permits the aggregate indebtedness to net capital ratio for the Company at this time to be no greater than 15 to 1. As previously stated, the Company was not admitted as a broker dealer until January, 2012.

NOTE D CONCENTRATIONS AND CREDIT RISK

The Company's bank balances, which were approximately \$25,000 and \$19,000 at December 31, 2012 and 2011, are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. It is the Company's practice to utilize high net worth financial institutions to minimize its credit risk.

For the year ended December 31, 2012, one customer represented 87% of the Company's commission revenue.

NOTE E RELATED PARTY TRANSACTIONS

During 2012, a commission was paid to a related party in the amount of \$145,000 on a specific transaction generated by the related party. The payment is included in service fees and compensation paid to affiliates on the statement of operations. The related party is an owner of the sole member of the Company.

SLCA CAPITAL, LLC
SCHEDULE I
COMPUTATION OF NET CAPITAL UNDER RULE 15C3-1
OF THE SECURITIES AND EXCHANGE COMMISSION
DECEMBER 31, 2012

NET CAPITAL	
Total member's equity qualified for net capital	\$ <u>21,381</u>
Total capital and allowable subordinated liabilities	21,381
Deductions and/or charges	
Nonallowable assets:	<u>-</u>
NET CAPITAL BEFORE HAIRCUTS ON SECURITIES POSITION	21,381
Haircuts on securities	<u>-</u>
Net capital	<u>\$ 21,381</u>
COMPUTATION OF BASIC NET CAPITAL REQUIREMENTS	
Minimum net capital required (6 2/3% of total aggregate indebtedness)	<u>\$ 254</u>
Minimum dollar net capital requirement	<u>\$ 5,000</u>
Net capital requirement (greater of above two minimum requirement amounts)	<u>\$ 5,000</u>
Excess net capital	<u>\$ 16,381</u>
Ratio: Aggregate indebtedness to net capital	<u>.18 to 1</u>

Note: The above computation does not differ materially from the computation of net capital under Rule 15c3-1 as of December 31, 2012, filed with the Securities and Exchange Commission by the Partnership on Part IIA of Form X-17a-5.

SLCA CAPITAL, LLC
SCHEDULE II

**COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS
AND INFORMATION RELATING TO POSSESSION OR CONTROL OF SECURITIES
UNDER RULE 15C3-3 OF THE SECURITIES AND EXCHANGE COMMISSION
DECEMBER 31, 2012**

Exemption Provisions

The Company has claimed an exemption from Rule 15c3-3 under Section (k)(2)(i), in which a "Special Account for the Exclusive Benefit of Customers" is maintained.

See independent auditor's report.