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

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

SEC FILE NUMBER
8-105804

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 01/01/2003 AND ENDING 12/31/2003
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: COMPAK SECURITIES, INC.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

8105 IRVINE CTR DR # 1100

(No. and Street)

IRVINE

CA

92618

(City)

(State)

(Zip Code)

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

JASDEEP CHAWLA

630-622-0045

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

JASDEEP SINGH CHAWLA

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

2182-D GLADSTONE CT. GLENDALE HEIGHTS IL 60139

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

PROCESSED

MAR 25 2004

FOR OFFICIAL USE ONLY
THOMSON FINANCIAL

*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)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

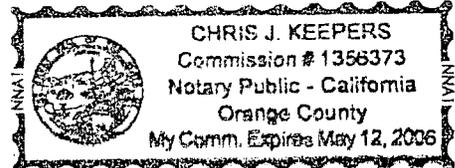
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OATH OR AFFIRMATION

I, MOBEZ ANSARI, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of COMPAK SECURITIES, INC., as of DECEMBER 31, 2003, 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:

[Signature]
Signature
President.
Title

[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 15c3-3 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).

Chawla Group, CPAs

2182-D Gladstone Court, Glendale Heights, IL 60139
(630) 622-0045 Fax: (630) 622-0048

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Compak Securities, Inc.

We have audited the accompanying statement of financial condition of Compak Securities, Inc. (a Corporation) as of December 31, 2003, and the related statement of income, ownership's equity, and cash flows for the year then ended. 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 generally accepted auditing standards. 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 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 statement of financial condition of Compak Securities, Inc. as of December 31, 2003, and the statement of income, ownership's equity and its cash flows for the year then ended, in conformity with generally accepted accounting principles.

Our examination also included the statement of the computation of minimum capital requirements pursuant to SEC Broker/Dealer regulations. In our opinion, the statements when considered in relation to the basic financial statements present fairly the information shown.



Jasdeep Chawla, C.P.A.
Glendale Heights, Illinois
February 23, 2004

FORM
X-17A-5

FOCUS REPORT
(Financial and Operational Combined Uniform Single Report)

Part IIA 12

(Read instructions before preparing Form)

This report is being filed pursuant to (Check Applicable Block(s)):

1) Rule 17a-5(a) 16

2) Rule 17a-5(b) 17

3) Rule 17a-11 18

4) Special request by designated examining authority 19

5) Other 26

NAME OF BROKER-DEALER

COMPAK SECURITIES, INC.

SEC FILE NO

9-65804

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

8105 IRVINE CTR DR # 1100

(No. and Street)

FIRM ID NO

125472

IRVINE

(City)

21

CA

(State)

22

92618

(Zip Code)

FOR PERIOD BEGINNING (MM/DD/YY)

1/1/2003

AND ENDING (MM/DD/YY)

12/31/2003

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

JASDEEP CHAWLA

(Area Code)—Telephone No.

630-622-0045

NAME(S) OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT:

OFFICIAL USE

DOES RESPONDENT CARRY ITS OWN CUSTOMER ACCOUNT?

YES

40

NO

41

CHECK HERE IF RESPONDENT IS FILING AN AUDIT REPORT?

42

EXECUTION:

The registrant/broker or dealer submitting this form and its attachments and the person(s) by whom it is executed represent hereby that all information contained therein is true, correct and complete. It is understood that all required items, statements, and schedules are considered integral parts of this Form and that the submission of any amendment represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted.

Dated the 26 day of Feb 2004

Manual signatures of:

1) [Signature]

Principal Executive Officer or Managing Partner

2) _____

Principal Financial Officer or Partner

3) _____

Principal Operations Officer or Partner

Attention - Intentional misstatements or omissions of facts constitute Federal Criminal Violations. (See 18 U.S.C. 1001 and 15 U.S.C. 78f(a))

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART IIA**

BROKER OR DEALER: **COMPAK SECURITIES, INC.**

**STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING, NONCLEARING AND
CERTAIN OTHER BROKERS OR DEALERS**

As of (MMDDYY) 12/31/2003 99
SEC FILE NO. 8-65804 98
Consolidated 196
Unconsolidated 199

	<u>ASSETS</u>			<u>Non-Allowable</u>			<u>Total</u>	
	<u>Allowable</u>							
1. Cash	\$ 13,079	200				\$ 13,079	750	
2. Receivables from brokers or dealers:								
A. Clearance account	0	295						
B. Other	0	300	\$ 0	550		0	810	
3. Receivables from non-customers	0	355	0	800		0	830	
4. Securities and spot commodities owned, at market value:								
A. Exempted securities	0	418						
B. Debt securities	0	419						
C. Options	0	420						
D. Other securities	0	424						
E. Spot commodities	0	430				0	850	
5. Securities and/or other investments not readily marketable:								
A. At cost \$0 [130]								
B. At estimated fair value	0	440	0	610		0	860	
6. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:								
A. Exempted securities \$0 [150]								
B. Other securities \$0 [160]								
7. Secured demand notes: market value of collateral:								
A. Exempted securities \$0 [170]								
B. Other securities \$0 [180]								
8. Memberships in exchanges:								
A. Owned, at market \$0 [190]								
B. Owned, at cost				0	650			
C. Contributed for use of the company, at market value				0	660	0	900	
9. Investment in and receivables from affiliates, subsidiaries and associated partnerships	0	480	0	670		0	910	
10. Property, furniture, equipment, leasehold improvements and rights under lease agreements, at cost-net of accumulated depreciation and amortization	0	490	0	680		0	920	
11. Other assets	0	535	0	735		0	930	
12. TOTAL ASSETS	\$ 13,079	540	\$ 0	740		\$ 13,079	940	

** - Fill in memberships owned at cost.

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART IIA**

BROKER OR DEALER: COMPAK SECURITIES, INC.

as of: December 31, 2003

**STATEMENT OF FINANCIAL CONDITION
LIABILITIES AND OWNERSHIP EQUITY**

Liabilities	A.I. Liabilities *		Non-A.I. Liabilities *		Total	
	\$		\$		\$	
13. Bank loans payable	0	1045	0	1255	0	1470
14. Payable to brokers or dealers:						
A. Clearance account	0	1114	0	1315	0	1560
B. Other	0	1115	0	1305	0	1540
15. Payable to non customers:	0	1155	0	1355	0	1610
16. Securities sold not yet purchased at market value			0	1360	0	1620
17. Accounts payable, accrued liabilities, expenses and other	2,000	1205	0	1385	2,000	1685
18. Notes and mortgages payable:						
A. Unsecured	0	1210			0	1690
B. Secured	0	1211	0	1390	0	1700
19. Liabilities subordinated to claims of general creditors:						
A. Cash borrowings			0	1400	0	1710
1. from outsiders \$0 [970]						
2. Includes equity subordination(15c3-1(d)) of \$0 [980]						
B. Securities borrowings, at market value from outsiders \$0 [990]			0	1410	0	1720
C. Pursuant to secured demand note collateral agreements			0	1420	0	1730
1. from outsiders \$0 [1000]						
2. Includes equity subordination(15c3-1(d)) of \$0 [1010]						
D. Exchange memberships contributed for use of company, at market value			0	1430	0	1740
E. Accounts and other borrowings not not qualified for net capital purposes	0	1220	0	1440	0	1750
20. TOTAL LIABILITIES	\$ 2,000	1230	\$ 0	1450	\$ 2,000	1760
<u>Ownership Equity</u>						
21. Sole proprietorship					0	1770
22. Partnership (limited partners)	\$ 0	1020			0	1780
23. Corporation:						
A. Preferred stock					0	1791
B. Common stock					20,000	1792
C. Additional paid-in capital					0	1793
D. Retained earnings					(8,921)	1794
E. Total					11,079	1795
F. Less capital stock in treasury					0	1796
24. TOTAL OWNERSHIP EQUITY					\$ 11,079	1800
25. TOTAL LIABILITIES AND OWNERSHIP EQUITY					\$ 13,079	1810

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART IIA**

BROKER OR DEALER:

COMPAK SECURITIES, INC.

as of: December 31, 2003

COMPUTATION OF NET CAPITAL

1. Total ownership equity from Statement of Financial Condition	\$	11,079	3480
2. Deduct ownership equity not allowable for net capital		0	3450
3. Total ownership equity qualified for Net capital		11,079	3500
4. Add:			
A. Liabilities subordinated to claims of general creditors allowable in computation in net capital		0	3520
B. Other (deductions) or allowable credits (List)		0	3525
5. Total capital and allowable subordinated liabilities		11,079	3530
6. Deductions and/or charges:			
A. Total non-allowable assets from Statement of Financial Condition (Notes B and C)	\$	0	3540
B. Secured demand note deficiency		0	3580
C. Commodity futures contracts and spot commodities proprietary capital charges		0	3600
D. Other deductions and/or charges		0	3610
			0
7. Other additions and/or allowable credits (List)			0
8. Net Capital before haircuts on securities positions		11,079	3640
9. Haircuts on securities: (computed, where applicable, pursuant to 15c3-1(f)):			
A. Contractual securities commitments	\$	0	3660
B. Subordinated securities borrowings		0	3670
C. Trading and investment securities:			
1. Exempted securities		0	3735
2. Debt securities		0	3733
3. Options		0	3730
4. Other securities		0	3734
D. Undue concentration		0	3650
E. Other (list)		0	3735
			0
10. Net Capital	\$	11,079	3750

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART IIA**

BROKER OR DEALER: COMPAK SECURITIES, INC.

as of: December 31, 2003

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

Part A

11. Minimum net capital required (6-2/3% of line 19)	\$	133	3758
12. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)	\$	5,000	3758
13. Net capital requirement (greater of line 11 or 12)	\$	5,000	3760
14. Excess net capital (line 10 less 13)	\$	6,079	3770
15. Excess net capital at 1000% (line 10 less 10% of line 19)	\$	10,879	3780

COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.I. liabilities from Statement of Financial Condition	\$	2,000	3700
17. Add:			
A. Drafts for immediate credit	\$	0	3800
B. Market value of securities borrowed for which no equivalent value is paid or credited	\$	0	3810
C. Other unrecorded amounts (List)	\$	0	3820
19. Total aggregate indebtedness	\$	2,000	3840
20. Percentage of aggregate indebtedness to net capital (line 19 divided by line 10)	%	18.05	3850
21. Percentage of debt to debt-equity total computed in accordance with rule 15c3-1 (d)	%	0.00	3860

COMPUTATION OF ALTERNATIVE NET CAPITAL REQUIREMENT

Part B

22. 2% of combined aggregate debit items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of the date of the net capital computation including both brokers or dealers and consolidated subsidiaries' debits	\$	0	3870
23. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)	\$	0	3880
24. Net capital requirement (greater of line 22 or 23)	\$	0	3760
25. Excess net capital (line 10 less line 24)	\$	0	3910
26. Net capital in excess of the greater of:			
A. 5% of combined aggregate debit items or 120% of minimum Net Capital Requirement	\$	0	3920

NOTES:

- (A) The minimum net capital requirement should be computed by adding the minimum dollar net capital requirement of the reporting broker dealer and, for each subsidiary to be consolidated, the greater of:
1. Minimum dollar net capital requirement, or
 2. 6-2/3% of aggregate indebtedness or 2% of aggregate debits if alternative method is used.
- (B) Do not deduct the value of securities borrowed under subordination agreements or secured demand note covered by subordination agreements not in satisfactory form and the market values of memberships in exchanges contributed for use of company (contra to item 1740) and partners securities which were included in non-allowable assets.
- (C) For reports filed pursuant to paragraph (d) of Rule 17a-5, respondent should provide a list of material non-allowable assets.

PART II-FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIA

BROKER OR DEALER: COMPAK SECURITIES, INC.

For the period from 01/01/2003 3932 to 12/31/2003 3933
 Number of months included in this statement 12 3931

STATEMENT OF INCOME (LOSS)

REVENUE

1. Commissions			
a. Commissions on transactions in exchange listed equity securities executed on an exchange	\$	0	3935
b. Commissions on listed option transactions		0	3938
c. All other securities commissions		0	3939
d. Total securities commissions		0	3946
2. Gains or losses on firm securities trading accounts			
a. From market making in options on a national securities exchange		0	3945
b. From all other trading		0	3949
c. Total gain (loss)		0	3950
3. Gains or losses on firm securities investment accounts		0	3952
4. Profit or (loss) from underwriting and selling groups		0	3955
5. Revenue from sale of investment company shares		0	3970
6. Commodities revenue		0	3990
7. Fees for account supervision, investment advisory and administrative services		0	3975
8. Other revenue		0	3906
9. Total revenue	\$	0	4030

EXPENSES

10. Salaries and other employment costs for general partners, and voting stockholder officers	\$	0	4120
11. Other employee compensation and benefits		0	4115
12. Commissions paid to other broker-dealers		0	4140
13. Interest expense		0	4075
a. Includes interest on accounts subject to subordination agreements		0	4070
14. Regulatory fees and expenses		2,621	4195
15. Other expenses		6,300	4100
16. Total expenses	\$	8,921	4200

NET INCOME

17. Income (loss) before Federal income taxes and items below (Item 9 less item 16)	\$	(8,921)	4210
18. Provision for Federal income taxes (for parent only)		0	4220
19. Equity in earnings (losses) of unconsolidated subsidiaries not included above		0	4222
a. After Federal income taxes of		0	4238
20. Extraordinary gains (losses)		0	4224
a. After Federal income taxes of		0	4239
21. Cumulative effect of changes in accounting principles		0	4225
22. Net income (loss) after Federal income taxes and extraordinary items	\$	(8,921)	4230

MONTHLY INCOME

23. Income (current month only) before provision for Federal income taxes and extraordinary items	\$	0	4211
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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
Part IIA

BROKER OR DEALER: **COMPAK SECURITIES, INC.**

For the period from 1/1/2003 to 12/31/2003

STATEMENT OF CHANGES IN OWNERSHIP EQUITY
(SOLE PROPRIETORSHIP, PARTNERSHIP OR CORPORATION)

1. Balance, beginning of period			\$	0	4240
A. Net income (loss)				(8,921)	4250
B. Additions (Includes non-conforming capital of	\$	0	4262	20,000	4290
C. Deductions (Includes non-conforming capital of	\$	0	4272	0	4270
2. Balance, end of period (From item 1800)			\$	11,079	4290

STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED
TO CLAIMS OF GENERAL CREDITORS

3. Balance, beginning of period			\$	0	4300
A. Increases				0	4310
B. Decreases				0	4320
4. Balance, end of period (From item 3520)			\$	0	4330

COMPAK SECURITIES, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2003

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income	\$	(8,921)
Adjustments to reconcile net income to net cash:		
Depreciation		0
(Increase) decrease in:		
Commission Receivable		0
Deposits at Broker		0
Other Assets		0
Increase (decrease) in:		
Accounts payable		<u>2,000</u>

NET CASH USED BY OPERATIONS (6,921)

CASH FLOWS FROM INVESTING ACTIVITIES

Capital Additions 20,000

NET INCREASE (DECREASE) IN CASH 13,079

CASH AND CASH EQUIVALENTS - BEGINNING 0

CASH AND CASH EQUIVALENTS - ENDING \$ 13,079

See notes to financial statement.

COMPAK SECURITIES, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2003

NOTE A - ORGANIZATION AND NATURE OF BUSINESS

Compak Securities, Inc. (the "Company") is a California corporation, located in Irvine, California involved in trading of securities and options on behalf of its clientele on all principal trading exchanges. The Company was formed in December 2002, and had not as of December 31, 2003 commenced broker/dealer operations. The Company is registered with the NASD as a Broker/Dealer. The Company as a broker/dealer is approved to solicit or accept orders to buy or sell mutual funds. A broker/dealer does not accept any money, securities, or property to margin, guarantee, or secure any trades or contracts that result or may result there from.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies is presented to assist in understanding these financial statements. The financial statements and notes are representations of management, who is responsible for their integrity and objectivity. The accounting policies used, unless otherwise noted, conform to generally accepted accounting principles and have been consistently applied in the preparation of financial statements.

Income Taxes

The Company is an "S" corporation and not subject to corporate tax. Income tax liability flows through to the shareholders.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE C - OFF BALANCE SHEET RISK AND CONCENTRATION OF CREDIT RISK

As a broker/dealer, the company does not hold customer segregated cash or securities balances. Transactions are processed by clearing firm on a fully disclosed basis. In conjunction with this arrangement, the Company is contingently liable for any unsecured debit balance in the customer

accounts introduced by the company. These customer activities may expose the company to off-balance-sheet credit risk in the event the introduced customer is unable to fulfill its contracted obligations. The company seeks to control such credit risks by monitoring its exposure to the risk of loss daily, on an account-by-account basis. At December 31, 2003, the company was not responsible for any unsecured customer debits and did not have any open positions in its trading accounts.

NOTE D - NET CAPITAL REQUIREMENTS

The company is subject to the net capital provisions as highlighted on page 3 and 4 of the Focus Report.

The information presented in the un-audited Focus Report was the same as audited report except for accrued liabilities. The un-audited Focus Report as of December 31, 2003 did not accrue a \$2,000 liability for professional fees.

Chawla Group, CPAs

2182-D Gladstone Ct., Glendale Heights, IL 60139
(630) 622-0045 Fax: (630) 622-0048

To the Shareholders of
Compak Securities, Inc.

In planning and performing our audit of the financial statements of Compak Securities, Inc. (the "Company") for the period January 1, 2003 through December 31, 2003, we considered its internal control structure, including procedures for safeguarding customer and firm assets, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

We have made a study of the practices and procedures (including tests of compliance with such practices and procedures) followed by the Corporation that we considered relevant to the objectives stated in making (1) the periodic computations of minimum financial requirements pursuant to SEC Regulations.

The management of the Company is responsible for establishing and maintaining an internal control structure 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 internal control structure policies and procedures 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 above mentioned objectives. Two of the objectives of an internal control structure 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 preparation of financial statements in conformity with generally accepted accounting principles. Regulations lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in any internal control structure or the practices and procedures referred to above, errors or irregularities 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.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the

Chawla Group, CPAs

2182-D Gladstone Ct., Glendale Heights, IL 60139
(630) 622-0045 Fax: (630) 622-0048

financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However we noted no matters involving the internal control structure including procedures for safeguarding customer and firm assets 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 Designated Regulatory Organization (DRO) to be adequate for its purposes in accordance with the SEC regulations, and that 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, 2003 to meet the DRO's objectives.

This report is intended solely for the use of management and other regulatory agencies that rely on DRO's Regulations and should not be used for any other purpose.


Jasdeep Chawla, C.P.A.
Glendale Heights, Illinois
February 23, 2004