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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- 48212

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 01/01/08 AND ENDING 12/31/08
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Seapower Carpenter Capital, Inc.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

5 Park Plaza, Suite 950

(No. and Street)

Irvine

(City)

CA

(State)

92614

(Zip Code)

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

Curt A. Christianssen

(949) 579-1442

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Windes & McClaughry Accountancy Corporation

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

111 West Ocean Boulevard, Suite 2200

(Address)

Long Beach

(City)

CA

(State)

90802

(Zip Code)

SEC Mail Processing
Section

FEB 27 2009

Washington, DC
111

CHECK ONE:

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

FOR OFFICIAL USE ONLY

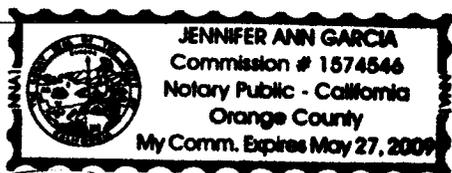
*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

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.

OATH OR AFFIRMATION

I, Curt A. Christianssen, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Seapower Carpenter Capital, Inc., as of December 31, 2008, 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

Chief Financial Officer
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 15c3-1 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).

SEAPOWER CARPENTER CAPITAL, INC.
(A wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company)

FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

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& Consultants*

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Seapower Carpenter Capital, Inc.

We have audited the accompanying statements of financial condition of Seapower Carpenter Capital, Inc. (a wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company) (the company) as of December 31, 2008 and 2007, and the related statements of income, changes in stockholder's equity, and cash flows for the years 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 audits.

We conducted our audits 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide 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 Seapower Carpenter Capital, Inc. (a wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company) as of December 31, 2008 and 2007, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Long Beach, California
February 24, 2009

SEAPOWER CARPENTER CAPITAL, INC.
(A wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company)

STATEMENTS OF FINANCIAL CONDITION

ASSETS

	<u>December 31,</u>	
	<u>2008</u>	<u>2007</u>
CASH	\$ 428,284	\$ 635,856
ACCOUNTS RECEIVABLE	4,938	11,860
DEPOSIT	<u>1,033</u>	<u>1,879</u>
TOTAL ASSETS	<u>\$ 434,255</u>	<u>\$ 649,595</u>

LIABILITIES AND STOCKHOLDER'S EQUITY

LIABILITIES		
Due to parent	<u>\$ 34,841</u>	
STOCKHOLDER'S EQUITY		
Common stock, no par value, 10,000 shares authorized; 5,000 shares issued and outstanding	35,000	\$ 35,000
Retained earnings	<u>364,414</u>	<u>614,595</u>
	<u>399,414</u>	<u>649,595</u>
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	<u>\$ 434,255</u>	<u>\$ 649,595</u>

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

SEAPOWER CARPENTER CAPITAL, INC.
(A wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company)

STATEMENTS OF INCOME

	For the Year Ended December 31,	
	<u>2008</u>	<u>2007</u>
REVENUE		
Financial advisory services	\$ 901,080	\$ 1,665,576
GENERAL AND ADMINISTRATIVE EXPENSES	<u>831,190</u>	<u>1,113,937</u>
INCOME FROM OPERATIONS	69,890	551,639
OTHER INCOME		
Interest income	<u>14,770</u>	<u>46,620</u>
INCOME BEFORE PROVISION FOR INCOME TAXES	84,660	598,259
PROVISION FOR INCOME TAXES	<u>34,841</u>	<u>253,000</u>
NET INCOME	<u><u>\$ 49,819</u></u>	<u><u>\$ 345,259</u></u>

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

SEAPOWER CARPENTER CAPITAL, INC.
(A wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company)

**STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007**

	<u>Shares Issued and Outstanding</u>	<u>Common Stock</u>	<u>Retained Earnings</u>	<u>Total</u>
BALANCE AT JANUARY 1, 2007	5,000	\$ 35,000	\$ 1,119,336	\$ 1,154,336
NET INCOME			345,259	345,259
DIVIDEND	<u> </u>	<u> </u>	(850,000)	(850,000)
BALANCE AT DECEMBER 31, 2007	5,000	35,000	614,595	649,595
NET INCOME			49,819	49,819
DIVIDEND	<u> </u>	<u> </u>	(300,000)	(300,000)
BALANCE AT DECEMBER 31, 2008	<u>5,000</u>	<u>\$ 35,000</u>	<u>\$ 364,414</u>	<u>\$ 399,414</u>

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

SEAPOWER CARPENTER CAPITAL, INC.
(A wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company)

STATEMENTS OF CASH FLOWS

	For the Year Ended December 31,	
	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 49,819	\$ 345,259
Adjustments to reconcile net income to net cash provided by operating activities:		
Change in operating assets and liabilities:		
Accounts receivable	6,922	223,984
Deposit	846	(1,218)
Deferred revenue		(25,000)
Due to parent	34,841	
Net Cash Provided By Operating Activities	92,428	543,025
CASH FLOWS FROM FINANCING ACTIVITY		
Dividends paid	(300,000)	(850,000)
Net Cash Used In Financing Activity	(300,000)	(850,000)
NET CHANGE IN CASH	(207,572)	(306,975)
CASH AT BEGINNING OF YEAR	635,856	942,831
CASH AT END OF YEAR	\$ 428,284	\$ 635,856
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for:		
Income taxes	None	None
Interest	None	None

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

SEAPOWER CARPENTER CAPITAL, INC.
(A wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company)

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

NOTE 1 – Summary of Significant Accounting Policies

This summary of significant accounting policies of Seapower Carpenter Capital, Inc. is presented to assist in understanding the company's financial statements.

Organization and Operations

Seapower Carpenter Capital, Inc. is incorporated under the laws of the state of California and is a wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company (the parent).

The company, a registered broker-dealer with the Securities and Exchange Commission, provides professional securities services with a focus on private best efforts placements of securities for financial services clients, mergers, and acquisitions. These services are incidental to the financial consulting activities of the parent. The company is also a member of the Financial Industry Regulatory Authority.

Use of Estimates and Assumptions

Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were assumed in preparing the financial statements.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances at December 31, 2008 and 2007. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to expense and a credit to accounts receivable. Bad debt expenses related to accounts receivable have not been material to the financial statements.

Financial Advisory Services

Financial advisory service revenues include fees earned from providing merger and acquisition and financial advisory services. Financial advisory service revenues are recorded on the closing date of the transaction.

SEAPOWER CARPENTER CAPITAL, INC.
(A wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company)

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

NOTE 1 – Summary of Significant Accounting Policies (Continued)

Provision for Income Taxes and Deferred Income Taxes

Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due and deferred taxes. The company files its tax return on a consolidated basis with the parent under a tax sharing arrangement, which requires the company to provide for taxes on the “separate return” basis. Deferred taxes, if any, are recognized for differences between the basis of assets and liabilities for financial statements and income tax purposes.

FASB Interpretation No. 48, “*Accounting for Uncertainty in Income Taxes*” (FIN 48) addresses the accounting for uncertainty in income taxes recognized in an enterprise’s financial statements and prescribes a “more-likely-than-not” threshold for recognition and derecognition of tax positions taken or expected to be taken in a tax return. Upon adoption of FIN 48, the company will be required to recognize the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being recognized. Additionally, previously recognized tax positions that no longer meet the more-likely-than-not threshold should be derecognized in the first financial reporting period in which that threshold is no longer met. Changes in recognition or measurement will be reflected in the period in which the change in judgment occurs.

On December 30, 2008, FASB Staff Position FIN 48-3 “*Effective Date of FASB Interpretation No. 48 for Certain Nonpublic Enterprises*” deferred the effective date of FIN 48 for certain nonpublic enterprises for annual financial statements for periods beginning on or after December 15, 2008. As a result, the company has elected to defer the adoption of FIN 48. Management is currently assessing the impact, if any, the adoption of FIN 48 will have on the company’s financial statements.

The company currently recognizes the effect of income tax positions only if such positions are probable of being sustained.

SEAPOWER CARPENTER CAPITAL, INC.
(A wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company)

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

NOTE 2 – Related-Party Activities

The parent pays all the general and administrative expenses, which are allocated to the company through the due-to-parent account pursuant to a services and expenses sharing agreement between the company and its parent. The agreement provides for allocations that correspond to and are representative of the level of activity of the company throughout the year. This includes expenses related to back-office support and overhead. The company paid \$773,834 and \$1,120,059 to the parent for general and administrative expenses for the years ended December 31, 2008 and 2007, respectively. The due-to-parent account is also credited or debited for the company's provision for income taxes.

NOTE 3 – Net Capital Requirements

The company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC rule 15c3-1), which requires both the maintenance of minimum net capital and that the ratio of aggregate indebtedness to net capital, each as defined, shall not exceed 15 to 1 (and the rule of the "applicable" exchange also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1). At December 31, 2008, the company had net capital of \$393,443, which was \$388,443 in excess of its required net capital of \$5,000. The company's ratio of aggregate indebtedness to net capital was .09 to 1.

NOTE 4 – Provision for Income Taxes

The provision for income taxes consists of the following:

	For the Year Ended December 31,	
	2008	2007
Current		
Federal	\$ 28,784	\$ 200,114
State	<u>6,057</u>	<u>52,886</u>
	<u>\$ 34,841</u>	<u>\$ 253,000</u>

SEAPOWER CARPENTER CAPITAL, INC.
(A wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company)

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

NOTE 5 – Concentration of Credit Risk

As of December 31, 2008 and at various times during the year then ended, the company maintained cash balances in its bank in excess of federally insured limits. Given the current economic environment and risks in the banking industry, there is risk that these deposits may not be readily available or may not be covered by insurance.

The company provides financial consulting services for the parent's clients, which may range from nine to eleven engagements per year.



Established 1926

**WINDES & McCLAUGHRY
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**INDEPENDENT AUDITORS' REPORT
ON SUPPLEMENTARY INFORMATION REQUIRED BY RULE 17a-5
OF THE SECURITIES AND EXCHANGE COMMISSION**

To the Board of Directors of
Seapower Carpenter Capital, Inc.

We have audited the accompanying financial statements of Seapower Carpenter Capital, Inc. (a wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company) (the company), as of and for the year ended December 31, 2008, and have issued our report thereon dated February 24, 2009. Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in Schedules 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 under 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 basic financial statements taken as a whole.

A handwritten signature in cursive script that reads "Windes & McClaughry".

Long Beach, California
February 24, 2009

SEAPOWER CARPENTER CAPITAL, INC.
(A wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company)

SUPPLEMENTARY INFORMATION

SCHEDULE I
COMPUTATION OF NET CAPITAL PURSUANT TO UNIFORM NET
CAPITAL RULE 15c3-1 AND RECONCILIATION WITH COMPUTATION
INCLUDED IN THE COMPANY'S CORRESPONDING UNAUDITED
FORM X-17A-5 PART IIA FILING
DECEMBER 31, 2008

CREDITS	
Stockholder's equity per company's unaudited X-17A-5 Part IIA Filing	\$ 399,414
AUDIT ADJUSTMENTS	<u>None</u>
STOCKHOLDER'S EQUITY PER FINANCIAL STATEMENTS	399,414
Nonallowable assets	(<u>5,971</u>)
NET CAPITAL	393,443
MINIMUM NET CAPITAL REQUIREMENTS - THE GREATER OF \$5,000 OR 6-2/3% OF AGGREGATE INDEBTEDNESS OF \$34,841	<u>5,000</u>
Excess net capital	<u>\$ 388,443</u>
Excess net capital at 1000%	<u>\$ 389,958</u>
RATIO: AGGREGATE INDEBTEDNESS TO NET CAPITAL	<u>8.86%</u>
NET CAPITAL PER COMPANY'S UNAUDITED FORM X-17A-5	
Part IIA filing	\$ 393,443
Net audit adjustments	<u>None</u>
NET CAPITAL PER REPORT PURSUANT TO RULE 17a-5	<u>\$ 393,443</u>
AGGREGATE INDEBTEDNESS PER COMPANY'S UNAUDITED FORM X-17A-5	
Part IIA filing	\$ 34,841
Net audit adjustments	<u>None</u>
AGGREGATE INDEBTEDNESS	<u>\$ 34,841</u>

The Independent Auditors' Report on Page 10
should be read in conjunction with these statements.

SEAPOWER CARPENTER CAPITAL, INC.
(A wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company)

SUPPLEMENTARY INFORMATION

SCHEDULE II
DECEMBER 31, 2008

1. Computation of Reserve Requirements Pursuant to Rule 15c3-3:

Not applicable because the company is exempt under Rule 15c3-3 section (k)(2)(i) – “Special Account for the Exclusive Benefit of Customers” maintained.

2. Information Relating to Possession or Control Requirements under Rule 15c3-3:

Not applicable because the company is exempt under Rule 15c3-3 section (k)(2)(i) – “Special Account for the Exclusive Benefit of Customers” maintained.

The Independent Auditors’ Report on Page 10
should be read in conjunction with these statements.



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**INDEPENDENT AUDITORS' REPORT
ON INTERNAL CONTROL REQUIRED BY SEC
RULE 17a-5(g)(1) FOR A BROKER-DEALER CLAIMING AN
EXEMPTION FROM SEC RULE 15c3-3**

To the Board of Directors of
Seapower Carpenter Capital, Inc.

In planning and performing our audit of the financial statements and supplemental schedules of Seapower Carpenter Capital, Inc. (a wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company) (the company), as of and for the year ended December 31, 2008 in accordance with auditing standards generally accepted in the United States of America, 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, 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.

Because of inherent limitations in internal control and 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 their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or 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 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 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, as described in the second paragraph of this report, were adequate at December 31, 2008, to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, Financial Industry Regulatory Authority 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.

A handwritten signature in cursive script that reads "Windes & McCaughey".

Long Beach, California
February 24, 2009