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

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

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	February 28, 2010
Estimated average burden hours per response....	12.00

SEC FILE NUMBER
8- 66989

3/17

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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 01/01/2008 AND ENDING 12/31/2008

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: MK/A Cross Point Capital LLC  
Structured and Alternative Securities LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

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

700 Alexander Park, Suite 201

(No. and Street)

Princeton  
(City)

NJ  
(State)

08540  
(Zip Code)

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

Munish Sood

609-514-9200

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

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

Mercadien P.C., Certified Public Accountants

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

P.O. Box 7648  
(Address)

Princeton  
(City)

NJ  
(State)

08543-7648  
(Zip Code)

CHECK ONE:

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

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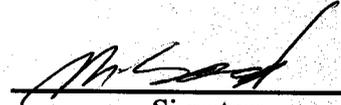
\* Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

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.

JD  
3/25/09

## OATH OR AFFIRMATION

I, **Munish Sood**, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of **Structured and Alternative Securities, LLC**, 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.

  
\_\_\_\_\_  
Signature

CEO  
\_\_\_\_\_  
Title

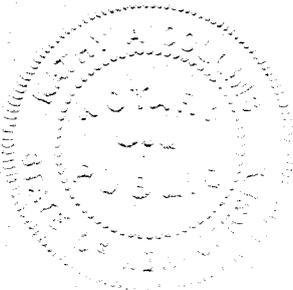
Kathy A. Collins  
\_\_\_\_\_  
Notary Public

KATHY A. COLLINS  
NOTARY PUBLIC  
STATE OF NEW JERSEY  
MY COMMISSION EXPIRES 05/26/2009

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

- (a) Facing page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Cash Flows.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's 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.
- (o) Independent Auditor's Report on Internal Control

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



## INDEPENDENT AUDITORS' REPORT

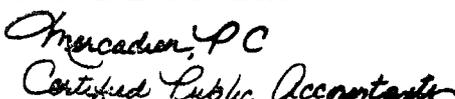
To the Members Of  
Structured and Alternative Securities, LLC

We have audited the accompanying statement of financial condition of Structured and Alternative Securities, LLC (the "Company") as of December 31, 2008, and the related statements of income, changes in members' capital 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 Structured and Alternative Securities, LLC as of December 31, 2008, and the results of its operations, changes in members' capital and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying information on page ten 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 and 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.

  
February 23, 2009

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OVER 45 YEARS OF SERVICE TO THE COMMUNITY

**STRUCTURED AND ALTERNATIVE SECURITIES, LLC**

**STATEMENT OF FINANCIAL CONDITION**

December 31, 2008

ASSETS	
Cash	\$ 13,128
Clearing account deposit	<u>149,864</u>
Total Assets	<u>\$ 162,992</u>
LIABILITIES AND MEMBERS' CAPITAL	
Liabilities	
Accrued expenses	<u>\$ 52,097</u>
Members' Capital	<u>110,895</u>
Total Liabilities and Members' Capital	<u>\$ 162,992</u>

**STRUCTURED AND ALTERNATIVE SECURITIES, LLC**

**STATEMENT OF INCOME**

Year Ended December 31, 2008

Revenues	
Placement fees	\$ 19,869
Other revenue	<u>35,099</u>
Total revenue	<u>54,968</u>
Other expenses	
Professional fees	92,330
Subscriptions	13,197
Office expense	<u>1,711</u>
Total operating expenses	<u>107,238</u>
Net loss	<u>\$ (52,270)</u>

**STRUCTURED AND ALTERNATIVE SECURITIES, LLC**

**STATEMENT OF CHANGES IN MEMBERS' CAPITAL**

Year Ended December 31, 2008

Balance, January 1, 2008	\$ 76,366
Contributions	120,000
Net loss	(52,270)
Distributions	<u>(33,201)</u>
Balance, December 31, 2008	<u>\$ 110,895</u>

**STRUCTURED AND ALTERNATIVE SECURITIES, LLC**

**STATEMENT OF CASH FLOWS**

Year Ended December 31, 2008

Cash Flows from Operating Activities

Net loss	\$ (52,270)
Adjustments to reconcile net income to net cash used by operating activities	
Changes in assets and liabilities	
Accrued expenses	37,753
Accounts receivable	<u>(114,753)</u>
Net cash used by operating activities	<u>(129,270)</u>

Cash Flows used in Financing Activities

Capital contributions	120,000
Capital distributions	<u>(33,201)</u>
Net cash provided by financial activities	-

Net decrease in cash	(42,471)
Cash, beginning of year	<u>55,599</u>
Cash, end of year	<u>\$ 13,128</u>

# STRUCTURED AND ALTERNATIVE SECURITIES, LLC

## NOTES TO FINANCIAL STATEMENTS

### A. BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Nature of Organization**

Structured and Alternative Securities, LLC (the "Company") was incorporated on June 27, 2005, and is a broker-dealer located in Princeton, New Jersey. The Company is registered with the Securities and Exchange Commission (the "SEC") and the State Securities Commission of New Jersey and is a member of the National Association of Securities Dealers, Inc.

The Company assists in the brokerage of private placements of securities and assists as a structuring and placement advisor in the securitization of pools of structured and/or asset or collateralization-based finance vehicles.

#### **15c3-3 Exemption**

The Company operates under the provisions of Paragraph (k)(2)(i) of rule 15c3-3 of the SEC and, accordingly, is exempt from the remaining provisions of that rule. A broker-dealer who carries no margin accounts, promptly transmits all customer funds, and delivers all securities received in connection with its activities as a broker or dealer, does not otherwise hold funds or securities for, or owe money or securities to, customers and effectuates all financial transactions between the broker or dealer and his customers through one or more bank accounts, each to be designated as a Special Account for the Exclusive Benefit of Customers of the Company, is qualified to operate under the provisions of Paragraph (k)(2)(i) of rule 15c3-3 of the SEC. Broker-dealers operating under the provisions of (k)(2)(i) are also exempted from the remaining provisions of rule 15c3-3, including the requirement to make the reserve computations under rule 15c3-3.

#### **Income Taxes**

Income from the Company flows through to the members' individual federal and state income tax returns. The Company is not a taxpaying entity for the purpose of federal and state income taxes, and thus, no income taxes have been recorded in these financial statements.

#### **Use of Estimates**

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

# STRUCTURED AND ALTERNATIVE SECURITIES, LLC

## NOTES TO FINANCIAL STATEMENTS

### **B. NET CAPITAL REQUIREMENTS**

The Company is a registered broker-dealer subject to the SEC Uniform Net Capital Rule 15c3-1. This rule requires that the Company maintain minimum net capital, as defined, of at least the greater of \$5,000 or 6 2/3% of aggregate indebtedness, as defined. Net capital and aggregate indebtedness change from day to day, but as of December 31, 2008, the Company had net capital of \$110,895, which exceeded its requirements of \$5,000 by \$105,895.

### **C. MAJOR CUSTOMERS**

The Company participated in only two placements of securities in 2008 and thus generated all of its placement fee revenue from two issuers.

### **D. RELATED PARTY TRANSACTIONS**

A member of the Company provides advisory and management services to the Company without compensation. Capital distributions of \$33,201 were made to the member for the year ended December 31, 2008.

## **SUPPLEMENTARY INFORMATION**

**STRUCTURED AND ALTERNATIVE SECURITIES, LLC**  
**COMPUTATION OF NET CAPITAL UNDER SEC RULE 15c3-1**

As of December 31, 2008

Members' Capital	<u>\$ 110,895</u>
Non-allowable assets	<u>-</u>
Net capital	110,895
Minimum capital requirement	<u>5,000</u>
Net capital in excess of minimum requirement	<u>\$ 105,895</u>
Aggregate indebtedness	<u>\$ 52,097</u>
Ratio of aggregate indebtedness to net capital	<u>0.4919 to 1</u>

Reconciliation with Company's computation (included in Part II A of Form X-17A-5 as of December 31, 2008).

Net capital, as reported in Company's Part II (unaudited) FOCUS report	\$ 110,895
Audit adjustments (net)	<u>-</u>
Net capital per above	<u>\$ 110,895</u>

The Company claims an exemption from SEC Rule 15c3-3 under the (k)(2)(i) provision, and therefore, no computation for determination of reserve requirements was necessary.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL  
REQUIRED BY SEC RULE 17a-5

To the Members of  
Structured and Alternative Securities, LLC

In planning and performing our audit of the financial statements of Structured and Alternative Securities, LLC (the "Company") for the year ended December 31, 2008, we considered its internal control, including control activities for safeguarding securities, 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.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission (the "SEC"), we have made a study of the practices and procedures followed by the Company, including tests of compliance with 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 and net capital under Rule 17a-3(a)(11) and 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 making the quarterly securities examinations, counts, verifications and comparisons and recordation of differences required by rule 17a-13 or in complying with the requirements for prompt payment for securities of Section 8 of 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 following 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

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL  
REQUIRED BY SEC RULE 17a-5 (CONTINUED)

authorization and recorded properly to permit the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Rule 17a-5(g) lists additional objectives of the practices and procedures in the preceding paragraph.

Because of inherent limitations in any internal control or the practices and procedures referred to above, errors 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 a combination of control deficiencies, that adversely affects the Company'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 Company'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 at December 31, 2008, the Company's practices and procedures were adequate to meet the SEC's objectives.

This report is intended solely for the information and use of the members, management member, the SEC, the 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.

*Mercaderes, PC*  
*Certified Public Accountants*

February 23, 2009

**STRUCTURED AND ALTERNATIVE  
SECURITIES, LLC**

Financial Statements  
and  
Supplementary Information

December 31, 2008

**SEC Mail Processing  
Section**

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# STRUCTURED AND ALTERNATIVE SECURITIES, LLC

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