

EXHIBIT AA

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BEFORE THE FINANCIAL INDUSTRY
REGULATORY AUTHORITY

ORIGINAL

In the Matter of
MCGINN SMITH & COMPANY
20090179845

INVESTIGATIVE TESTIMONY OF
THOMAS LIVINGSTON
WOODBIDGE, NEW JERSEY
FEBRUARY 18, 2010

ATKINSON-BAKER, INC.
COURT REPORTERS
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REPORTED BY: S. ARIELLE SANTOS, RPR, CSR, CLR
FILE NO.: A400615

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BEFORE THE FINANCIAL INDUSTRY
REGULATORY AUTHORITY

In the Matter of
MCGINN SMITH & COMPANY
20090179845

Investigative testimony of THOMAS LIVINGSTON,
taken at FINRA, 581 Main Street, 7th Floor, Woodbridge, New
Jersey, on February 18, 2010, commencing at 9:30 a.m.

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APPEARANCES:

BY - CHRISTOPHER RATTINER

BY - STEVEN ROWEN

BY - MICHAEL NEWMAN

BY - MICHAEL PAULSEN

BY - RANDY PEARLMAN

FINRA

581 Main Street, 7th Floor

Woodbridge, New Jersey 07095

Representing FINRA.

THOMAS LIVINGSTON

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Q How many current arbitrations are there outstanding against McGinn Smith?

A I have no idea.

Q Have you asked for that information?

A I have not, no, not yet. That's part of --

Q Part of your --

A What my lawyer is going to ask for.

I suspect when I want to get my money out, they are going to say that these exposures haven't been settled. And I am sure they have legal fees to offset. There's just a whole host of things that -- I want to go back to when I left.

Q Right. Okay. What personal bank accounts do you maintain?

A I have a Trustco, T-R-U-S-T-C-O.

Q That's checking or savings?

A That's checking.

My wife has -- my wife, like most of us, controls the finances in my house, and I believe she is at Citizens Bank.

Q And that's checking or savings?

A I think it is both.

Q Where do you pay your bills from?

THOMAS LIVINGSTON

1
2 Which one of those two accounts?

3 A I have no he idea. My wife would be
4 able to answer all those questions. She does most of
5 that stuff online.

6 Q How about brokerage accounts?

7 A I only have one, and that's still
8 being -- True Source, which is my IRA Keogh --
9 401(k). I'm sorry.

10 Q Other than that?

11 A That's it.

12 Q Okay. Do you have any trusts?

13 A I don't. Let me qualify that. I
14 have set up through life insurance -- I have a
15 handicapped child. So there's a Medicaid Trust set
16 up for her that -- upon my death rather than her
17 getting money it will go into this trust to help her
18 with her medical needs.

19 Q Okay.

20 A But it's funded by the life
21 insurance.

22 MR. RATTINER: We are going to
23 take a 10-minute break, restroom break,
24 court reporter break.

25 (Whereupon a recess is taken.)

THOMAS LIVINGSTON

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Q Few lines below?

A 121,790.

Q Right. Were you aware of that?

A No, I was not. What is that for?
Maybe I shouldn't be asking these questions.

Q No, that's fine.

A I don't know what the 4 is, so...

Q MS Preferred, the 435,000 you are not
aware?

A I was not.

Q SAI Junior, do you know who owns
that?

A I don't, no.

Q Okay.

A SAI, I was familiar with what SAI
was.

Q Was it an Alarm Contract?

A It was an Alarm Contract. It was a
Senior and Junior SAI that was done long before these
things ever came about.

Q Was that part of the group that was
then purchased by IASG?

A I don't know if SAI was. Again, it
has no -- I don't have any ownership in SAI or any

THOMAS LIVINGSTON

1
2 knowledge of SAI.

3 Q Okay. You are not familiar with the
4 current ownership or ownership during this time frame
5 of SAI Trust?

6 A No.

7 Q Okay. How about SPT?

8 A I have no idea what SPT is.

9 Q Okay. If we go on to the next page,
10 which is for First Excelsior.

11 A Hm-hm.

12 Q We will see M&S Partners again in the
13 middle of the page at 300,000.

14 A Hm-hm.

15 Q Were you aware of that loan?

16 A No.

17 Q How about the MS Preferred at the
18 bottom of the page?

19 A No.

20 Q If we turn to FAIN. I believe that's
21 page 6.

22 You see the loan there, it says FIIN,
23 First Independent, \$70,000? About five, six lines
24 down.

25 A Yes.