

EXHIBIT B



Financial Industry Regulatory Authority

September 5, 2008

Mr. David Smith, President & Chief Executive Officer
McGinn, Smith & Co., Inc.
Capital Center
99 Pine St.
Albany, NY, 12207

Re: 2008 Cycle Examination of McGinn, Smith & Co., Inc. - 20080117152
Firm CRD Number: 8453

Dear Mr. Smith:

Allow me to introduce Steven Rowen who will lead the Financial/Operational and Sales Practice examination of your firm, which is scheduled to commence on Wednesday, October 1, 2008. Mr. Rowen may be contacted by telephone at (732) 596-2075 or by e-mail at steven.rowen@finra.org.

The objectives of this examination will be to meet our regulatory mandates and to provide you with an assessment of the firm's compliance with applicable securities rules and regulations including, but not limited to, Anti-Money Laundering & OFAC Compliance, Net Capital, Customer Grievances, Municipal Securities, Supervision and Supervisory Controls.

As part of the upcoming examination of your firm, we will be submitting an Information Request (WebIR) to you, which is to be completed online. This request contains questions that will need to be answered in advance of the examination fieldwork. Your firm's response to the questions in the WebIR will assist the examiners in preparing for the onsite portion of the examination and building an Initial Records Request.

Upon arrival, the examination team would like the opportunity to meet with you and/or your representative(s) to discuss the examination process and to gather additional information that will facilitate the examination. This will be an opportunity for the firm and the examination team to set expectations and lay the groundwork for a successful and beneficial examination. Not only will the examination team meet with you and/or your representative(s) throughout the course of the examination, but also at the end of the onsite phase, during the Exit Meeting. At the Exit Meeting you will be provided with an Exit Meeting Report that summarizes the exceptions noted and observations made by the examination team during its various onsite reviews. Following the supervisory review of the examination file, your firm will receive an Examination Report. The Examination Report will serve to identify and detail final examination exceptions. Your firm will be required to demonstrate that it has taken adequate corrective action to address all examination exceptions before the examination can be closed.

Investor protection. Market integrity

For more information, visit www.finra.org
or call 1-800-368-7672
The Municipal Securities Administration
400 Broad Street
Columbus, OH 43215

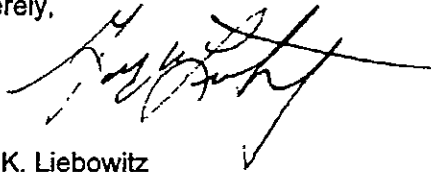
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In addition to the examiner(s) conducting this examination, you should not hesitate to contact the Examination Manager, Michael Paulsen, who can be contacted by telephone at (732) 596-2073 or by e-mail at michael.paulsen@finra.org, during the onsite portion of the examination to answer any questions you may have concerning the examination process.

Additional information concerning the cycle examination process is available at www.FINRA.org. Our examination team looks forward to meeting you on October 1, 2008. If you should have any questions, please do not hesitate to contact me at (732) 596-2025.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary K. Liebowitz", with a long horizontal flourish extending to the right.

Gary K. Liebowitz
Senior Vice President/Regional Director