

UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA

v

TIMOTHY M. McGINN and  
DAVID L. SMITH,  
*Defendants*

1:12-CR-028-DNH

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SECURITIES AND EXCHANGE COMMISSION,

*Plaintiff,*

v.

McGINN, SMITH & CO., INC.,  
McGINN, SMITH ADVISORS, LLC  
McGINN, SMITH CAPITAL HOLDINGS CORP.,  
FIRST ADVISORY INCOME NOTES, LLC,  
FIRST EXCELSIOR INCOME NOTES, LLC,  
FIRST INDEPENDENT INCOME NOTES, LLC,  
THIRD ALBANY INCOME NOTES, LLC,  
TIMOTHY M. McGINN, and  
DAVID L. SMITH, GEOFFREY R. SMITH,  
Individually and as Trustee of the David L. and  
Lynn A. Smith Irrevocable Trust U/A 8/04/04,  
LAUREN T. SMITH, and NANCY McGINN,

10 Civ. 457 GLS-DRH

*Defendants, and*

LYNN A. SMITH and  
NANCY McGINN,

*Relief Defendants, and*

GEOFFREY R. SMITH, Trustee of the  
David L. and Lynn A. Smith Irrevocable  
Trust U/A 8/04/04,

*Intervenor*

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**REPLY TO PLAINTIFF'S OPPOSITION OF DEFENDANT  
TIMOTHY MCGINN'S MOTION TO MODIFY THE JULY  
22, 2010 PRELIMINARY INJUNCTION ORDER**

Timothy McGinn hereby submits the Supplemental Declarations of Timothy McGinn and James C. Knox in reply to the SEC's Opposition to the Motions to Release Certain Assets from the Asset Freeze by Defendants Timothy M. McGinn and David L. Smith, dated February 24, 2012.

For the reasons stated herein and the submissions heretofore made on behalf of Mr. McGinn, it is respectfully requested that the Court grant Mr. McGinn's Motion for an Order modifying the Court's July 22, 2010 Preliminary Order to permit the release of certain assets frozen thereby and described herein for payment of Mr. McGinn's attorney fees and costs in his parallel criminal case or, in the alternative, to require the SEC to demonstrate that there is probable cause to believe Mr. McGinn committed the crimes charged and that all assets currently subject to the asset freeze orders are traceable to the alleged fraudulent conduct.

Dated: March 2, 2012  
Albany, New York

E. STEWART JONES, PLLC



JAMES C. KNOX, ESQ.

Bar Roll No. 517109

*Attorneys for Defendant*

*Timothy M. McGinn*

28 Second Street

Troy, NY 12180

Telephone: 518-274-5820

Facsimile: 518-274-5875

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SUPPLEMENTAL DECLARATION OF JAMES C. KNOX IN  
SUPPORT OF TIMOTHY MCGINN'S MOTION FOR THE  
RELEASE OF CERTAIN ASSETS TO PAY ATTORNEY FEES  
AND COSTS

JAMES C. KNOX, under penalty of perjury, affirms as follows:

1. I am an attorney at law duly licensed to practice in the State of New York, and I am an associate with the law firm of E. STEWART JONES, PLLC, the attorney for defendant TIMOTHY M. MCGINN in the above-named cases, and as such I am fully familiar with all the facts and circumstances in these cases.
2. This supplemental declaration is being made upon information and belief, except as to those matters wherein it states that your declarant has actual knowledge thereof.
3. I make this supplemental declaration in support of defendant McGinn's application for an order modifying the Preliminary Injunction in Case No. 1:10-cv-00457-GLS-DRH to permit the release of certain assets in order to pay the attorney fees of Mr. McGinn in Case No. 1:12-CR-028-DNH .
4. As stated in Mr. McGinn's February 10, 2012, Motion to Modify the July 22, 2010, Preliminary Injunction Order, Mr. McGinn requires \$300,000 to pay the attorney fees and costs associated with his defense against the criminal prosecution.
5. As previously stated, the criminal charges which Mr. McGinn faces are complex and varied, and the voluminous evidence in this case increases the complexity of the case by several magnitudes. It is anticipated that, in combination, the attorney fees and costs required in Mr. McGinn's defense will exceed \$300,000.
6. Of this amount, at least \$50,000 is anticipated to be required to be allocated exclusively to expert witness fees, costs and other disbursements.
7. It will be necessary to retain experts for consultation and testimony at trial, and

my estimation that the cost to retain those experts, along with the other costs and disbursements that will be required, will equal or exceed \$50,000 is based upon the collective experience of E. STEWART JONES, PLLC, and its associated attorneys in defending cases of this nature and in retaining experts pursuant to that defense.

8. The estimate is a conservative one.

9. As to the remaining \$250,000 amount anticipated to be required in the defense of Mr. McGinn up to and through the anticipated trial, this is based upon the amount of time expected to be required in that defense, multiplied by the hourly rate of E. Stewart Jones, Jr., who will be the first-chair counsel on behalf of Mr. McGinn at trial, and by the hourly rate of associate attorneys at E. STEWART JONES, PLLC. Mr. Jones bills at the rate of \$500 per hour. His associates bill at the rate of \$250 per hour.

10. E. STEWART JONES, PLLC, represents criminal clients on a fixed-fee basis, taking into account the importance of the matter to the client and his or her future and family, the nature of the investigation and of the investigators and adversaries aligned against the client in the matter, the probability of E. STEWART JONES, PLLC, declining other clients or work because we have taken on the investigation or case, our degree of expertise and past experience in handling the particular type of case, and the value of our advice, strategy, accomplishments and reputation. Our time, experience, developed expertise, success and statewide and national reputation have an acknowledged and legally recognized, direct, quantifiable, qualitative and intangible value, and that is incorporated in the representation we provide to our clients in exchange for the retainer fee.

11. During the anticipated four-week trial, it is anticipated that Mr. Jones will be required to work 60 hours per week in order to prepare for and try the case. In addition, an

associate will be required to assist him in this endeavor, requiring the same number of hours.

This amounts to \$180,000 in receivables for attorney time for the trial alone.

12. Representation prior to trial, including the filing of pretrial motions, discovery, and trial preparation is expected to exceed 200 hours of attorney time.

13. Given the above trial and pretrial attorney fees, if billed at an hourly rate, the cost of Mr. McGinn's defense would certainly exceed the \$300,000 fixed fee assessed in this case for Mr. McGinn's defense.

14. The rate and fees described herein and in the previous declaration submitted with this Motion by your declarant are commensurate with the fees typically set by E. STEWART JONES, PLLC, and the methodology used to arrive at such a fee.

15. That methodology is to estimate the time that will be required and to multiply that time by the hourly rate of the attorneys who will work on the case. The SEC has submitted nothing to contradict our prediction that the trial will take four weeks, nor have they submitted any evidence that our billing rates are unreasonable or not commensurate with those of similarly qualified firms.

16. Although the SEC contends that there has been no showing that the requested fees and costs are reasonable, the expenditures made heretofore in the criminal defense of Mr. McGinn have been set forth in my prior declaration and the anticipated expenditures have been estimated as accurately and with as much precision as is possible, based upon the extensive prior experience of E. STEWART JONES, PLLC, in cases of this type and in this case thus far multiplied by the hourly rate of the attorneys who will work on the case, i.e., your declarant and E. Stewart Jones, Jr.

17. Notwithstanding the accuracy of the projected costs of this defense, it is clear that

the value of the assets sought to be released and used to pay for Mr. McGinn's defense and set forth in Schedule A falls far short of the expected cost. The sale and conversion to cash of those assets is expected to generate a sum which is less than half of the cost of the defense.

18. It is noted that the SEC has conceded in its Memorandum of Law in Opposition that the funds in Mr. McGinn's McGinn-Smith retirement account (Schedule A, Item No. 10) are not tainted by fraud because the account was funded prior to 2003, and therefore it is respectfully requested that the Court order the release of those funds forthwith pursuant to the instant application.

19. Similarly, items Nos. 1, 2 and 4 listed on Schedule A were also acquired prior to 2003 and, therefore, it is submitted that there can likewise be no reasonable contention that those assets were tainted by fraud or acquired with funds so tainted. Thus, it is respectfully submitted that this Court should treat those assets likewise and summarily order their release forthwith.

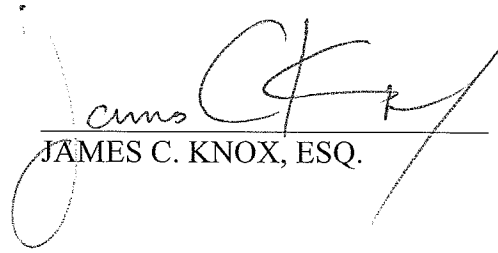
20. As to the other assets listed on Schedule A, it is noted that the prior-submitted declarations and exhibits, along with the herewith submitted Reply Declaration of Timothy McGinn and attached exhibits, make clear that those assets were likewise not acquired with fraud-tainted funds.

21. Moreover, the proof that those assets are not tainted by fraud is solely within the hands of the SEC, contained within the records and other documents they have seized thus far in this case. Mr. McGinn does not have access to that proof.

22. It is respectfully requested that, upon on all the submissions made on behalf of Mr. McGinn in support of the instant motion, the Court grant relief sought in this motion along with such other and further relief as the Court deems appropriate in the interest of justice.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: March 2, 2012



A handwritten signature in black ink, appearing to read "James C. Knox", is written over a horizontal line. Below the line, the name "JAMES C. KNOX, ESQ." is printed in a serif font.

JAMES C. KNOX, ESQ.



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SUPPLEMENTAL DECLARATION OF TIMOTHY M. MCGINN

TIMOTHY M. MCGINN hereby declares under penalty of perjury:

1. I am a defendant in the above-captioned actions, and I currently reside at 126 Via Palma Lane in Boca Raton, Florida.
2. I make this supplemental declaration in support of my motion to modify the July 22, 2010 Preliminary Injunction Order (Case No. 10 Civ. 457 GLS-DRH) to release certain assets to pay attorneys' fees and costs.
3. Attached hereto as Exhibit "A" is a copy of my banking history from December 19, 2011 through March 1, 2012. Those items denoted as "TMS TRANSFER" and "AMERIBANC NATION PAYROLL" are income items from my work as a sales representative for Total Merchant Services.
4. Attached hereto as Exhibit "B" is a schedule of income received in that business. As can be seen from Exhibits "A" and "B," my income thus far in 2012 has fallen short of the average monthly income I ordinarily receive from Total Merchant Services.
5. Exhibit "A" also shows that I do in fact receive \$1,876 in Social Security retirement benefits per month.
6. With my recent below-average income from Total Merchant Services, our household is operating at a significant deficit.
7. I currently have no other sources of income or unrestrained assets.
8. I have received a one-time gift of \$1,000 from my daughter, Kathleen McGinn. See Exhibit "A."
9. As regards to the assertions made by the SEC in reliance upon the information given at the deposition of my wife, Nancy McGinn, on November 28, 2011, that I lack credibility, it should be noted that the SEC's implicit assumption that the information stated remains current is false.

TMM  
3/2/12

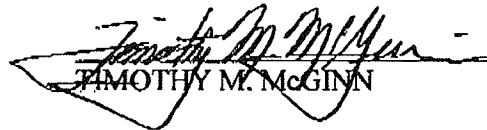
10. First, Nancy was forced to move out of the apartment and in with her parents some time ago due to her inability to afford the rent.

11. Second, although she has been employed as an innkeeper, that work is seasonal only, and, thus, she is currently on unemployment.

12. Accordingly, I have moved this Court to authorize the release of my frozen assets listed in Schedule A for the payment of necessary and reasonable attorneys' fees and costs related to my criminal case. As I have previously asserted, none of the items listed in Schedule A was funded with any money that could be associated with the allegations of fraud pending in the above-named actions.

Pursuant to 18 U.S.C. § 1746, I declare under the penalty of perjury that the foregoing is true and correct.

Dated: March 2, 2012

  
TIMOTHY M. MCGINN

# EXHIBIT A

**History between the banking dates of 07/01/2011 and 03/02/2012**

Date	Type	Description	Debit	Credit
03/01/2012	DEBIT CARD	VISA DDA PUR 443105 CITY OF BOCA RATON BOCA RATON * FL	\$ .50	
03/01/2012	DEBIT CARD	VISA DDA PUR 416407 FEDEXOFFICE 00015776 FORT LAUDERDA * FL	\$1.31	
03/01/2012	DEP	DEPOSIT		\$140.00
02/29/2012	POS	DDA PURCHASE *9098 00312215 NNT ROXY AND LULU L562 DELRAY BEACH * FL	\$ .02	
02/28/2012	DEBIT CARD	VISA DDA PUR 407105 SUNDECK MOTEL FORT LAUDERDA * FL	\$ .01	
02/28/2012	DEBIT CARD	VISA DDA PUR 407105 SUNDECK MOTEL FORT LAUDERDA * FL	\$ .02	
02/28/2012	DEBIT CARD	VISA DDA PUR 407105 SUNDECK MOTEL FORT LAUDERDA * FL	\$ .03	
02/28/2012	DEBIT CARD	VISA DDA PUR 407105 SUNDECK MOTEL FORT LAUDERDA * FL	\$ .04	
02/28/2012	CREDIT	VISA DDA REF 407105 SUNDECK MOTEL FORT LAUDERDA * FL		\$ .01
02/27/2012	CHECK	CHECK # 203	\$41.65	
02/23/2012	ATM	DDA WITHDRAW *9098 TW04Y470 969 SE 5TH AVE DELRAY BEACH * FL	\$200.00	
02/23/2012	DEP	DEPOSIT		\$21.37
02/23/2012	DEP	DEPOSIT		\$200.00
02/22/2012	DEBIT CARD	VISA DDA PUR 469216 TOWN OF LAUDERDALE BY LAUD BY THE S * FL	\$1.50	
02/22/2012	ATM	DDA WITHDRAW *9098 TW04Y470 969 SE 5TH AVE DELRAY BEACH * FL	\$180.00	
02/22/2012	DIRECTDEP	TMS TRANSFER		\$200.00
02/21/2012	DEBIT CARD	VISA DDA PUR 407105 INK TONER USA BOCA RATON * FL	\$ .01	
02/21/2012	DEBIT CARD	VISA DDA PUR 407105 SCOTS FORT LAUDERDA * FL	\$ .02	
02/21/2012	DEBIT CARD	VISA DDA PUR 407105 SCOTS FORT LAUDERDA * FL	\$ .02	
02/21/2012	DEBIT CARD	VISA DDA PUR 407105 INK TONER USA BOCA RATON * FL	\$ .02	
02/21/2012	DEBIT CARD	VISA DDA PUR 407105 SCOTS FORT LAUDERDA * FL	\$ .03	
02/21/2012	DEBIT CARD	VISA DDA PUR 429910 MARATHON OIL 005207 BOCA RATON * FL	\$4.88	
02/17/2012	ATM	DDA WITHDRAW *9098 TW040C15 4975 LINTON BOULEVARD DELRAY BEACH * FL	\$60.00	
02/17/2012	DIRECTDEP	AMERIBANC NATION PAYROLL		\$50.00
02/16/2012	FEE	MAINTENANCE FEE	\$10.00	
02/16/2012	POS	DDA PURCHASE *9098 QHD4 EXXONMOBIL DELRAY B * FL	\$29.91	
02/16/2012	ATM	DDA WITHDRAW *9098 TW04Y470 969 SE 5TH AVE DELRAY BEACH * FL	\$160.00	
02/16/2012	DIRECTDEP	TMS TRANSFER		\$200.00
02/15/2012	DEBIT CARD	VISA DDA PUR 469216 TOWN OF LAUDERDALE BY LAUD BY THE S * FL	\$1.50	
02/15/2012	DEBIT CARD	VISA DDA PUR 469216 TOWN OF LAUDERDALE BY LAUD BY THE S * FL	\$3.00	
02/15/2012	DEBIT CARD	VISA DDA PUR 421073 ARUBA BEACH CAFE LAUD BY THE S * FL	\$24.66	
02/14/2012	DEBIT CARD	VISA DDA PUR 475542 CITY OF FL PARKING SVCS FORT LAUDERDA * FL	\$ .50	
02/13/2012	DEBIT CARD	VISA DDA PUR 469216 TOWN OF LAUDERDALE BY LAUD BY THE S * FL	\$1.25	

02/13/2012	DEBIT CARD	VISA DDA PUR 469216 TOWN OF LAUDERDALE BY LAUD BY THE S * FL	\$1.50
02/13/2012	POS	DDA PURCHASE *9098 00MLD442 7 ELEVEN FORT LAUDERDA * FL	\$8.00
02/13/2012	POS	DDA PURCHASE *9098 88246501 YAMATO U GAS BOCA RATON * FL	\$15.98
02/13/2012	POS	DDA PURCHASE *9098 00219766 STAPLES INC DELRAY BEACH * FL	\$21.18
02/13/2012	POS	DDA PURCHASE *9098 QHD4 EXXONMOBIL DELRAY B * FL	\$46.30
02/10/2012	ATM	DDA WITHDRAW *9098 TW040J38 2301 NORTH FEDERAL HIGHW BOCA RATON * FL	\$200.00
02/10/2012	DIRECTDEP	AMERIBANC NATION PAYROLI	\$50.00
02/10/2012	DIRECTDEP	TMS TRANSFER	\$200.00
02/09/2012	ATM	DDA WITHDRAW *9098 TW040J38 2301 NORTH FEDERAL HIGHW BOCA RATON * FL	\$200.00
02/09/2012	CHECK	CHECK # 200	\$310.00
02/09/2012	DIRECTDEP	TMS TRANSFER	\$200.00
02/08/2012	POS	DDA PURCHASE *9098 83814501 SPANISH RIVER BP BOCA RATON * FL	\$50.24
02/08/2012	DEBIT	DEBIT	\$1,450.00
02/08/2012	DIRECTDEP	US TREASURY 303 XXSOC SEC	\$1,876.00
02/07/2012	ATM	DDA WITHDRAW *9098 TW040J38 2301 NORTH FEDERAL HIGHW BOCA RATON * FL	\$180.00
02/07/2012	DIRECTDEP	TMS TRANSFER	\$200.00
02/06/2012	DEBIT CARD	VISA DDA PUR 469216 TOWN OF LAUDERDALE BY LAUD BY THE S * FL	\$2.25
02/06/2012	POS	DDA PURCHASE *9098 P0369003 PUBLIX BOCA RATON * FL	\$3.99
02/06/2012	POS	DDA PURCHASE *9098 W0543327 WALGREENS BOCA RATON * FL	\$11.65
02/03/2012	DEBIT CARD	VISA DDA PUR 469216 APL APPLE ITUNES STORE 866 712 7753 * CA	\$2.98
02/03/2012	POS	DDA PURCHASE *9098 88246501 YAMATO U GAS BOCA RATON * FL	\$30.61
02/03/2012	ATM	DDA WITHDRAW *9098 TW04Y470 969 SE 5TH AVE DELRAY BEACH * FL	\$60.00
02/03/2012	ATM	DDA WITHDRAW *9098 TW040J38 2301 NORTH FEDERAL HIGHW BOCA RATON * FL	\$120.00
02/03/2012	DEP	DEPOSIT	\$45.00
02/03/2012	DIRECTDEP	TMS TRANSFER	\$200.00
02/01/2012	DEBIT CARD	VISA DDA PUR 407105 MAC S DINER SCHUYLERVILLE * NY	\$0.01
02/01/2012	DEBIT CARD	VISA DDA PUR 407105 MAC S DINER SCHUYLERVILLE * NY	\$0.02
02/01/2012	DEBIT CARD	VISA DDA PUR 407105 MAC S DINER SCHUYLERVILLE * NY	\$0.05
02/01/2012	DEBIT CARD	VISA DDA PUR 407105 MAC S DINER SCHUYLERVILLE * NY	\$0.06
02/01/2012	DEBIT CARD	VISA DDA PUR 407105 MAC S DINER SCHUYLERVILLE * NY	\$0.06
01/30/2012	DEBIT CARD	VISA DDA PUR 407105 GRETHEN CAHRENGER MEM TROY * NY	\$0.01
01/30/2012	DEBIT CARD	VISA DDA PUR 407105 CE BUELL CARPET SALES RENSSELAER * NY	\$0.02
01/30/2012	DEBIT CARD	VISA DDA PUR 407105 CE BUELL CARPET SALES RENSSELAER * NY	\$0.02
01/30/2012	DEBIT CARD	VISA DDA PUR 407105 GRETHEN CAHRENGER MEM TROY * NY	\$0.02
01/30/2012	DEBIT CARD	VISA DDA PUR 407105 CE BUELL CARPET SALES 518 2836143 * NY	\$0.03
		VISA DDA PUR	

01/30/2012	DEBIT CARD	407105 GRETHEN CAHRENGER MEM TROY * NY	\$ .03
01/30/2012	DEBIT CARD	VISA DDA PUR 416407 STARBUCKS CORP00073510 SARATOGA SPGS * NY	\$8.89
01/30/2012	DEBIT CARD	VISA DDA PUR 412250 THE CITY SQUIRE RESTAURA SCHENECTADY * NY	\$48.60
01/30/2012	ATM	DDA WITHDRAW *9098 TW181014 1 OLD LOUDON RD LATHAM * NY	\$200.00
01/30/2012	DIRECTDEP	TMS TRANSFER	\$200.00
01/27/2012	DIRECTDEP	AMERIBANC NATION PAYROLL	\$50.00
01/26/2012	DEBIT CARD	VISA DDA PUR 407105 YOGURT RENDEZVOUS BOCA RATON * FL	\$ .01
01/25/2012	DEBIT CARD	VISA DDA PUR 407105 YOGURT RENDEZVOUS BOCA RATON * FL	\$ .01
01/24/2012	FEE	WIRE TRANSFER FEE	\$15.00
01/24/2012	POS	DDA PURCHASE *9098 80130501 SHELL SERVICE STATION BOCA RATON * FL	\$58.17
01/24/2012	DEBIT	DEBIT	\$920.00
01/24/2012	CREDIT	WIRE TRANSFER INCOMING KATHLEEN MCGINN	\$1,000.00
01/23/2012	DEBIT CARD	VISA DDA PUR 407105 YOGURT RENDEZVOUS BOCA RATON * FL	\$ .01
01/20/2012	DEBIT CARD	VISA DDA PUR 407105 YOGURT RENDEZVOUS BOCA RATON * FL	\$ .02
01/20/2012	ATM	DDA WITHDRAW *9098 TW040J38 2301 NORTH FEDERAL HIGHW BOCA RATON * FL	\$280.00
01/20/2012	DIRECTDEP	AMERIBANC NATION PAYROLL	\$50.00
01/20/2012	DIRECTDEP	TMS TRANSFER	\$200.00
01/18/2012	DEBIT	DEBIT	\$600.00
01/18/2012	DIRECTDEP	TMS TRANSFER	\$600.00
01/17/2012	DEBIT CARD	VISA DDA PUR 407105 CUSTOM COATINGS FORT LAUDERDA * FL	\$ .01
01/17/2012	DEBIT CARD	VISA DDA PUR 407105 CUSTOM COATINGS FORT LAUDERDA * FL	\$ .02
01/17/2012	DEBIT CARD	VISA DDA PUR 407105 CUSTOM COATINGS 954 4672468 * FL	\$ .02
01/17/2012	DEBIT CARD	VISA DDA PUR 407105 CUSTOM COATINGS FORT LAUDERDA * FL	\$ .02
01/17/2012	DEBIT CARD	VISA DDA PUR 407105 CUSTOM COATINGS FORT LAUDERDA * FL	\$ .02
01/17/2012	DEBIT CARD	VISA DDA PUR 407105 CUSTOM COATINGS FORT LAUDERDA * FL	\$ .03
01/17/2012	DEBIT CARD	VISA DDA PUR 443105 CITY OF BOCA RATON BOCA RATON * FL	\$ .50
01/17/2012	DEBIT CARD	VISA DDA PUR 443105 CITY OF BOCA RATON BOCA RATON * FL	\$1.00
01/17/2012	DEBIT	CHASE EPAY	\$38.31
01/17/2012	POS	DDA PURCHASE *9098 QHD7 EXXONMOBIL DELRAY B * FL	\$39.18
01/17/2012	POS	DDA PURCHASE *9098 00524637 STAPLES INC DELRAY BEACH * FL	\$61.46
01/17/2012	CREDIT	VISA DDA REF 407105 CUSTOM COATINGS FORT LAUDERDA * FL	\$ .01
01/17/2012	CREDIT	VISA DDA REF 407105 CUSTOM COATINGS FORT LAUDERDA * FL	\$ .02
01/17/2012	DIRECTDEP	CHASE REVERSAL	\$21.51
01/13/2012	CHECK	CHECK # 198	\$310.00
01/13/2012	DIRECTDEP	AMERIBANC NATION PAYROLL	\$29.50
01/12/2012	ATM	DDA WITHDRAW *9098 TW04Y470 969 SE 5TH AVE DELRAY BEACH * FL	\$200.00
01/12/2012	DIRECTDEP	TMS TRANSFER	\$200.00
01/11/2012	DEBIT	DEBIT	\$1,540.00

01/11/2012	DIRECTDEP	US TREASURY 303 XXSOC SEC	\$1,876.00
01/09/2012	DEBIT CARD	VISA DDA PUR 407105 TECHNI AUTO BOCA RATON * FL	\$ .01
01/09/2012	DEBIT CARD	VISA DDA PUR 475542 MDC TRANSIT SFRTA TVM 786 4695187 * FL	\$5.00
01/06/2012	DEBIT CARD	VISA DDA PUR 407105 SHAWN P S AT VAN SCHAI COHOES * NY	\$ .02
01/06/2012	DIRECTDEBIT	YOUFIT ABC CLUB FEES	\$21.20
01/06/2012	CHECK	CHECK # 202	\$437.99
01/06/2012	DEP	DEPOSIT	\$60.00
01/06/2012	DEP	DEPOSIT	\$141.69
01/06/2012	DIRECTDEP	AMERIBANC NATION PAYROLL	\$250.00
01/03/2012	DEBIT	CHASE EPAY	\$21.51
12/30/2011	ATM	DDA WITHDRAW *9098 TW181014 1 OLD LOUDON RD LATHAM * NY	\$300.00
12/30/2011	DIRECTDEP	AMERIBANC NATION PAYROLL	\$300.00
12/23/2011	ATM	DDA WITHDRAW *9098 TW181014 1 OLD LOUDON RD LATHAM * NY	\$300.00
12/23/2011	DIRECTDEP	AMERIBANC NATION PAYROLL	\$309.00
12/22/2011	DEBIT CARD	VISA DDA PUR 407105 LT S GRILL SCHENECTADY * NY	\$ .01
12/20/2011	DEBIT CARD	VISA DDA PUR 407105 LT S GRILL SCHENECTADY * NY	\$ .03
12/20/2011	DEBIT CARD	VISA DDA PUR 407105 LT S GRILL SCHENECTADY * NY	\$ .03
12/20/2011	DEBIT CARD	VISA DDA PUR 407105 LT S GRILL SCHENECTADY * NY	\$ .04
12/20/2011	DEBIT CARD	VISA DDA PUR 407105 LT S GRILL SCHENECTADY * NY	\$ .04
12/20/2011	DEBIT	CITIZENS PAYMENT CK	\$78.00
12/19/2011	ATM	DDA WITHDRAW *9098 TW18Y365 2301 NOTT STREET NISKAYUNA * NY	\$140.00

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# EXHIBIT B

Timothy M. McGinn

**I) Revenue**

Date	Revenue AmeriBanc	Revenue TMS	Revenue Combined
01/06/12	\$250.00		\$250.00
01/12/12		\$200.00	\$200.00
01/13/12	\$29.50		
01/18/12		\$600.00	\$600.00
01/20/12		\$200.00	\$200.00
01/20/12	\$50.00		\$50.00
01/27/12	\$50.00		\$50.00
01/30/12		\$200.00	\$200.00
<b>Total January</b>	<b>\$379.50</b>	<b>\$1,200.00</b>	<b>\$1,579.50</b>
02/03/12		\$200.00	\$200.00
02/07/12		\$200.00	\$200.00
02/09/12		\$200.00	\$200.00
02/10/12		\$200.00	\$200.00
02/10/12	\$50.00		\$50.00
02/16/12		\$200.00	\$200.00
02/17/12	\$50.00		\$50.00
02/22/12		\$200.00	\$200.00
<b>Total February</b>	<b>\$100.00</b>	<b>\$1,200.00</b>	<b>\$1,300.00</b>
<b>Total Revenue 2012:</b>	<b>\$479.50</b>	<b>\$2,400.00</b>	<b>\$2,879.50</b>

**II) Expenses**

Automobile expense:	1,225 miles at \$0.45	\$551.25
Printing supplies:		\$70.00
<b>TOTAL EXPENSES 2012:</b>		<b>\$621.25</b>

**III) Net Income 2012: \$2,258.25**