

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF NEW YORK

-----X  
SECURITIES AND EXCHANGE COMMISSION :

*Plaintiff,*

vs.

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,

*Defendants,*

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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Case No. 1:10-CV-457  
(GLS/CFH)

**NOTICE OF SIXTH INTERIM  
APPLICATION OF PHILLIPS LYTLE LLP AND THE  
RECEIVER FOR ALLOWANCE OF COMPENSATION  
AND REIMBURSEMENT OF EXPENSES**

PLEASE TAKE NOTICE that upon the Fifth Interim Application of Phillips Lytle LLP and the Receiver for Allowance of Compensation and Reimbursement of Expenses (“Application”), Phillips Lytle LLP (“Phillips Lytle”) will move before the Hon. Christian F. Hummel, United States Magistrate Judge, United States District Court for the Northern District of New York, James T. Foley - U.S. Courthouse, 445 Broadway, Albany, New York 12207-2924, on **August 18, 2016 at 9:30 a.m.**, seeking an Order to be entered approving the

Application of Phillips Lytle and the Receiver for interim compensation and reimbursement of expenses in connection with legal services performed for William J. Brown, Esq., the Receiver for the McGinn Smith Entities and the services of the Receiver. No oral argument is requested.

PLEASE TAKE FURTHER NOTICE that attached is the cover sheet for the Application, indicating the nature and dates of the services rendered by Phillips Lytle and the Receiver, as well as the total amount sought by Phillips Lytle and the Receiver for interim compensation and reimbursement of expenses. The complete Application of Phillips Lytle is filed with the United States District Court and will be available for review electronically at the Office of the Clerk, United States District Court, Northern District of New York, James T. Foley - U.S. Courthouse, 445 Broadway, Room 509, Albany, New York 12207-2924 or online, at the Court's website ([www.nynd.uscourts.gov](http://www.nynd.uscourts.gov)), or at the website of the Receiver ([www.mcginnsmithreceiver.com](http://www.mcginnsmithreceiver.com)). Copies can also be obtained upon written request to Phillips Lytle.

PLEASE TAKE FURTHER NOTICE that objections, if any, to the relief requested in the Application must be made in writing in accordance with the Federal Rules of Civil Procedure and the Local Rules for the United States District Court for the Northern District of New York.

Dated: June 30, 2016

PHILLIPS LYTLE LLP

By /s/ William J. Brown  
William J. Brown (Bar Roll #601330)  
Todd A. Ritschdorff (Bar Roll #512601)  
Attorneys for Receiver  
Omni Plaza  
30 South Pearl Street  
Albany, New York 12207  
Telephone No. (518) 472-1224

and

One Canalside  
125 Main Street  
Buffalo, New York 14203  
Telephone No.: (716) 847-8400

Doc No. 2763919.2

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LAUREN T. SMITH, and NANCY MCGINN, :

*Defendants,* :

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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**FACE SHEET PURSUANT TO LOCAL RULE 2016-1  
FOR SIXTH INTERIM APPLICATION BY ATTORNEYS  
FOR RECEIVER AND THE RECEIVER FOR ALLOWANCE OF  
COMPENSATION AND REIMBURSEMENT OF EXPENSES**

APPLICANT'S NAME: Phillips Lytle LLP and William J. Brown, as  
Receiver

APPLICANT'S ADDRESS: Omni Plaza  
30 South Pearl Street  
Albany, New York 12207



DATE APPLICANT APPOINTED: April 20, 2010

NATURE OF SERVICES RENDERED: Legal services rendered for William J. Brown, Receiver, with respect to McGinn, Smith & Co., Inc., et al. and for Receiver services and expenses

AMOUNT OF COMPENSATION  
SOUGHT FOR FEES FROM  
JANUARY 1, 2013 THROUGH  
JUNE 30, 2013

\$131,489.24 (including Phillips Lytle and Receiver's fees at pre-arranged discounted hourly rates) at 7.5% for Phillips Lytle and \$225 rather than \$450 per hour for the Receiver

AMOUNT OF COMPENSATION  
SOUGHT FOR EXPENSES FROM  
JANUARY 1, 2013 THROUGH  
JUNE 30, 2013

\$3,842.49

Dated: June 30, 2016

PHILLIPS LYTLE LLP

By /s/ William J. Brown

William J. Brown (Bar Roll #601330)

Todd A. Ritschdorff (Bar Roll #512601)

Attorneys for the Receiver

Omni Plaza

30 South Pearl Street

Albany, New York 12207

Telephone No. (518) 472-1224

and

One Canalside

125 Main Street

Buffalo, New York 14203

Telephone No.: (716) 847-8400

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NORTHERN DISTRICT OF NEW YORK

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SECURITIES AND EXCHANGE COMMISSION :

*Plaintiff,* :

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Individually and as Trustee of the David L. and :  
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LAUREN T. SMITH, and NANCY McGINN, :

*Defendants,* :

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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**SIXTH INTERIM APPLICATION OF PHILLIPS LYTLE LLP  
AND THE RECEIVER FOR ALLOWANCE OF  
COMPENSATION AND REIMBURSEMENT OF EXPENSES**

Phillips Lytle LLP (“Phillips Lytle”) submits this application (“Fee Application”) for allowance of interim compensation and reimbursement of expenses for the six-month period from January 1, 2013 through June 30, 2013 pursuant to Section XIV of this Court’s Preliminary

Injunction Order (Docket No. 96). Attached as **Exhibit A** is the Declaration of William J. Brown, Esq. in support of the Fee Application. Phillips Lytle respectfully represents as follows:

**INTRODUCTION**

1. The Securities and Exchange Commission (“SEC”) commenced an action against McGinn Smith & Co., Inc., et al. in the United States District Court for the Northern District of New York on April 20, 2010 wherein William J. Brown, Esq. was appointed as temporary Receiver for certain of the defendants and other entities in the action (“Receiver”) (Docket No. 5). The SEC’s Complaint was subsequently amended (Docket No. 100 on August 3, 2011 and Docket No. 334 on June 8, 2011), and the Preliminary Injunction Order was entered on July 22, 2010 appointing William J. Brown as the permanent Receiver.

2. During the period from January 1, 2013 to June 30, 2013 (“Sixth Interim Period”), Phillips Lytle performed extensive legal services for the Receiver, and the Receiver performed extensive non-legal or quasi-legal functions, which are each more particularly described below and itemized in the detailed time and disbursement records attached as **Exhibit B**.

3. As a public service discount, the legal fees incurred in this case are being performed with a current 7.5% discount on the hourly rates of Phillips Lytle pursuant to a prior agreement with the SEC. Similarly, the Receiver’s hourly rate for this engagement is \$225 per hour rather than his 2013 hourly rate of \$450 per hour, again per prior agreement with the SEC.

4. As a result, legal services at full value in this Sixth Interim Period total \$121,523.50, while the amount to be paid less the 7.5% discount if this Application is approved is \$112,409.24. The Receiver’s services at full value of \$450 per hour in this Sixth Interim Period total \$26,505.00, while the amount to be paid if this Application is granted are \$19,080.00

at \$225 per hour. This makes the total amount sought pursuant to this Application to be \$131,489.24 in fees and \$3,842.49 in disbursements.

### **CASE STATUS**

5. As of June 24, 2016, there is \$21,745,947.00 on hand in Receiver accounts. All post-Receiver obligations are current and paid on a current basis other than the amounts sought in professional fee applications. The monies on account in the Receiver's accounts are unencumbered. When this estate was commenced in April 2010, there was \$485,491.63 on hand.

6. Currently, the investor and creditor claims bar date and the equity claims bar dates have passed following the successful administration of claims notice procedures. Judgments in favor of the SEC in its action against David L. Smith, Lynn Smith, the Smith Trust, Geoffrey Smith, Lauren Smith and Timothy McGinn were entered in June and July 2015. The Second Circuit upheld those judgments in a decision on April 18, 2016.

7. There are approximately \$124,123,595 in investor claims, some of which will be subject to objection or various grounds. If the objections are sustained, net claims appear to be in the range of \$100,506,405 subject to final Court approval. At present, it appears likely that additional collections will be in the range of \$9 to \$10 million, although they remain subject to negotiations and contingencies.

8. A Plan of Distribution was filed on December 30, 2015 (Docket No. 847) for approval by the Court. Briefing on the Plan was concluded in March 2016 and is sub judice.

9. The SEC's Standard Fund Accounting Reports are attached to this Application as **Exhibit C**.

### **COMPENSATION FOR LEGAL SERVICES**

10. The legal services rendered by Phillips Lytle during the Sixth Interim Period have been categorized into twenty-two (23) separate categories (Categories A through W), as described below:

A. Asset Analysis and Recovery

No services were charged to or rendered by Phillips Lytle in Category A during the Sixth Interim Period.

B. Claims Administration and Objections

Category B relates to the implementation of a claims process for all investors and creditors including multiple internal conferences with staff regarding protocol for investor calls and receipt of investor claims; extensive communication with investors regarding claims process and status; in-depth review and analysis of claims filed; communications and conferences with U.S. Attorney's Office regarding reconciliation of claims list; attend to ongoing review and updating of McGinn Smith Receiver's website.

In rendering the services in Category B, the following attorneys and paralegals at Phillips Lytle expended the time represented below at the hourly rates represented below for a total value of \$17,027.50, plus \$1,152.02<sup>1</sup> in disbursement expense:

<u>ATTORNEY</u>	<u>HOURS</u>	<u>RATE</u>	<u>TOTAL</u>
William J. Brown	36.30	450.00	16,335.00
Gary F. Kotaska	0.20	395.00	79.00
Joshua P. Fleury	2.10	225.00	472.50
Todd A. Ritschdorff	0.40	255.00	102.00
Michael G. Sabato (P)	0.30	130.00	39.00

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<sup>1</sup> The disbursement charges relate to copying of the master claim files so they could be reviewed when necessary by the Receiver's Controller who is in a remote location.

C. Asset Disposition

Category C relates to the significant time spent in the disposition during the Application Period primarily with respect to Alarm Traders, White Glove Cruises, the Florida triple play assets, and Seton Hall all of which have resulted in successful dispositions resulting in more than \$3,743,218 in proceeds for the estate. Additional time was spent attempting to dispose of the Receiver's interest in another triple play business (Benchmark) and in the successful resolution of the Verifier claim.

The Seton Hall sale involved the surrender of a ground leased to a partially occupied medical office building requiring substantial maintenance. The sale has closed with a gross sale value to the estate of \$70,000 plus the value of collected net rents and the forgiveness of certain other obligations including unpaid real property taxes of approximately \$372,000, much of which pre-dated the Receivership.

In rendering the services in Category C, the following attorneys and paralegals at Phillips Lytle expended the time represented below at the hourly rates represented below for a total value of \$7,920.00 plus \$4.60 in disbursement expense:

<u>ATTORNEY</u>	<u>HOURS</u>	<u>RATE</u>	<u>TOTAL</u>
William J. Brown	17.6	450.00	7,920.00

D. Business Operations

No services were charged to or rendered by Phillips Lytle in Category D during the Sixth Interim Period.

E. Case Administration

Category E is a “catch all” category consisting of services performed by Phillips Lytle in connection with this action and primarily consists of services performed which do not fit within one of the other 22 specific categories.

During this time period, this category consists of essentially all of the day-to-day work for the Receiver and his professionals and the handling of the legal affairs of the 82 entities which were initially placed into Receivership by this Court’s Preliminary Injunction Order (Docket No. 96). The detailed descriptions attached include discussions with David Smith regarding investments and potential liquidation methodologies, U.S. Attorney’s Office regarding subpoenaed documents, victim impact statements and claims database, review and discussions regarding National Financial Services, review of criminal court dockets and follow status regarding verdicts, deal with various business issues arising in the ordinary course of business of the operating businesses with third parties, matters relating to financial statement and insurance issues, communications with the SEC and IRS, various legal inquiries and questions raised by the SEC concerning the Receivership estates and SFAR reports, coordinating with the United States Attorney’s Office concerning records and information, dealing with 107th Associates and Benchmark Communications matters, Smith Saratoga residence issues, FINRA matters, Jeffrey Few collection matter, 99 Pine Street lease matters, TD Bank, M&T Bank and First Niagara Bank matters regarding existing accounts, Aquatic Development matters, Vidsoft settlement matters; extensive communications with investors on legal questions, attendance to investor phone log, 74 State Street investors, and continued review and updating of McGinn Smith Receiver website.

In rendering the services in Category E, the following attorneys and paralegals at Phillips Lytle expended the time represented below at the hourly rates represented below for a total value of \$68,395.50, plus \$522.98 in disbursement expense:

<u>ATTORNEY</u>	<u>HOURS</u>	<u>RATE</u>	<u>TOTAL</u>
William J. Brown	145.50	450.00	65,475.00
Gary F. Kotaska	0.20	395.00	79.00
Kevin J. English	0.20	380.00	76.00
Angela Z. Miller	0.60	310.00	186.00
Todd A. Ritschdorff	6.80	255.00	1,734.00
Joshua P. Fleury	2.10	225.00	472.50
Karen A. Kawczynski (P)	2.40	150.00	360.00
Michael G. Sabato (P)	0.10	130.00	13.00

F. Employee Benefits/Pensions

No services were charged to or rendered by Phillips Lytle in Category F during the Sixth Interim Period.

G. Fee/Employment Applications

Category G consists of services related to review of Chiampou Travis statements for services rendered for inclusion in future fee applications.

In rendering the services in Category G, the following attorneys and paralegals at Phillips Lytle expended the time represented below at the hourly rates represented below for a total value of \$450.00, and no disbursements:

<u>ATTORNEY</u>	<u>HOURS</u>	<u>RATE</u>	<u>TOTAL</u>
William J. Brown	1.00	450.00	450.00



H. Fee/Employment Objections

No services were charged to or rendered by Phillips Lytle in Category H during the Sixth Interim Period.

I. Accounting/Auditing

No services were charged to or rendered by Phillips Lytle in Category I during the Sixth Interim Period.

J. Business Analysis

No services were charged to or rendered by Phillips Lytle in Category J during the Sixth Interim Period.

K. Corporate Finance

No services were charged to or rendered by Phillips Lytle in Category K during the Sixth Interim Period.

L. Data Analysis

No services were charged to or rendered by Phillips Lytle in Category L during the Sixth Interim Period.

M. Status Reports

No services were charged to or rendered by Phillips Lytle in Category M during the Sixth Interim Period.

N. Litigation Consulting

No services were charged to or rendered by Phillips Lytle in Category N during the Sixth Interim Period.

O. Forensic Accounting

No services were charged to or rendered by Phillips Lytle in Category O during the Sixth Interim Period.

P. Tax Issues

Category P consists of services related to conversations with tax accountants for the Receivership estates concerning how to proceed with tax reviews, tax return preparation and certain financial statement issues. A substantial amount of time in this category relates to the review and approval of a significant number of IRS and New York State tax returns, various other tax forms and dealing with tax and financial professionals on tax issues.

In rendering the services in Category P, the following attorneys and paralegals at Phillips Lytle expended the time represented below at the hourly rates represented below for a total value of \$12,020.50, and no disbursements:

<u>ATTORNEY</u>	<u>HOURS</u>	<u>RATE</u>	<u>TOTAL</u>
William J. Brown	25.80	450.00	11,610.00
Kelly E. Marks	1.40	245.00	343.00
Geanne M. Zanatta	0.30	225.00	67.50

Q. Valuation

No services were charged to or rendered by Phillips Lytle in Category Q during the Sixth Interim Period.

R. William J. Brown, as Receiver Function

Category R consists of services related to the function of William J. Brown, as Receiver in his capacity as Receiver. These services, per prior agreement with the SEC, are rendered at \$225 per hour. Thus, while the accrued amount would otherwise be \$26,505.00, the discounted amount to be paid is \$19,080.00. All of the Receiver's travel time is charged to this

category and, thus, is at a substantially reduced rate. Travel time is also charged at one-half of the total time travelled unless work associated with these estates is being conducted at that time.

The daily time entries reveal the Receiver's almost daily involvement with the various Receiver entities identified in the various descriptions including for this Application Period frequent communications with investors to answer questions about assets recovered, claims process, asset distribution to creditors, questions regarding SIPC coverage and related items, weekly review, processing and approval of payments to vendors and other third parties for services rendered to Receiver operating companies prior to sale of each of those companies, review and authorization of payroll, review of communications from investors and SEC regarding various and ongoing matters, travel to 99 Pine Street for supervision of businesses, sale negotiations, travel to/from and appear for several court matters, dealing with business issues for Alarm Traders, LLC and Benchmark Communications regarding financial performance including periodic telephone updates, review of bank statements and accounts, maintenance of website and updating of same, dealing with Benchmark operational issues, dealings with the various banks at which operating entities of the Receivership estates maintain accounts, the review of checks and invoices for payment on a weekly basis for those various operating businesses, conferences with third parties regarding claims and related issues, the weekly review of payroll requests and substantiation for same, investor communications both by phone, in writing and e-mail, attending to various investor letters, and communications with and travel to/from meetings in Binghamton, New York regarding 107th Associates with HSK representatives.

In rendering the services in Category R, the Receiver expended the time represented below at the hourly rates represented below for a total value of \$26,505.00, plus \$2,134.68 in disbursement expense:

<u>ATTORNEY</u>	<u>HOURS</u>	<u>RATE</u>	<u>TOTAL</u>
William J. Brown	84.80	450.00	\$26,505.00 (to be billed and paid at \$19,080.00)

S. SEC vs. McGinn, Smith & Co., Inc., et al.

Category S consists of services related to legal involvement in the SEC's action against McGinn, Smith & Co., Inc. and other parties including review of pleadings, conferences regarding same, review of criminal dockets; dealing with Sacandaga camp and related matters, communications with SEC and other counsel regarding action, review of Court decisions, and deal with Smith motion for payment of taxes.

In rendering the services in Category S, the following attorneys and paralegals at Phillips Lytle expended the time represented below at the hourly rates represented below for a total value of \$9,765.00, and no disbursement expense:

<u>ATTORNEY</u>	<u>HOURS</u>	<u>RATE</u>	<u>TOTAL</u>
William J. Brown	20.20	450.00	9,090.00
Joshua P. Fleury	3.00	225.00	675.00

T. W.J. Brown, as Receiver of McGinn Smith & Co., Inc. vs. Thomas E. Livingston

No services were charged to or rendered by Phillips Lytle in Category T during the Sixth Interim Period.

U. Sale of McGinn Niskayuna Property

No services were charged to or rendered by Phillips Lytle in Category U during the Sixth Interim Period.

V. Sale of Smith Vero Beach Property

No services were charged to or rendered by Phillips Lytle in Category V during the Sixth Interim Period.

W. David L. & Lynn A. Smith Irrevocable Trust

Category W consists of services related to Trust Assets including continuous communications with Geoffrey Smith regarding Sacandaga camp matters including insurance, property tax and utility bills and repairs, ongoing communications with Kinderhook Bank; review of Second Circuit decision regarding the Smith Trust and conferences and communications regarding steps going forward.

In rendering the services in Category W, the following attorneys and paralegals at Phillips Lytle expended the time represented below at the hourly rates represented below for a total value of \$5,945.00, plus \$32.81 in disbursement expense:

<u>ATTORNEY</u>	<u>HOURS</u>	<u>RATE</u>	<u>TOTAL</u>
William J. Brown	12.90	450.00	5,805.00
Amanda M. Steinbacher	1.00	140.00	140.00

**REIMBURSEMENT OF EXPENSES**

11. Photocopies made by Phillips Lytle are billed by Phillips Lytle at \$.10 per page, which is based upon Phillips Lytle's costs. Telefax charges are \$1.00 per page for outgoing documents, with no charge for incoming documents. Long distance telephone charges and overnight courier charges are billed at cost. Overnight courier charges are incurred only when necessary as determined by either the Receiver or Phillips Lytle. In addition, there are the usual disbursements of such items as long distance telephone charges, duplicating charges, and UPS charges for checks received and sent to Receivership businesses.

12. Phillips Lytle incurred out-of-pocket expenses for secretarial overtime in connection with this case. These amounts have been written off and no claim for reimbursement of such expenses is being sought herein.

### **PARTICULAR EXPENDITURES**

13. During the Sixth Interim Period, substantial charges were incurred for the copying of the master claim files so they could be reviewed when necessary by the Receiver's Controller who is in a remote location.

### **CONCLUSION**

14. All of the services for which Phillips Lytle now seeks compensation were performed on behalf of the Receiver. No services were performed by Phillips Lytle in any capacity other than as counsel to the Receiver.

15. Phillips Lytle has provided the SEC with copies of Phillips Lytle's and the Receiver's billing statements attached as **Exhibit B**. As of this date, Phillips Lytle and the Receiver do not believe that the SEC has any objection to the amounts sought by Phillips Lytle or the Receiver pursuant to this Fee Application.

16. As the record in this action clearly indicates, Phillips Lytle has worked persistently and efficiently during the Sixth Interim Period to handle various issues for the Receiver, the resolution of which will, to varying degrees, enhance the fair and equitable distribution of the McGinn Smith Entities' proceeds to its creditors. This action has mandated a considerable expenditure of Phillips Lytle resources.

17. Based upon the foregoing, Phillips Lytle and the Receiver represent that they are entitled to the interim compensation and reimbursement of expenses sought herein.

18. Phillips Lytle and the Receiver believe that this Fee Application substantially complies with the substantive requirements of the guidelines for fee applications adopted by the SEC.

**NOTICE**

19. Notice of this Fee Application is being served on the SEC and all parties who have filed a Notice of Appearance in this action. Additionally, it has been posted on the Receiver's website ([www.mcginnsmithreceiver.com](http://www.mcginnsmithreceiver.com)) for all investors and creditors to see. Phillips Lytle and the Receiver submit that no other or further notice need be given.

WHEREFORE, Phillips Lytle and the Receiver respectfully request that this Court enter an order allowing and approving Phillips Lytle's and the Receiver's Application for (i) interim compensation in the amount of \$131,489.24, and reimbursement of expenses in the amount of \$3,842.49, for a total of \$135,331.73 for the period of January 1, 2013 through June 30, 2013; and (ii) granting such other and further relief as is just and proper.

Dated: June 30, 2016

PHILLIPS LYTLE LLP

By /s/ William J. Brown  
William J. Brown (Bar Roll #601330)  
Todd A. Ritschdorff (Bar Roll #512601)  
Attorneys for the Receiver  
Omni Plaza  
30 South Pearl Street  
Albany, New York 12207  
Telephone No. (518) 472-1224

and

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# ***Exhibit A***



UNITED STATES DISTRICT COURT  
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*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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**DECLARATION OF WILLIAM J. BROWN IN SUPPORT OF SIXTH INTERIM  
APPLICATION OF PHILLIPS LYTTLE LLP AND THE RECEIVER FOR ALLOWANCE  
OF COMPENSATION AND REIMBURSEMENT OF EXPENSES**

Pursuant to 28 U.S.C. §1746, William J. Brown declares, under penalty of  
perjury, as follows:

1. I am a partner with the law firm of Phillips Lytle LLP (“Phillips Lytle”) and am also the Receiver (“Receiver”) appointed in this action for certain of the Defendants and other entities.

2. I make this declaration in support of the Sixth Interim Application of Phillips Lytle and of the Receiver for Allowance of Compensation and Reimbursement of Expenses (“Application”) in connection with Phillips Lytle’s representation of the Receiver in this Case and the Receiver’s services.

3. I have reviewed the Application and, to the best of my knowledge, information and belief, the facts set forth therein are true and correct.

4. The billing rates being charged by Phillips Lytle in connection with the Application are those which were customarily charged by Phillips Lytle during the time periods in question and are comparable to those charged by other firms of comparable size and experience in this geographic area for the prosecution of matters similar to this action. Pursuant to prior agreement, in my capacity as Receiver, I agreed to charge an hourly rate of \$225 rather than my 2013 hourly rate of \$450.

5. The compensation and reimbursement of expenses (“Interim Compensation”) for which allowance is sought by Phillips Lytle and the Receiver is reasonable and is sought for actual and necessary services rendered by Phillips Lytle and the Receiver, together with actual and necessary expenses advanced by Phillips Lytle, on behalf of the Receivership entities.

6. The Interim Compensation sought by Phillips Lytle and the Receiver is based upon the nature, the extent and the value of the services rendered. These matters are detailed more particularly in the time itemizations attached to the Application as Exhibit B.

7. Phillips Lytle and the Receiver believe they are entitled to Interim Compensation based on the considerable expenditures of Phillips Lytle and Receiver resources incurred since the onset of this action.

8. Phillips Lytle and the Receiver have no agreement directly or indirectly and no understanding exists with any other person or entity for the sharing of compensation to be received for legal or other services rendered in this action, except as such compensation may be shared by and among the attorneys of Phillips Lytle.

Phillips Lytle and the Receiver respectfully request that this Court authorize the allowance of the Interim Compensation sought pursuant to the Application.

Dated: June 30, 2016

/s/ William J. Brown

William J. Brown

Doc #01-2763914.2

# ***Exhibit B***

## **Category B**

### **Claims Administration and Objections**



## Phillips Lytle LLP

Attorneys at Law  
 One Canalside  
 125 Main Street  
 Buffalo, NY 14203-2887  
 Telecopier # (716) 852-6100  
 (716) 847-8400  
 FED I.D. #16-0505790

William J. Brown, Esq.  
 Phillips Lytle LLP  
 One Canalside  
 125 Main Street  
 Buffalo, NY 14203

Invoice Number 876689  
 Invoice Date 06/30/16  
 Client Number 33474  
 Matter Number 00001  
 W J Brown

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### Re: CLAIMS ADMINISTRATION & OBJECTIONS

FOR PROFESSIONAL SERVICES RENDERED THROUGH JUNE 30, 2013:

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
01/17/13	WJB	Consider investor question on how to deal with duplicative access letters and password request and prepare response re same	0.1
01/24/13	GFK	Telephone conference with WJB re Receiver notice to IRA investors	0.2
01/28/13	WJB	Consider approaches to claims objection process and reconciling claims using B Shea and other resources	0.2
01/28/13	WJB	Outline claims review process to B Shea and discuss with staff	0.2
01/30/13	WJB	Attend to analysis of claims and follow-up on same	0.2
01/30/13	WJB	Forward claims data to B Shea including copies of claims for analysis	0.2
01/30/13	WJB	Telephone call to B Shea re discussion of claims analysis project	0.2

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00001 Claims Administration & Objections  
 June 30, 2016

Invoice Number 876689

Page 2 of 12

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
01/31/13	WJB	Telephone call to B Shea re paper claim files and administration of same	0.1
02/01/13	TAR	Delivered claim document to B Shea	0.4
02/04/13	WJB	Coordinate with B Shea on claims process review	0.1
02/04/13	WJB	Review e-mail from E Pitt re claims status as investor and attempt to locate same	0.2
02/04/13	WJB	Respond to E Pitt after review of claims schedule	0.1
02/04/13	WJB	Telephone call from B Shea re claims objection process and steps to prepare for Receiver visit to review claims process	0.1
02/05/13	WJB	Prepare outline of claims chart for use by B Shea in review of claims	0.1
02/05/13	WJB	Telephone call from E McLauchlin as investor in Wake Robbins, JV Associates, Same Day Surgery and Southern Tier Imaging re nature of investments, non-Receivership entities and course of action re same	0.3
02/05/13	WJB	Prepare e-mail to B Shea re tracking down E McLauchlin (Pitt) claims based upon information provided	0.1
02/06/13	WJB	Conference with B Shea re claims review in allowance process	0.2
02/08/13	WJB	Telephone call from B Shea re organization of claims process and next steps	0.5
02/12/13	WJB	Review claims review process with B Shea including sample claims and analysis of claims versus potential objections and reconciliation of amount variations	0.9
02/13/13	WJB	Continue claims review process for discussions with B Shea including review of circumstances of ADT claim	0.4

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00001 Claims Administration & Objections  
 June 30, 2016

Invoice Number 876689

Page 3 of 12

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
02/13/13	WJB	Conference with B Shea re potential fraudulent conveyance claims against certain parties and analysis re same	0.4
02/15/13	WJB	Telephone call from S Krasnokutski at Nolan & Heller re whether KeyBank was on mailing list for claim and follow-up re same	0.2
02/15/13	WJB	Review KeyBank claim situation and discuss with B Shea	0.2
02/19/13	WJB	Review KeyBank-Capital Trust 7/1/08 agreement with M&S Partners	0.2
02/19/13	WJB	Telephone call from B Shea re further developments concerning KeyBank history claim against M&S Partners	0.3
02/24/13	WJB	Review M Latimer late filed claim and prepare reply letter concerning treatment of claim	0.1
02/25/13	WJB	Revise letter to investor on late filed claim which is otherwise scheduled (Maurice Latimer)	0.2
03/04/13	WJB	Prepare list of issues to deal with claims analysis including telephone call to B Shea re review status and detail, sentencing issue and J Few claim	0.8
03/06/13	WJB	Conference with B Shea re status of claims process and review early work product re same	0.6
03/08/13	WJB	Review M Manzi e-mail and respond to same on status of paper claim	0.3
03/08/13	WJB	Attend to issues concerning I Nemith claim and telephone call re same	0.2
03/11/13	WJB	Review B Shea proposed schedule to deal with rejected paper claims and consider same	0.2
03/11/13	WJB	Telephone call from B Shea re reviewing claims forms for acceptance or dispute based upon information provided and some lacking information concerning nature of investment	0.2



33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00001 Claims Administration & Objections  
 June 30, 2016

Invoice Number 876689

Page 4 of 12

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
03/11/13	WJB	Review B Shea follow-up e-mail re rejected claims language	0.2
03/12/13	WJB	Telephone call to B Shea re update on claims process and early equity claims filed in paper form using debt claim form and information request response for S Jones letters	0.2
03/12/13	WJB	Review B Shea e-mail on claims analysis vis-a-vis NSF having issued 1099s as to certain investors rather than treating as principal and difference in McGinn Smith books and records from NSF; Prepare reply with questions and follow-up	0.2
03/14/13	WJB	Review B Shea e-mail re status of claims analysis and reconciliation as of March 13 and next steps	0.2
03/14/13	WJB	Follow up and review status of various questions re claims process and allowance of claims	0.2
03/14/13	WJB	Telephone call from B Shea re claims format, grounds for objections including duplicate claims	0.2
03/18/13	WJB	Telephone call from W Myers at U.S. Attorney's Office re Receiver's claims website, calculation of claims and process in connection with conviction	0.3
03/18/13	WJB	Telephone call to B Shea re update on claims analysis process, most recent issues and resolution of same	0.4
03/18/13	WJB	Focus on process and e-mail B Shea requesting conference call in lieu of meeting on March 19 to analyze and finalize work schedule for claims analysis	0.2
03/18/13	WJB	Conference with CAM re reporting format to use for updated claims website and information once claims analysis process is resolved	0.2
03/18/13	WJB	Locate and arrange to send claims schedule to B Shea for updating as part of process	0.3

33474 Brown, William J. as Receiver of McGinn,  
Smith & Co., Inc., et al  
00001 Claims Administration & Objections  
June 30, 2016

Invoice Number 876689

Page 5 of 12

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
03/18/13	WJB	Conference with B Shea re claims format and extensive discussion of how to present analyzed claims while preserving information for subsequent follow-up including claims objections if necessary	0.4
03/18/13	WJB	Telephone call to B Shea re follow-up questions re claims analysis process and formatting	0.2
03/19/13	WJB	Attend to B Shea question on paper claim report of Zwiulich	0.2
03/19/13	WJB	Review claims detail as prepared by B Shea re necessary comments and revisions	0.4
03/20/13	WJB	Extensive review of investor, unsecured creditor, FINRA claim and no liability claim logs prepared by B Shea in light of claims analysis, identify problem claims, review same, characterization and organize next steps in process including conference with AZM re claims objection categories	1.7
03/20/13	WJB	Prepare list of proper classification categories for allowance or rejection of claims for use by B Shea in claims analysis	0.2
03/20/13	WJB	Prepare e-mail B Shea re list of claims classification categories for use in claims analysis process	0.2
03/20/13	WJB	Telephone call to B Shea re finalization of claims classification process and next steps	0.3
03/20/13	WJB	Review B Shea e-mail on duplicate claims and how to schedule as duplicate and prepare reply; Review B Shea e-mail on how to deal with categorization of claims; Review e-mail from B Shea on how to deal with equity claims as debt and vice versa; Telephone call to B Shea re how to handle equity claims filed as debt and how to describe same with respect to newly filed paper claims	0.8
03/21/13	WJB	Prepare e-mail B Shea with Verifier and P Sicluna claim information questions	0.1
03/21/13	WJB	Prepare draft email SEC describing claims review and allowance process and timing of ame	0.4

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00001 Claims Administration & Objections  
 June 30, 2016

Invoice Number 876689

Page 6 of 12

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
03/21/13	WJB	Telephone call from B Shea re discussion of P Sicluna e-mail re Verifier with 5/2010 date and discussion of how same could have occurred	0.3
03/21/13	WJB	Telephone call from B Shea re information to include in package to SEC re claims analysis including various charts and explanations	0.2
03/21/13	WJB	Review J Zazzali as Trustee claim for fraudulent conveyance payments allegedly made to McGinn Smith as part of claims analysis	0.2
03/21/13	WJB	Revise e-mail to SEC re information and status of claims analysis project	0.1
03/21/13	WJB	Review Zazzali as Trustee claim including review of Delaware Bankruptcy Court docket and dismissal of McGinn Smith on docket; Prepare memo to file and e-mail B Shea re analysis and disposition of his claim	0.5
03/21/13	WJB	Organize claims file for next steps and analysis and finalization of process	0.1
03/22/13	WJB	Review situation with address change requests from investors and creditors and consider course of action re same to verify to avoid fraud in maintaining information re address changes	0.1
03/22/13	WJB	Telephone call to B Shea re discussion of current status of claims analysis project and next steps	0.2
03/24/13	WJB	Review B Shea report of open items and next steps and analyze same	0.2
03/24/13	WJB	Review e-mail from B Shea re L Smith claim and potential of having been filed late in light of copies versus originals; Prepare reply	0.1
03/25/13	WJB	Analyze difference between Zwiulich paper claim versus claims schedule and review file with e-mail to B Shea re same	0.3

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00001 Claims Administration & Objections  
 June 30, 2016

Invoice Number 876689

Page 7 of 12

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
03/25/13	WJB	Review L Smith claim for timeliness and substance; Prepare email B Shea on how to treat claim	0.5
03/25/13	WJB	Telephone call from B Shea re rejected claims format on schedules and when and how to apply	0.2
03/25/13	WJB	Review e-mail from B Shea with schedule of finished claims to date	0.1
03/25/13	WJB	Review B Shea 3/24 summary e-mail re claims in question and dealing with same	0.3
03/25/13	WJB	Prepare reply e-mail to B Shea re 3/18 e-mail on 1099 interest reduction and conflict with internal McGinn Smith books and how to deal with same	0.2
03/25/13	WJB	Review B Shea 3/20 e-mail on R Betzinger claim and treatment of same	0.1
03/25/13	WJB	Telephone call from B Shea re further update and discussion on claims process and next steps	0.2
03/25/13	WJB	Telephone call to B Shea re claim forms and documents including how to portray all claims on single data presentation	0.3
03/26/13	WJB	Review paper claims filed by certain unsecured creditors including Boies, First Insurance, Hacker Murphy, Herzog Law Firm, James M. DiNapoli, Options Price Reporting, Piaker & Lyons, Profitability.net, Robert L. Geltzer, P Sieluna and Stradley Ronon for treatment including e-mail to B Shea re analysis	0.8
03/26/13	WJB	Review three B Shea e-mails with updated schedules for investors, FINRA and unsecured creditors	0.1
03/26/13	WJB	Review B Shea e-mail and spreadsheet with paper investor claims filed and telephone call to B Shea on how to handle equity claim schedule regarding dollar claims filed by equity creditors	0.6

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00001 Claims Administration & Objections  
 June 30, 2016

Invoice Number 876689

Page 8 of 12

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
03/26/13	WJB	Review revised near final schedules; prepare e-mail to B Shea regarding total claim calculation by category; Prepare e-mail to B Shea as to why some unsecured allowed claims but not others in paper claim forms and requesting explanation; Telephone call to B Shea regarding reasons for allowance of certain paper claims	1.1
03/26/13	WJB	Continue review of proposed claims analysis for paper claims filed	0.1
03/26/13	WJB	Telephone call to B Shea re conclusions, status and process to finalize claims analysis	0.2
03/26/13	WJB	Review 3/22 T O'Connor letter re Dudley discovery	0.2
03/26/13	WJB	Review B Shea e-mail on Kogan claim and prepare reply re post-shutdown sale	0.1
03/27/13	WJB	Telephone call from B Shea regarding discussion of investor claims log format as revised for paper claims only (0.2); Review claims list and various proposed and actual changes for forwarding to B Shea for finalization (0.9)	1.1
03/27/13	WJB	Prepare e-mail to B Shea with comments on summary claims total summary page	0.1
03/27/13	WJB	Telephone call to H McCafferty regarding SAI trust claim as not being included in process and discuss background of same	0.4
03/27/13	WJB	Telephone call to B Shea to resolve entities not on claims process and schedules and review of investors with such claims including review of claims motion and order for reconciliation	0.5
03/27/13	WJB	Follow up telephone call to B Shea regarding six entities not included in claims process and why and next steps to confirm potential claim amounts	0.4
03/27/13	WJB	Review B Shea e-mails on claims status review and recent questions	0.1

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00001 Claims Administration & Objections  
 June 30, 2016

Invoice Number 876689

Page 9 of 12

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
03/27/13	WJB	Review B Shea 3/26 e-mail with follow-up questions and status	0.1
03/27/13	WJB	Review A Greenberg claim file for analysis	0.2
03/27/13	WJB	Telephone call to B Shea on how to proceed in light of omitted entities in claims process	0.2
03/28/13	WJB	Review SAI trust materials for background information and consideration of whether to be included or excluded from claims process	0.3
03/28/13	WJB	Prepare e-mail to B Shea requesting SAI trust attachments relating to D Smith December 25, 2008 letter to SAI creditors regarding no further assets collectible in SAI trust investment	0.2
03/28/13	WJB	Review near final FINRA unsecured paper claim and investor final schedules including preparation of draft e-mail regarding same to SEC	0.9
03/28/13	WJB	Review B Shea excluded entities list	0.2
03/28/13	WJB	Revise explanatory e-mail to SEC with claim schedules explaining various categories of claims and review process	0.8
03/28/13	WJB	Finalize e-mail to SEC with claim schedules, final claim schedules and explanations	0.5
03/28/13	WJB	Telephone call from H McCafferty regarding SAI claim and need for receiver to evaluate and follow up as to whether to be included or excluded from process and reasons for same	0.4
03/28/13	WJB	Prepare e-mail B Shea requesting excluded entries to be populated in terms of dollar amounts involved for review by Receiver	0.1
03/28/13	WJB	Prepare e-mail SEC re SAI information with explanation; Prepare reply to D Stoelting on SAI as Receiver entity	0.2

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00001 Claims Administration & Objections  
 June 30, 2016

Invoice Number 876689

Page 10 of 12

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
03/28/13	JPF2	Investigate law re priority of investor claims over non-investor claims; Conference with WJB re same; Work on draft of Memorandum summarizing research	1.8
03/29/13	WJB	Review S Bejia letter re change of address and prepare reply	0.1
04/01/13	WJB	Review B Shea e-mail on excluded entities and creditors of same	0.2
04/02/13	MGS2	Telephone correspondence regarding McGinn Smith claims	0.1
04/04/13	MGS2	Telephone call regarding McGinn Smith case	0.1
04/09/13	WJB	Review C Burn claim received on 4/8 and schedules accompanying same; Prepare letter requesting responses to why paper claim filed at this time	0.2
04/10/13	JPF2	Further research re priority of investor claims over non-investor claims	0.2
04/16/13	JPF2	Further work on Memo re priority of investor and non-investor claims	0.1
04/17/13	WJB	Review P Carus claims information at his request including claims scheduled; Telephone call to P Carus and prepare memo to file re claims resolution	0.4
04/23/13	WJB	Telephone call from investor re confirmation of delivery of death certificate and other information and prepare reply re delivery not received but due on 4/23	0.2
04/23/13	WJB	Review Fed X package received from P Carus re father's estate; Prepare e-mail P Carus re receipt of courier package	0.1
04/25/13	WJB	Telephone call to P Carus re father's estate, explanation and follow-up	0.4
04/25/13	WJB	Review P Carus information on father's estate and various claims in preparation for call with P Carus	0.3

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00001 Claims Administration & Objections  
 June 30, 2016

Invoice Number 876689

Page 11 of 12

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
04/26/13	WJB	Review disputed and undisputed claims list, summary of amounts as requested by SEC and forward to SEC	0.2
04/29/13	WJB	Conference staff re discrepancy with U.S. Attorney list not on website but contained in mailing list	0.1
04/29/13	WJB	Conference with staff re U.S. Attorney list not on website and reconciliation	0.1
04/29/13	WJB	Telephone conferences, KML5 re reconciliation of claims, payoff of investors on U.S. Attorney list; Telephone call to W Myers re explanation and request for meeting, review of paper claims found and e-mail B Shea with names of five investors having filed paper claims	0.5
04/29/13	WJB	Review each of five paper claims filed by persons on Dept. of Justice list not on Receiver website and identify some on Receiver website and nature of claims	0.3
04/30/13	WJB	Attend meeting with B Shea, IRS agents and W Myers at U.S. Attorney's office re reconciliation of certain claims with victim information, exchange data and discuss potential issues with databases	1.5
04/30/13	WJB	Conferences with B Shea in preparation for meeting at U.S. Attorney's Office re reconciliation of claims and discussion of possibilities, review of data	0.6
04/30/13	WJB	KeyBank: Telephone call from M Kaufman at Nolan & Heller re entitlement of KeyBank to file late claim, discussion of Receiver position which is need to evaluate whether filing of claim at this time would be appropriate or not and request for receiving explanation re nature of claim re alarm contracts	0.2
05/01/13	WJB	Telephone call from B Shea re report on working with IRS criminal agent on verifying claims amounts by investors	0.1
05/03/13	WJB	Review D Smith support letters written to Judge Hurd and forward to B Shea for review in claims process	0.2



33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00001 Claims Administration & Objections  
 June 30, 2016

Invoice Number 876689

Page 12 of 12

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
05/03/13	WJB	Review 3 letters from Messrs. Barnett, Turner and Beach and forward to B Shea for evaluation	0.2
05/15/13	WJB	Review motion in Pearlman case on net investment method in light of McGinn Smith facts and consider application	0.2
05/22/13	WJB	Telephone call from R Gold re claim inquiry and check for claim and arrange for duplicate access letter to be sent	0.3
05/22/13	MGS2	Telephone call regarding claim	0.1
06/10/13	WJB	Review L Levy wire transfer information for \$90,000 redemption prior to Receivership but post-closing and evaluate same	0.2

CURRENT FEES

\$17,027.50

FOR COSTS ADVANCED AND EXPENSES INCURRED:

Duplicating A1, 451 Page(s)	45.10
Duplicating A1, 73 Page(s)	7.30
Duplicating A1, 353 Page(s)	35.30
Duplicating A1, 22 Page(s)	2.20
Duplicating A1, 1028 Page(s)	102.80
Duplicating A1, 990 Page(s)	99.00
Duplicating A1, 231 Page(s)	23.10
Duplicating A1, 2627 Page(s)	262.70
Duplicating A1, 474 Page(s)	47.40
Duplicating A1, 1747 Page(s)	174.70
Duplicating A1, 305 Page(s)	30.50
Overnight Courier WJB - UPS to Todd A Ritschdorff, Esq. re Claims Adminsitration	287.75
Overnight Courier WJB - UPS to Mr David Stoelting re Claims	34.17

CURRENT EXPENSES

1,152.02

TOTAL AMOUNT OF THIS INVOICE

\$18,179.52

\*\*\*PAYMENT DUE UPON RECEIPT\*\*\*

# **Category C**

## **Asset Disposition**

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## Phillips Lytle LLP

Attorneys at Law  
 One Canalside  
 125 Main Street  
 Buffalo, NY 14203-2887  
 Telecopier # (716) 852-6100  
 (716) 847-8400  
 FED I.D. #16-0505790

William J. Brown, Esq.  
 Phillips Lytle LLP  
 One Canalside  
 125 Main Street  
 Buffalo, NY 14203

Invoice Number 876690  
 Invoice Date 06/30/16  
 Client Number 33474  
 Matter Number 00002  
 W J Brown

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### Re: ASSET DISPOSITION

FOR PROFESSIONAL SERVICES RENDERED THROUGH JUNE 30, 2013:

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
01/04/13	WJB	Seton: Telephone call from B Shea re Seton insurance cancellation and trial schedule to allow office work to continue	0.2
01/04/13	WJB	Seton: Review insurance cancellation form, sign same and return to B Shea	0.2
01/04/13	WJB	Seton: Review National Grid analysis concerning utility bills and telephone call to B Shea re instructions to forward to Seton for payment; Locate amount of real property taxes paid and incurred in sale in three e-mails and forward to B Shea for closing analysis	0.4
01/04/13	WJB	Seton: Forward e-mail to R Frankel for payment of National Grid bill by Seton as responsibility arising out of closing	0.1
01/10/13	WJB	Benchmark: Review buyer's changed version of Asset Purchase, Stock Sale Agreement and consider sale and implications	0.2

33474 Brown, William J. as Receiver of McGinn,  
Smith & Co., Inc., et al  
00002 Asset Disposition  
June 30, 2016

Invoice Number 876690

Page 2 of 6

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
01/11/13	WJB	Seton: Review prior e-mails and prepare e-mail B Shea re status of payments by purchaser for National Grid and other items	0.1
01/14/13	WJB	Review B Shea e-mail re expenses to be collected from Seton post-closing and prepare reply	0.1
01/14/13	WJB	Benchmark: Prepare comments to Benchmark stock purchase agreement and review B Rader e-mail re status	0.9
01/14/13	WJB	Benchmark: Telephone call to J Markowitz re form of contract and preference to firm up dollar amount and revisions being made to contract	0.1
01/14/13	WJB	Continue preparation of comments to Benchmark sale agreement and forward to J Markowitz with mark-up	1.3
01/15/13	WJB	Benchmark: Prepare draft motion for sale of Benchmark assets	0.1
01/16/13	WJB	Benchmark: Review J Markowitz e-mail re contract and prepare response	0.1
01/16/13	WJB	Benchmark: Prepare motion for approval of sale including incorporation of terms from purchase agreement and background facts	1.1
01/17/13	WJB	Benchmark: Prepare revisions to draft sale motion and finalize same	1.3
01/17/13	WJB	Continue revisions on second draft of motion to sell Benchmark assets (.4); Prepare e-mail M Guidry for confirmation of debt amounts (.1); Prepare e-mail B Shea re verification of closing numbers at original acquisition date (.1)	0.6
01/17/13	WJB	Continue revisions on second draft of Benchmark motion to sell assets	0.4

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00002 Asset Disposition  
 June 30, 2016

Invoice Number 876690

Page 3 of 6

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
01/18/13	WJB	Benchmark: Telephone call from J Markowitz to discuss structure of revised purchase agreement for Benchmark and course of action, structuring of purchase price	0.3
01/18/13	WJB	Benchmark: Revise motion for sale approval and prepare e-mail J Markowitz forwarding same	0.3
01/25/13	WJB	Benchmark: Prepare e-mail H Control counsel re status of potential acquisition	0.1
01/25/13	WJB	Benchmark: Telephone call from J Markowitz re Legacy and offer to purchase status	0.1
02/01/13	WJB	Seton: Consider issues which need follow-up following closing to adjust balances in accounts with purchaser and respond to B Shea re same	0.1
02/01/13	WJB	Seton: Telephone call to R Frankel's office re National Grid bill and payment of same by Seton	0.1
02/01/13	WJB	Seton: Prepare e-mail B Shea re R Frankel call for assistance on payment of National Grid bill	0.1
02/01/13	WJB	Seton: Review B Shea e-mail on transition issues	0.1
02/05/13	WJB	Review J Markowitz e-mail on process and timing, locate HControl sale procedure order and forward same to him; Prepare two e-mail replies on timing of approval if agreement is reached	0.4
02/06/13	WJB	Benchmark: Exchange e-mails with counsel for buyer re conference call to discuss potential modified agreement	0.2
02/07/13	WJB	Benchmark: Telephone conference J Markowitz, G Robson re proposed changes to Benchmark acquisition contract and discussion of parameters set by Receiver	0.3
02/08/13	WJB	Benchmark: Review revised APA from Benchmark proposed purchaser	0.2

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00002 Asset Disposition  
 June 30, 2016

Invoice Number 876690

Page 4 of 6

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
02/08/13	WJB	Benchmark: Review revised contract from potential purchaser and prepare e-mail re calculation of purchase price inquiry	0.2
02/08/13	WJB	White Glove: Telephone call from W Shaw re closing ARC account	0.1
02/08/13	WJB	Verifier: Telephone call from R Hamberger of AIG re interest in buying Verifier debt, request introductory letter addressed to Receiver to explain same; Research AIG	0.2
02/12/13	WJB	Review and attend to follow-up matters concerning final reconciliation of amounts due from Seton Hall	0.8
02/19/13	WJB	Seton: Review B Shea e-mail with assessment letter; Prepare reply approving same	0.1
03/01/13	WJB	Verifier: Telephone call to W Perez re Receiver request for offer to purchase units in light of other offers being received and discussion of same	0.3
03/01/13	WJB	Prepare and revise e-mail responding to R Hamburger inquiry concerning purchaser of Verifier units	0.5
03/08/13	WJB	Verifier: Review e-mail from R Hamburger and prepare e-mail to R Hamburger re arranging call to discuss possible purchase and non-disclosure agreement	0.1
03/08/13	WJB	Verifier: Prepare for and telephone conference with R Hamburger re interest in purchasing Verifier units, disclosure issues, discussion of interests of McGinn Smith estates and process for obtaining greatest value	0.7
03/08/13	WJB	Verifier: Telephone call to B Shea re Verifier facts in attempt to sell units to highest and best offer	0.2
03/08/13	WJB	Verifier: Telephone follow-up with B Shea concerning Verifier information for asset disposition	0.2
03/12/13	WJB	Verifier: Review W Perez e-mail re Verifier intent to make offer	0.1

33474 Brown, William J. as Receiver of McGinn,  
Smith & Co., Inc., et al  
00002 Asset Disposition  
June 30, 2016

Invoice Number 876690

Page 5 of 6

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
03/19/13	WJB	Verifier: Review two e-mails from R Hamburger re non-disclosure agreement and updates of negotiations with Verifier for sale of GPUs	0.3
03/20/13	WJB	Verifier: Review R Hamburger e-mail re possible altered financial statement entries and insider transactions; Conference GFK re strategy on how to deal with R Hamburger as potential buyer and potential board member participant	0.3
03/20/13	WJB	Investigate information concerning Verifier, Tinicum and AGI Corporate Finance as related to potential sale of Verifier units	0.4
03/21/13	WJB	White Glove: Review ARC cancellation requirements and form, sign same and prepare email W Shaw re representations and warranties and confirmation re same	0.3
03/21/13	WJB	White Glove: Review file for information on ARC deposit or letter of credit and prepare e-mail W Shaw for return of same	0.2
03/22/13	WJB	Verifier: Prepare for and participate in telephone call with R Hamburger concerning disclosure and purchase terms for purchase of Verifier units	0.6
03/22/13	WJB	Verifier: Prepare notes on March 22 call with R Hamburger re sale of Verifier units and listing of next steps	0.3
03/29/13	WJB	Verifier: Review e-mail from R Hamburger re Verifier non-disclosure agreement limiting Tinicum from dealing with Receiver Verifier units	0.1
03/29/13	WJB	Verifier: Review K-1 and forward to B Shea for review and explanation of interests owned	0.2
04/09/13	WJB	Benchmark: Review draft Asset Purchase Agreement	0.1
04/15/13	WJB	Review proposed Asset Purchase Agreement	0.1

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00002 Asset Disposition  
 June 30, 2016

Invoice Number 876690

Page 6 of 6

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
04/30/13	WJB	Seton: Review two past-due invoices for pre-closing period from vendors, sign and issue checks for same following discussion with B Shea	0.2
05/24/13	WJB	TDM: Review closing file and closing set and forward to B Shea for preparation of tax return questions	0.3
06/26/13	WJB	CIFC: Review A Guzzetti e-mail terms re sale of CIFC securities and approve B Shea e-mails re same	0.2
06/27/13	WJB	CIFC: Prepare e-mail A Guzzetti confirming authorization of B Shea to initiate CIFC security sales; Telephone call to B Shea re sale process and sale of blocks of securities and commissions	0.3
06/28/13	WJB	CIFC: Revise draft letter to DLG Financial Services re sale of CIFC shares and forward to B Shea	0.3
06/28/13	WJB	CIFC: Review B Shea e-mail on DLG requested changes to form of instruction letter and telephone call to B Shea re choices re same and commissions	0.4

CURRENT FEES

\$7,920.00

FOR COSTS ADVANCED AND EXPENSES INCURRED:

Telephone (Long Distance Only) Telephone; 13056656062, 3 Mins. Ext: 8356	0.60
Telephone (Long Distance Only) Telephone; 12147328811, 3 Mins. Ext: 7089	0.60
Telephone (Long Distance Only) Telephone; 12147328811, 1 Mins. Ext: 7089	0.20
Duplicating A1, 32 Page(s)	3.20

CURRENT EXPENSES

4.60

TOTAL AMOUNT OF THIS INVOICE

\$7,924.60

\*\*\*PAYMENT DUE UPON RECEIPT\*\*\*



# **Category E**

## **Case Administration**



## Phillips Lytle LLP

Attorneys at Law  
 One Canalside  
 125 Main Street  
 Buffalo, NY 14203-2887  
 Telecopier # (716) 852-6100  
 (716) 847-8400  
 FED I.D. #16-0505790

William J. Brown, Esq.  
 Phillips Lytle LLP  
 One Canalside  
 125 Main Street  
 Buffalo, NY 14203

Invoice Number 876691  
 Invoice Date 06/30/16  
 Client Number 33474  
 Matter Number 00004  
 W J Brown

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### Re: CASE ADMINISTRATION

FOR PROFESSIONAL SERVICES RENDERED THROUGH JUNE 30, 2013:

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
01/02/13	WJB	Prepare two e-mails with D Smith arranging call on CMET investment and liquidation process	0.1
01/02/13	WJB	Review 16 e-mail notifications re criminal trial including motion re admission of employee testimony, jury instructions and stipulation re admissibility of documents for relevance to civil case	0.3
01/02/13	WJB	Review witness list filed by D Smith	0.1
01/02/13	WJB	Review B Shea e-mail on disposition of four office chairs and consideration of same	0.1
01/03/13	WJB	Review 5/15/08 McGinn Smith Transaction Funding Agreement with Firstline re funding of interest payments (.3); Prepare email Asst. U.S. Attorney re existence of agreement (.2); Telephone call to Asst. U.S. Attorney re agreement and general description of same and agreement to accept delivery of subpoena (.2)	0.7

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 2 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
01/03/13	WJB	Review materials from D Smith re certain investments and preparation for call re same	0.3
01/03/13	WJB	Telephone call from D Smith to discuss potential liquidation methodologies of certain liquid investments and course of action	0.3
01/03/13	WJB	Telephone call to B Shea re absence from office and attendance at trial and dealing with interim issues during same including Seton Hall sweep of deposit by National Grid and related matters	0.3
01/03/13	WJB	Telephone call from Asst. U.S. Attorney re 5/15/08 Firstline agreement with Notes	0.2
01/03/13	WJB	Review motion of U.S. for preclusion of certain evidence at criminal trial and consider implications in civil case	0.3
01/04/13	WJB	Review e-mail from E Coombe re document delivery and prepare reply re receipt of subpoena	0.4
01/04/13	WJB	Telephone call from M Collins at UST office re subpoena; Telephone call from R Bellis at UST re 5/15/08 agreement production	0.3
01/04/13	WJB	Review subpoena for 5/15/08 agreement for McGinn Smith Transaction Funding Corp. information	0.3
01/04/13	WJB	Provide two documents subpoenaed by US to D Stoelting and follow-up questions re same	0.2
01/04/13	WJB	Review MSFF Investor Funds balance and e-mail from B Shea re disposition	0.1
01/04/13	WJB	Exchange e-mails with B Shea re McGinn Smith Firstline Funding and prepare reply re moving funds to FNB	0.2
01/04/13	WJB	Prepare e-mail E Coombe re 5/15/08 agreement and request for subpoena	0.1

33474 Brown, William J. as Receiver of McGinn,  
Smith & Co., Inc., et al  
00004 Case Administration  
June 30, 2016

Invoice Number 876691

Page 3 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
01/04/13	WJB	Prepare e-mail to K Ciccarelli at UST re TDM subpoena document	0.1
01/07/13	WJB	Review latest form of KeyBank waiver letter received from D Keenholtz and review prior versions including 6/1/10 Customer and Billing Services Agreement and reservation of rights contained in same and incorporate into draft	0.7
01/07/13	WJB	Revise KeyBank reservation of rights for latest Keenholtz agreement and forward e-mail with explanation to D Keenholtz	0.3
01/07/13	WJB	Review Judge Rakoff decision on Madoff fraudulent conveyance trials being held in Bankruptcy Court for recommendation	0.2
01/07/13	WJB	Review defendants' second supplemental witness list	0.2
01/07/13	WJB	Review Times Union and other articles re commencement of criminal trial for relevant information	0.2
01/08/13	WJB	Attend opening statements at McGinn Smith criminal trial and discuss certain issues with D Stoelting of SEC	3.2
01/09/13	WJB	Review Cruise Charter and TAIN HSBC statements and forward to B Shea	0.1
01/09/13	WJB	Review Times Union article on B Shea criminal trial testimony	0.1
01/09/13	WJB	Attend to administrative detail re criminal trial following opening day arguments	0.2
01/09/13	WJB	Review First Niagara McGinn Smith & Co. Inc. 12/31/12 statement and forward to B Shea	0.1
01/09/13	WJB	KeyBank: Review D Keenholtz revision to proposed KeyBank letter and identify contracts	0.1
01/09/13	WJB	Telephone call from B Shea to explain why Receiver cannot discuss witnesses or testimony at criminal trial	0.1

33474 Brown, William J. as Receiver of McGinn,  
Smith & Co., Inc., et al  
00004 Case Administration  
June 30, 2016

Invoice Number 876691

Page 4 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
01/09/13	WJB	Prepare notes re various investor calls	0.1
01/09/13	WJB	Telephone call from B Shea re 401K transition issues and T McGinn mail from realtor and forwarding of same	0.1
01/10/13	WJB	Prepare list of open items	0.1
01/10/13	WJB	KeyBank: Revise D Keenholts draft letter to KeyBank and Security Systems re KeyBank loan portfolio and insert additional conditions and information	0.3
01/10/13	WJB	KeyBank: Further revisions to proposed D Keenholts letter, incorporation of Excel spreadsheet listing exact contracts involved, revision of schedules and forward to D Keenholts	0.6
01/10/13	WJB	Review various docket entries in McGinn Smith criminal trial including evidence stipulation	0.2
01/10/13	WJB	Prepare revisions to Receiver website for updates on criminal trial and other matters	0.5
01/11/13	WJB	Review criminal trial update insert for Receiver website and finalize same	0.1
01/11/13	WJB	M&T Bank: Review B Shea e-mail and proposed e-mail to M&T Bank re closing accounts and transfer of money re Firstline escrow account	0.1
01/11/13	WJB	M&T Bank: Prepare letter to M&T Bank to transfer MS Firstline Funding escrow account to First Niagara Bank	0.2
01/11/13	WJB	Mr. Cranberry: Prepare letter A Varshavsky at FMR for transfer of Mr. Cranberry account and review prior e-mails on same subject	0.4
01/11/13	WJB	First Niagara Bank: Review B Shea inquiry re no statement received for account ending in 1433 (.1); Send e-mail to First Niagara bankers re need for account statement at month end for 12/12	0.2

33474 Brown, William J. as Receiver of McGinn,  
Smith & Co., Inc., et al  
00004 Case Administration  
June 30, 2016

Invoice Number 876691

Page 5 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
01/11/13	WJB	National Financial: Review what occurred to MSC account and prepare e-mail to B Shea re same	0.1
01/11/13	WJB	Review statement for account charge re National Financial Services from B Shea resulting in de minimus balance in account	0.2
01/11/13	WJB	Telephone call from B Shea re using D Keenholts to prepare various reports including sales tax reports for year-end tax returns and discussion of resolution of B Shea arbitration claim and potential impact	0.3
01/11/13	WJB	Look at criminal court daily report re testifying witnesses	0.1
01/14/13	WJB	Review two newspaper reports re criminal trial developments	0.1
01/14/13	WJB	KeyBank: Review D Keenholts e-mail on distribution of KeyBank and Security Systems letter and prepare reply	0.1
01/14/13	WJB	Review B Shea e-mail with questions on scope of work for D Keenholts re sales tax and other matters and prepare reply	0.1
01/14/13	WJB	Prepare reply e-mail to SEC on question concerning balance of Receiver accounts at 12/31/12 and distribution status	0.2
01/15/13	WJB	Review 1/14 court filed status report and event list	0.2
01/17/13	WJB	National Life: Prepare e-mail National Life approving value information as requested by B Shea concerning T McGinn life insurance policy	0.1
01/17/13	WJB	Review 1/16 Asst. U.S. Attorney letter to Court re McGinn Smith proposed expert witnesses and limiting testimony concerning Messrs. D'Aleo and Engel and G DeAngelus	0.7
01/18/13	WJB	Review article on Stanford proposed distribution by Receiver and compare terms and conditions and format for use in McGinn case	0.2
01/18/13	WJB	Search for and obtain motion for interim distribution by Stanford trustee for comparison purposes	0.3

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 6 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
01/22/13	WJB	Review U.S. Attorney motion in Limini filed on 1/21 re 1999 D Smith handwritten letter	0.2
01/22/13	WJB	Review government letter on Smith handwritten letter of confession and review typed version	0.2
01/24/13	WJB	IRA Values: Consider investor inquiries concerning IRA values and tax implications to investors based upon information received (.3); Telephone call to GFK re tax and benefit issues re advice concerning IRA values (.2); Prepare updated insert to Receiver website re IRA values as requested by certain investors (.4)	0.9
01/24/13	WJB	Telephone call from B Shea re need to be out of office and at Utica and arrangements re same	0.1
01/24/13	WJB	Prepare revisions to IRA insert information on Receiver website	0.3
01/24/13	WJB	Review District Court report on prior day proceedings	0.1
01/24/13	WJB	Prepare website update for potential verdict in criminal case	0.2
01/24/13	WJB	Telephone call from D Keenholts re whereabouts of original signed KeyBank letter for KeyBank portfolio with Security Systems	0.1
01/24/13	WJB	KeyBank: Locate original KeyBank Security Systems letter at request of D Keenholts and prepare letter forwarding to B Ackerman and prepare reply to D Keenholts e-mail concerning same	0.4
01/24/13	WJB	Benchmark: Review M Guidry Property Settlement Agreement with power company and settlement terms; Prepare e-mail approving same	0.2
01/24/13	WJB	Benchmark: Prepare e-mail M Guidry re early cancellation provision at Legacy and request for identity of new contracting party	0.1

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 7 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
01/25/13	WJB	Benchmark: Voicemail message for M Guidry re Legacy and other issues	0.2
01/28/13	WJB	Legacy: Review list of Legacy issues and contract in relation to proposed transition services agreement and discuss same with M Guidry concerning strategy to deal with Legacy in terms of early termination payment and other matters	1.0
01/28/13	WJB	Review Legacy contract and prepare e-mail M Guidry re instructions concerning termination payment and other matters	0.7
01/28/13	WJB	Benchmark: Revise e-mail to Legacy on termination and forward to M Guidry	0.1
01/28/13	WJB	Review press accounts on T McGinn testimony at criminal trial	0.1
01/28/13	WJB	Review newspaper accounts of T McGinn testimony	0.1
01/28/13	K-K	Docket Ex Parte Conference date	0.2
01/29/13	WJB	Exchange e-mails with SEC concerning criminal trial closing arguments and related matters	0.1
01/29/13	WJB	Review 1/28 criminal trial report	0.2
01/29/13	WJB	Benchmark: Telephone call to M Guidry re Legacy termination negotiations	0.2
01/30/13	WJB	Prepare outline in preparation for call with Albany Business Review lawyer re legal steps, implications of civil and criminal trial and investor distributions	0.2
01/30/13	WJB	Conference with REF re potential statement necessary upon criminal trial verdict and preparation of same	0.1
01/30/13	WJB	Prepare draft website announcements anticipating verdict in criminal case	0.3



33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 8 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
01/30/13	WJB	Conference webmaster re posting of alternative announcements pending criminal verdict	0.2
01/30/13	WJB	Review 1/29 criminal trial docketed report	0.1
01/30/13	WJB	Review superseding indictment and consider potential outcomes including review of trial briefs and other matters re D Smith 1999 letter	0.5
01/30/13	WJB	Benchmark: Review Legacy proposed e-mail on transition as drafted by M Guidry, modify same and send to M Guidry	0.2
01/31/13	WJB	Attend closing arguments in criminal case at Federal Court in Utica, NY and conferences with SEC counsel re same	7.0
02/01/13	WJB	Revise description of criminal trial update on Receiver website for posting	0.2
02/01/13	WJB	Review 1/31/13 District Court Minutes as to criminal trial	0.2
02/04/13	WJB	Review 2/1/13 criminal trial report as posted by Court	0.1
02/04/13	WJB	Livingston: Review and endorse monthly settlement check received on 2/4/13 and review settlement agreement re tickling entries necessary for continuation of Confession of Judgment and related matters; Prepare e-mail TAR re same	0.5
02/04/13	WJB	Review Business Journal article on McGinn Smith criminal trial	0.2
02/04/13	WJB	Benchmark: Review M Guidry draft e-mail on Legacy Development termination and prepare extensive modifications to draft communication re transition and cost of same and forward to M Guidry	0.3
02/04/13	WJB	Telephone call to M Guidry approving Meadow Run upgrades	0.1
02/04/13	K-K	Docket date Thomas Livingston's Affidavit for Confession of Judgment expires	0.2

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 9 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
02/05/13	WJB	Prepare Receiver statement anticipating guilty verdict in criminal trial and consider implications	0.5
02/05/13	WJB	Prepare Receiver statement in event of not guilty verdict in criminal trial and consider implications	0.4
02/05/13	WJB	Review facts surrounding request from B Shea for letter to Judge Herd re sentencing of B Shea and consider same	0.2
02/05/13	WJB	Review REF e-mail on criminal trial press release if necessary and approve same	0.1
02/05/13	WJB	Organize list of tasks in light of upcoming calendar and organize for meeting on claims objections	0.3
02/05/13	WJB	Follow-up conference with REF re Receiver statement upon jury verdict and consider implications of same	0.1
02/05/13	WJB	Review status of criminal trial verdict, local newspaper coverage and forward to REF	0.2
02/05/13	WJB	Review Cornacchia wire transfer payment evidence received from B Shea	0.1
02/05/13	K-K	Docket sentencing date for Brian Shea	0.2
02/06/13	WJB	Revise Receiver statements in anticipation of jury verdict	0.6
02/06/13	WJB	Prepare further revisions to two potential statements in light of upcoming jury verdict	0.3
02/06/13	WJB	Review press report of guilty verdict in McGinn Smith criminal trial including e-mail to SEC re same; Post verdict on Receiver website for benefit of investors	1.1
02/07/13	WJB	Review U.S. Attorney statement on verdict and compare to potential website description, update website for benefit of investors re criminal conviction	0.4
02/07/13	K-K	Docket sentencing date for Timothy McGinn	0.2

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 10 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
02/08/13	WJB	Work on revisions to proposed distribution plan	0.2
02/08/13	WJB	Work on further outline and revisions to proposed distribution plan	0.2
02/11/13	WJB	Review various articles on criminal trial conviction and follow-up	0.1
02/11/13	WJB	J Few: Review draft letter from B Shea re collection of debt	0.1
02/11/13	WJB	J Few: Prepare comments to J Few collection letter and forward to B Shea	0.2
02/12/13	WJB	Conference with B Shea re ongoing operations, lease and space issues, analysis of bank fees and preparation for M&T meeting, Verifier audit, Smith camp and utilities payments, TD Bank accounts, Piatker & Lyons work papers, National Financial Services, Seton Hall and other matters	1.3
02/12/13	WJB	Review 99 Pine Street space and remaining items to be disposed of, attend to various administrative detail	0.9
02/12/13	AZM	Research whether Seton Hall letters are subject to FDCPA	0.6
02/13/13	WJB	Telephone call to D Stoelting at SEC re Livingston settlement, locate prior pleadings and forward to SEC	0.2
02/13/13	WJB	Review various prints and artwork including chandelier for potential disposition methods with B Shea and prepare memo to file re same	0.4
02/14/13	WJB	Prepare e-mail to TD Bank for account balances and closing of several stagnant accounts	0.2
02/15/13	WJB	Telephone call from M Barbera re assertion that he has money to pay to McGinn Smith arising out of former investment; Review correspondence from M Barbera	0.3
02/16/13	WJB	Review B Shea request for sentencing letter recommendation to Judge Hurd; Prepare draft of same focusing on importance of completion of claim evaluation and distribution process	0.8

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 11 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
02/16/13	WJB	Review letter from First Niagara Bank re account name change as requested by Receiver and prepare e-mail B Shea re same	0.1
02/18/13	WJB	Review letter from B Shea requesting character letter for sentencing hearing and prepare initial draft of same following consideration of various issues	1.4
02/18/13	WJB	Revise B Shea sentencing letter on behalf of Receiver, consider legal issues and multiple revisions re same; Forward to B Shea criminal counsel as requested	1.7
02/18/13	WJB	Prepare e-mail SEC re B Shea sentencing letter as to character and need for Shea to complete Receiver responsibilities; Review reply from SEC and prepare response	0.1
02/19/13	WJB	Prepare e-mail B Shea re arrangements for meeting on Wednesday with M&T concerning bank account setup and related items	0.1
02/19/13	WJB	Telephone call from B Shea re M&T Bank account structure, training and KeyBank claim re M&S Partners	0.3
02/19/13	WJB	Telephone call to P Cleveland at M&T Bank concerning Internet and account access and related matters; Telephone follow-up to P Cleveland re same and communications with M&T on web info; Attend to review of all M&T accounts including balances and transactions	1.4
02/20/13	WJB	Prepare e-mail P Cleveland at M&T re web banking; Prepare e-mail B Shea re same	0.2
02/20/13	WJB	Continue review of M&T account information and consider B Shea proposed account transfers and review implications of same	0.5
02/20/13	WJB	Prepare e-mail TD Bank re follow-up on prior requested account closings and transfers; Review reply concerning branch manager communications	0.1

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 12 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
02/20/13	WJB	Continue review of proposed M&T Bank account transfer to consolidate accounts and achieve higher interest rates as a result and conclude that same must be subject to Chiampou Travis approval as to accounting process	0.3
02/20/13	WJB	Telephone conference with B Shea and N Sadhak re web banking and account consolidation, interest rate and service issues and work on same	0.6
02/20/13	WJB	Telephone call to B Shea re return of government records as notified by IRS, size of needed space and discussion of alternative record locations and costs, due diligence process	0.2
02/20/13	WJB	Review e-mail from B Shea re Guzetti records possibly contained in IRS records to be returned and potential disposition of same	0.2
02/20/13	WJB	Telephone call re information concerning L Smith records and possible destruction of same by third party; Telephone call to D Stoelting re same	0.3
02/20/13	WJB	Prepare e-mail D Stoelting re information concerning recently departed brokers from Guzetti firm	0.2
02/20/13	WJB	Telephone call to B Shea re further evaluation of return of approximately 1,000 sq. ft. of documents from U.S. following criminal trial, process of identifying cost-effective space for same, inside or outside, alternative site locations to 99 Pine Street and Clifton Park, how to store and segregate records anticipating return by IRS	0.3
02/21/13	WJB	Prepare e-mail B Shea re return of records from Department of Justice and necessary conditions to be able to accept receipt of records including storage space, delivery time and segregation	0.2
02/21/13	WJB	Telephone call from B Shea re receipt of boxes of returned documents from Department of Justice, transition re same, claims process, Guzetti records	0.3

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 13 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
02/21/13	WJB	Telephone call from B Shea re estimated signs of documents to be returned by Department of Justice of 1,000 sq. ft. and calculate available space to accommodate same and consider various options	0.2
02/21/13	WJB	Prepare e-mail IRS agent re timing and issues dealing with record return including ability to rent space and time to accept on timeline proposed by IRS	0.2
02/21/13	WJB	Telephone call from G Nugent to discuss B Shea sentencing possibilities as possibly affecting Receivership activities	0.2
02/22/13	WJB	Review article re Gersten Savage as relates to McGinn Smith	0.2
02/22/13	WJB	Prepare e-mail B Shea re space storage alternatives	0.1
02/22/13	WJB	Telephone call to B Shea re space storage analysis based upon Excel spreadsheet showing alternatives at Clifton Park, two Albany locations plus 99 Pine Street and consider amount of space needed, location, security and other considerations including price	0.5
02/22/13	WJB	Review Victim Impact Statement distributed by Department of Justice; Telephone call to victim coordinator to discuss same as impacting McGinn victims, posting to website and other issues	0.7
02/22/13	WJB	Telephone call from B Shea re space issues, return of documents by IRS and attempts to arrange storage lease with landlord; Prepare e-mail IRS agent re same	0.3
02/22/13	WJB	Review motion for acquittals and new trial filed by D Smith and T McGinn	0.7
02/22/13	WJB	Review e-mail from landlord agent at 99 Pine Street re space considerations	0.1
02/23/13	WJB	Prepare e-mail SEC attorneys re Department of Justice victim statement and conversation with victim coordinator and follow-up issues	0.1

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 14 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
02/25/13	WJB	Review Court decision on Madoff feeder fund and rights of customers to share in SIPA proceeds and consider implications for McGinn Smith	0.2
02/25/13	WJB	Prepare e-mail B Shea re status of new lease at 99 Pine Street and telephone call from B Shea re landlord's additional request	0.2
02/25/13	WJB	Review 99 Pine Street landlord communications and proposed rent terms and reply to B Shea on process and insistence on release of any claim held by landlord	0.2
02/25/13	WJB	Continue review of Madoff feeder fund decision for applicability to SIPA	0.2
02/25/13	WJB	Prepare e-mail SEC re Madoff decision on feeder funds and relevancy to SIPA recovery in McGinn case	0.2
02/25/13	WJB	Review landlord letter at 99 Pine Street re proposed lease; Telephone call to B Shea re no basis to have agreement to agree and requirement for complete lease at this time	0.2
02/25/13	K-K	Docket Hearing re Motion for Acquittal	0.2
02/26/13	WJB	Telephone conferences with B Shea re status of space allocation at 99 Pine Street, status of landlord approval of lease and alternatives if no response from landlord	0.3
02/26/13	WJB	99 Pine Street: Review lease terms received from B Shea and landlord issuance of same, prepare e-mail approving same	0.3
02/26/13	WJB	Telephone call from victim coordinator at Department of Justice re question re accruing interest and follow-up question to her re posting of website and notifying other McGinn Smith victims	0.3
02/26/13	WJB	Benchmark: Prepare e-mail M Guidry re Legacy termination issue and focus on payment responsibility	0.2
02/27/13	WJB	Review Times Union article on D Smith, T McGinn motions for new trial or acquittal	0.1

33474 Brown, William J. as Receiver of McGinn,  
Smith & Co., Inc., et al  
00004 Case Administration  
June 30, 2016

Invoice Number 876691

Page 15 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
02/27/13	WJB	Review e-mail from B Shea on sentencing report and consider implications	0.1
02/27/13	WJB	Telephone call to JPH re preparation of notification letters to tenants re HSBC address and termination letters	0.1
02/27/13	WJB	Telephone call from R Van De Veer of Malecki Law Firm re claim issues	0.3
02/27/13	WJB	Review W Myers Notice of Appearance in USA v. McGinn and follow-up re same	0.1
02/27/13	WJB	Review B Shea e-mail on moving basement boxes to new storage site; Prepare reply re need for segregation	0.2
02/28/13	WJB	Review B Shea sentencing memorandum filed with Court and government sentencing memorandum for B Shea and consider implications to Receivership	0.7
02/28/13	WJB	Telephone call from B Shea re storage instructions for basement records, preparation of index of documents returned by U.S. Attorney and procedure for same	0.2
02/28/13	WJB	Telephone call to G Nugent re interpretation of sentencing memoranda and implications for B Shea and Receivership	0.1
02/28/13	WJB	Work on distribution and investor plan and organize structure	0.3
02/28/13	WJB	Telephone call from J Zepp as investor re victim witness statements distributed by Department of Justice and questions re why she has not received same, address verification, and follow-up telephone call to victim impact specialist re same in light of W Lex distribution of e-mail concerning victim impact statement	0.3
02/28/13	WJB	E-mail M Morey at U.S. Attorney's Office re confirmation of Dr. Calusic interest accrual question and report of W Lex e-mail distribution on victim impact statement and follow-up questions concerning posting of same on Receiver website	0.4



33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 16 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
03/01/13	WJB	Prepare e-mail SEC re return of documents by IRS and storage of same at 99 Pine Street and terms of same	0.3
03/01/13	WJB	Telephone call from W Myers at U.S. Attorney's Office re Receiver claims process, description of same, relevance to U.S. case and related information	0.4
03/01/13	WJB	Telephone call from T O'Connor, Esq. re Haggerty claim and secret commissions, Receiver role in third party litigation and impact of stay	0.3
03/01/13	WJB	Benchmark: Review termination with Dish for Grandview property forwarded by M Guidry; Prepare e-mail approval to M Guidry	0.5
03/01/13	WJB	Benchmark: Telephone call to M Guidry re early termination circumstances at Grandview	0.2
03/04/13	WJB	Review S Jones letter re information requested on behalf of T McGinn and D Smith re source of funds for criminal trial	0.1
03/04/13	WJB	Telephone call from D Stoelting at SEC re discussion of re-trial motion	0.2
03/04/13	WJB	Telephone call to D Stoelting at SEC re communications with Asst. U.S. Attorney re creditor list and reconciliation re victim claims	0.4
03/04/13	WJB	Review draft SEC e-mail to assist U.S. Attorney re claims process and asset disposition and prepare comments to same	0.2
03/04/13	WJB	Review S Jones letter re money collected in estate to assist in sentencing hearing	0.1
03/04/13	WJB	Prepare e-mail SEC and Asst. U.S. Attorney re T McGinn, D Smith sentencing information	0.1
03/04/13	WJB	Prepare letter S Jones responding to his letter concerning information request in connection with sentencing	0.2

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 17 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
03/04/13	WJB	Telephone call from W Myers at U.S. Attorney's Office re Docket No. 501 re insurance trust and Docket No. 478 and discussion of background re same	0.5
03/06/13	WJB	Attend hearing at Federal District Court and conferences with Asst. U.S. Attorney re sentencing of B Shea	1.0
03/06/13	WJB	Telephone call to D Stoelting at SEC re outcome of B Shea sentencing and communications with Asst. U.S. Attorney re claims process	0.3
03/06/13	WJB	Review boxes of documents returned by U.S. Attorney's Office to estate following conclusion of criminal trial including conferences with B Shea re segregation and topics	0.6
03/06/13	WJB	Conference with B Shea re obtaining various TD Bank statements not previously provided by TD Bank and authorization for same	0.2
03/07/13	WJB	Review two FNB accounts including whether wire charge has been reversed and prepare two e-mails to B Shea re same	0.2
03/07/13	WJB	Telephone call from D Stoelting to discuss claims against clearing brokerage and report of recent settlement, basis for claims and discussion of communicating with attorneys handling claims for action on behalf of estate	1.0
03/07/13	WJB	Telephone call to D.R. Chase re claim brought against National Financial Services, interest of estate in same and necessary follow-up	0.4
03/07/13	WJB	Telephone call from L Schildkraut, Esq. re questions re estates	0.2
03/07/13	WJB	Telephone call to D Stoelting, A Bambach of SEC re REFCO and Waggoner decisions and discussion of strategy	0.4
03/07/13	WJB	Telephone call to B Shea re further back-up information re National Financial Services and amount of claims	0.2
03/07/13	K-K	Docket adjourned hearing date on Motion for Acquittal	0.2

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 18 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
03/08/13	WJB	Telephone conference with S Silver, D Chase re potential for claim against NFS, basic facts and necessary follow-up, public status of present investor actions and arbitrations and next steps including discussion of potential defenses held by NFS against estate	0.7
03/11/13	WJB	Review two letters from S Jones re monies recovered in connection with sentencing and one for purported rugs still available for delivery to T McGinn; Prepare e-mail B Shea re rugs	0.1
03/11/13	WJB	Review and analyze S Jones letters of 3/1 and 3/4 re assets and prepare e-mail B Shea re requested analysis and preparing orderly information answer	0.4
03/11/13	WJB	Review weekly cash and securities report	0.1
03/11/13	WJB	Prepare reply e-mail to S Jones re T McGinn having removed all rugs from storage in response to request to make rugs available, locate and provide evidence of removal including receipt	0.2
03/11/13	WJB	Telephone call from B Shea re questions concerning information request from S Jones re asset recoveries	0.2
03/11/13	WJB	Further review of S Jones information requests and how to respond to same	0.1
03/12/13	WJB	Review T O'Connor 3/11 letter re Taylor v. Casolo FINRA arbitration	0.1
03/12/13	WJB	Review R Simons sentencing memoranda as filed with Court	0.1
03/12/13	WJB	Review two press articles on R Simons sentencing and locate sentencing report	0.2
03/13/13	WJB	Benchmark: Telephone call from M Guidry re Grandview early termination and coordination with HControl re same	0.2

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 19 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
03/15/13	WJB	Alarm Traders: Review e-mail from B Shea re use of laptop and preservation of data; Prepare reply re same	0.1
03/18/13	WJB	Review and analyze Second Circuit decision on disposition of trust lake property and remand to Majistrate for instructions to Receiver, consider next next steps	0.4
03/18/13	WJB	Telephone call from W Myers, Asst. U.S. Attorney, re claims data for potential use by U.S. Attorney's Office in sentencing process	0.2
03/18/13	WJB	Forward e-mail to W Myers at U.S. Attorney's Office with claims schedules on confidential basis explaining process re same	0.3
03/18/13	WJB	Prepare e-mail to SEC on reports concerning Saratoga garage sale	0.1
03/19/13	WJB	Review basis for Receiver collecting and holding L Smith Pine Street distributions and prepare e-mail SEC re basis for same	0.2
03/20/13	GFK	Office conference with WJB re Verifier	0.2
03/21/13	WJB	Prepare e-mail to SEC re status of follow-up on Second Circuit Order; Review reply from K McGrath on letter to be filed with District Court	0.1
03/21/13	WJB	Telephone call from D DiChari as former broker on behalf of former clients concerning status of claims process, distributions and extended explanation of SIPC process and decision of law re SIPC not providing coverage to McGinn Smith situation	0.6
03/21/13	WJB	Review e-mail from W Dreyer re funds on account balances for sentencing issues; Prepare reply re providing of same	0.2
03/21/13	MGS2	Telephone calls regarding general information	0.1
03/22/13	WJB	Review S Jones 3/21 letter re data information request and prepare reply re claims	0.4

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 20 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
03/22/13	WJB	Prepare balance report of McGinn Smith assets for W Dreyer and S Jones including e-mail J Sweet at Kinderhook Bank for copies of current statements	0.4
03/22/13	WJB	Prepare e-mail B Shea with S Jones letter re accounting information in connection with sentencing	0.1
03/22/13	WJB	Telephone message to W Dreyer re request for feedback on information requested for D Smith, T McGinn sentencing	0.1
03/22/13	WJB	Alarm Traders: Review e-mail from B Shea re laptop usage and preservation of data and prepare reply	0.1
03/24/13	WJB	Review e-mail from B Shea on request to alternate work days to complete claims process and prepare e-mail approving same	0.1
03/25/13	WJB	Review status of M&T relationship, deposits and accounts	0.1
03/25/13	WJB	Review SEC letter motion for pre-trial conference in light of Second Circuit decision re Smith Trust and L Smith property	0.2
03/27/13	WJB	Saratoga Residence: Review e-mail from M Kornstein re Smith residence and bank inquiry concerning lifting of stay and consider course of action	0.1
03/27/13	K-K	Docket telephone conference date	0.2
03/28/13	WJB	Conference with JPF2 re investigation of law re subordinating trade claims to investor claims including review of Stanford plan and deferral of decision on same topic	0.2
03/28/13	WJB	Review Judge Homer prior decision on sale of Saratoga residence, bank relief from stay and prepare draft e-mail reply to M Kornstein re relief from stay, sale of residence and recommendation to SEC re same	0.5
03/28/13	WJB	Review information on Stanford Ponzi scheme penalties dispute as potentially applicable to McGinn Smith	0.1

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 21 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
03/28/13	WJB	Telephone call from D Stoelting at SEC re discussion of merits of moving to lift stay on Saratoga residence, discussion of prior decision of court and issues to be resolved in connection with same, proposed Receiver response to mortgagee and preliminary discussion re SAI as omitted entity in claims process	0.5
03/29/13	WJB	Prepare reply e-mail to M Kornstein re inquiry about lifting stay on Saratoga residence and incorporate thoughts concerning prior Judge Homer Order and Receiver position as to same	0.4
03/29/13	WJB	Telephone call from B Shea re review of potential claims against D Smith for monies owed to estate arising in various ways including possible payment of personal expenses by corporate account, prior loan and other matters	0.5
03/29/13	WJB	Review B Shea chart of D Smith expenses paid by McGinn Smith	0.2
03/29/13	WJB	Prepare e-mail J Carr re no authority to have written letter to FINRA re activities	0.2
04/01/13	WJB	Review article on Stanford class action settlements and consider implications	0.1
04/01/13	WJB	Telephone call from B Neidl at Wilson Elser re D Hagerty FINRA claim, identify Order containing stay of proceedings and discussion of preliminary injunction order	0.2
04/01/13	WJB	Prepare e-mail to B Shea re request to follow-up with M&T to confirm no further assessment of fees on bank deposits given cessation of significant check writing activity	0.1
04/01/13	WJB	Review e-mail from D Smith concerning closing statement for Vero Beach property, locate same and forward to D Smith with explanation concerning ability to have arranged for payoff without payment of interest and fees to TD Bank	0.3
04/01/13	WJB	Review D Stoelting e-mails re returned files from U.S. Attorney's Office, location of same and prepare reply	0.1

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 22 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
04/02/13	WJB	Prepare follow-up e-mail to M Kornstein re decision of bank to move to lift stay or not and review reply; Forward to SEC re Smith Saratoga house	0.2
04/02/13	WJB	Livingston: Review April 2013 payment, endorse check and deposit same	0.1
04/02/13	WJB	Saratoga Residence: Review reply from SEC re timing and prepare reply re possibility of Smiths being located in Colorado going forward	0.1
04/02/13	WJB	Telephone call from B Shea re format of information response to S Jones, W Dreyer request and SAI investor numbers and amount	0.2
04/02/13	WJB	SAI: Review SAI dollar claims and investor numbers as received from B Shea	0.1
04/03/13	WJB	Saratoga: Consider options re Smith residence in Saratoga concerning marketing, sale, lifting stay and related matters	0.1
04/03/13	WJB	Review e-mail from D Smith with questions concerning proceeds from Vero Beach house sale; Prepare reply with information and explanation of allocation of proceeds	0.4
04/03/13	WJB	Review T Welles e-mail re K-1's for Pine Street and relevant investors in Smith family; Forward to B Shea for providing to Chiampou Travis in connection with tax returns	0.2
04/03/13	WJB	Review B Shea e-mail on S Jones data request; Review S Jones letter and interpret re requested data for criminal conviction matters	0.5
04/03/13	WJB	Telephone call to B Shea re S Jones report and assets to collect and organize data for forwarding to S Jones	0.5
04/03/13	WJB	Prepare e-mail S Jones, W Dreyer re information request concerning criminal sentencing	0.2

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 23 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
04/03/13	WJB	Review e-mail from B Shea on interest rates and other banks versus Kinderhook Bank and prepare reply re M&T introductory rate distinction; Review e-mails from M&T re proposed introductory rate	0.3
04/04/13	WJB	Review HSBC statements for Cruise Charter Ventures and TAIN for March 2013 and forward to B Shea	0.2
04/04/13	WJB	Telephone call from W Ferraro; Telephone call to B Shea re same; Telephone call to W Ferraro re Pine Street and Florida	0.5
04/04/13	WJB	Telephone conference with W Ferraro re follow-up on Pine Street and Florida questions	0.2
04/04/13	WJB	Telephone call to B Shea re particulars on W Ferraro Pine Street purchase and claim objection and status of Smith Claim	0.3
04/05/13	WJB	Review B Shea asset list and consider process for providing to S Jones at his request concerning criminal conviction and sentencing	0.2
04/05/13	WJB	Review B Shea list of assets to be recovered; Telephone call to B Shea re account contract revenue and expenses and focusing on completion	0.4
04/05/13	WJB	Telephone call from N Sadhak at M&T Bank re banking relationship, proposed interest rate for Smith Trust monies if moved from Kinderhook Bank	0.2
04/05/13	WJB	Review B Shea proposed format for sources and uses statement for forwarding to criminal defense counsel in response to their request and consider precautions re same since it does not constitute audited cash flow	1.2
04/05/13	WJB	Telephone call to W Ferraro re finding payment source for purchase of Pine Street in his records to establish good faith re swapping out of investments and/or purchase of Pine Street investment	0.2



33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 24 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
04/05/13	WJB	Telephone call from Prajakpa Shah re new address, no claim made, look up claim and request letter with new address for access code	0.2
04/05/13	WJB	Investigation of law re in pari delicto theory as applied in Madoff relative to McGinn	0.1
04/08/13	WJB	Prepare e-mail E Pitt re claim status re JV Associates, Wake Robbins, Same Day Surgery and Southern Tier Imaging following investigation	0.4
04/08/13	WJB	Follow-up with B Shea on E Pitt to search for claims	0.3
04/08/13	WJB	Revise e-mail E Pitt based upon B Shea report re review of records as to 107th Associates, JV Associates, Same Day Surgery and Wake Robbins	0.3
04/08/13	WJB	Review Cash & Securities Report from B Shea	0.1
04/08/13	WJB	Review e-mail concerning D Smith testifying at FINRA proceeding in Albany and forward to SEC	0.1
04/08/13	WJB	Finalize e-mail to E Pitt re status of her claims	0.1
04/09/13	WJB	Review B Shea e-mail on request for Kinderhook Bank statements, Smith Trust assets and prepare reply for S Jones letter information	0.2
04/09/13	WJB	Telephone call to B Shea on formatting of S Jones report for criminal sentencing	0.2
04/09/13	WJB	Review L Mirich letter to Judge Hurd re her father's sentencing (D Smith) as to criminal conviction	0.2
04/09/13	WJB	Review G McGinty letter to Judge Hurd re D Smith sentencing	0.2
04/09/13	WJB	Review B Shea report for S Jones, review and revise	0.2
04/09/13	WJB	Telephone call to B Shea re S Jones report as requested in anticipation of criminal sentencing for D Smith, T McGinn	0.3

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 25 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
04/09/13	WJB	107th Associates: Review e-mail from H Rittenberg re material recently received and prepare response re same	0.1
04/09/13	WJB	Continue review of report for S Jones	0.1
04/09/13	WJB	Review T O'Connor 4/9 letter to W Myers re McDowell v. Boylan discovery	0.1
04/10/13	WJB	Review T O'Connor letter to W Myers and prepare reply concerning FINRA proceedings and discovery	0.3
04/10/13	WJB	Telephone call to B Shea re availability of M McDowell and K Haggerty customer files and payments	0.2
04/10/13	WJB	Draft letter to T O'Connor re discovery and prohibition against use of confidential information including investor lists relating to his FINRA cases	0.5
04/10/13	WJB	Prepare further revisions to letter to T O'Connor re FINRA proceeding, discovery and confidential information	0.3
04/10/13	WJB	Prepare final revision and send e-mail to T O'Connor re FINRA proceeding and discovery	0.1
04/11/13	WJB	Prepare for telephone call with T O'Connor re FINRA discovery and hearings and review information on Hagerty payments; Telephone call from T O'Connor, discuss stay and implications; Discuss consequences of information	0.9
04/11/13	WJB	Prepare notes on T O'Connor call re FINRA and discovery	0.1
04/11/13	WJB	Conference KJE re admissibility issues and floodgate of information issues with regard to T O'Connor request concerning FINRA proceedings	0.2
04/11/13	WJB	Telephone call from B Shea on assembling Hagerty payment schedule, issues and consequences of same	0.3
04/11/13	WJB	Assemble information on T O'Connor request re FINRA proceedings and consider course of action	0.1

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 26 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
04/11/13	WJB	Review A Casano MD letter to Court re D Smith sentencing	0.1
04/11/13	WJB	Review FINRA transcript of D Smith testimony received from T O'Connor	0.3
04/11/13	WJB	Review B Shea e-mail on Hagerty payments; Prepare letter T O'Connor re FINRA proceeding involving Hagerty	0.3
04/11/13	WJB	Revise letter to T O'Connor re Hagerty payments in FINRA proceeding	0.2
04/11/13	WJB	Prepare final revisions to letter to T O'Connor with schedule concerning Hagerty payments and send same	0.2
04/11/13	WJB	Telephone call from T O'Connor re Receiver letter concerning Hagerty, results and explanation of chart	0.2
04/11/13	WJB	Prepare two e-mails to SEC with transcripts of Messrs. Reese and Smith at FINRA proceeding and letter to T O'Connor re payments	0.2
04/11/13	WJB	Follow-up call from T O'Connor re parameters of how he can use Hagerty payment information	0.3
04/11/13	KJE	McGinn Smith - Conference with WJB regarding potential FINRA evidence	0.2
04/12/13	WJB	Review SEC e-mail on request for 4 p.m. call to consider topics for Monday conference with Court and prepare reply to same	0.1
04/12/13	WJB	Telephone call to B Shea re new project re description of Receiver entities, April 19 hearing and FINRA matter	0.2
04/12/13	WJB	Telephone call from R Rogers as former broker re advice he should provide to his former clients re NSF case, explanation of Receiver efforts to consolidate NSF cases, SIPC and related matters	0.6

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 27 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
04/12/13	WJB	Telephone call to M Shannon as counsel to NFS re Silver and Chase recruitment of customers, Receiver's standing to bring claim, intention to do so and coordination with NFS	0.5
04/12/13	WJB	Prepare e-mail SEC re NFS status and revise same	0.3
04/12/13	WJB	Telephone conference with Messrs. Silver and Chase re NFS, communications with NFS counsel, information re attempts to recruit more customers and follow-up, warning on use of confidential information	0.4
04/12/13	WJB	Review Second Circuit decision on Smith Trust and Sacandaga property; Participate in conference call with SEC to prepare for Monday conference call with Court re implications of Second Circuit decision and SEC intention to move for summary judgment	1.0
04/15/13	WJB	Prepare letter to S Jones, W Dreyer re response to information request concerning financial information they requested in connection with criminal sentencing hearing for Messrs. Smith and McGinn, revise and send same	0.6
04/15/13	WJB	Telephone call from T O'Connor re bank subpoena; Prepare e-mail B Shea, G Nugent re Receiver position on application of stay for any subpoena served by T O'Connor concerning FINRA or District Court proceeding	0.2
04/15/13	K-K	Docket settlement conference date	0.2
04/16/13	WJB	National Life: Review annual report notice from National Life re T McGinn life insurance policy; Prepare e-mail B Shea with request to review for financial condition	0.1
04/16/13	WJB	Review B Shea entity format for distribution plan	0.1
04/16/13	WJB	Review M Andolina, R/D Burke letters to Judge Hurd re D Smith sentencing	0.1
04/16/13	WJB	Review B Shea entity chart format and prepare comments re same	0.1

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 28 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
04/16/13	WJB	Telephone call to B Shea to discuss entity list and comments for distribution plan	0.3
04/16/13	WJB	Telephone call from B Shea re follow-up on distribution plan and various task items	0.3
04/17/13	WJB	Prepare e-mail response to N McGinn re disposition of residence proceeds in response to her inquiry	0.1
04/18/13	WJB	NFS: Prepare e-mail M Shannon re follow-up concerning Receiver desire to pursue claim versus NFS	0.1
04/18/13	WJB	TD Bank: Prepare e-mail P Wolfe at TD Bank re authorization to provide statements to B Shea	0.2
04/18/13	WJB	Prepare reply to B Shea e-mail on chandelier sale and alternatives to his proposals	0.2
04/18/13	WJB	Review T O'Connor 4/16 letter re Hagerty action and information; Prepare reply re discovery demands	0.2
04/18/13	WJB	Prepare reply to B Shea e-mail on Mercantile/TD Bank bank statements and chandelier sale, prior responses and summary of conclusions	0.1
04/19/13	WJB	Telephone call from W Myers at U.S. Attorney's Office re U.S. Attorney victim chart and reconciling identity of investors believed not to appear on Receiver investor list as holding claims, next steps to analyze same	0.3
04/21/13	WJB	Review e-mail from M Shannon re NFS position on FINRA arbitration in response to Receiver e-mail concerning follow-up; Prepare reply re arrangements for Tuesday conference call with NFS	0.1
04/22/13	WJB	Prepare e-mail W Myers re investor discrepancies on claims list versus investor list	0.1
04/22/13	WJB	Telephone call from M Check re status of McGinn case including distributions, criminal convictions, Second Circuit decision and other matters	0.6

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 29 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
04/22/13	WJB	Prepare e-mail to W Myers at U.S. Attorney's Office with financial information on cash flow and bank balances per Friday conversation for use with U.S. Probation Office	0.4
04/22/13	WJB	Review National Life quarterly bill for T McGinn life insurance policy	0.1
04/22/13	WJB	Check Hagerty vs. Boyland NDNY docket for any decision from Friday evidentiary hearing involving T O'Connor re FINRA matter	0.2
04/22/13	WJB	Review FBI press release on M Rodgers sentencing	0.1
04/23/13	WJB	Review e-mail from Asst. U.S. Attorney, W Myers, on sharing data with probation department and prepare reply	0.1
04/23/13	WJB	Participate in conference call with M Shannon, NFS lawyer re Receiver position concerning NFS and damage to investors, involvement of Messrs. Silver and Chase, confidentiality and other concerns by NFS, merits of potential litigation, analysis, risks and courses of action and summary of Receiver position concerning same	1.1
04/23/13	WJB	Telephone call to W Myers re claims, reconciliation and probation department	0.2
04/23/13	WJB	Prepare summary of notes and action steps re NFS conference call re proposed action and global resolution	0.4
04/23/13	WJB	Follow-up telephone call to M Shannon re confidentiality concerns of NFS and potential mechanism to resolve same	0.3
04/24/13	WJB	Revise letter to D Chase, S Silver re NFS claims, Receiver claim re same, coordination and Receiver communications with NFS including review of prior facts re same	0.6
04/25/13	WJB	Prepare e-mail B Shea after review of Asst. U.S. Attorney list of unreconciled claims and necessary follow-up for process	0.2

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 30 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
04/25/13	WJB	Prepare e-mail W Myers at U.S. Attorney's Office re claims research	0.1
04/25/13	WJB	Review Asst. U.S. Attorney claims as injured parties to Receiver website and cross-check names re same	0.1
04/25/13	WJB	Telephone call to B Shea to review U.S. Attorney's office investor list potential discrepancy, identify conflict areas and attempt to narrow issues based upon researched information	0.3
04/25/13	WJB	Review W Myers response to claims database and prepare e-mail B Shea re various investments held by investors on U.S. Attorney's office list for follow-up searches re payment to those investors	0.0
04/26/13	WJB	Telephone conference with M Shannon re claim versus NFS and NFS preparing presentation for management re potential claims and how to handle	0.3
04/30/13	WJB	Review Times Union article re Court settlement conference and forward to SEC	0.2
05/01/13	WJB	Telephone call from B Coombe, W Myers at U.S. Attorney's Office re providing Receiver information to parole officer for sentencing report for Messrs. Smith and McGinn	0.2
05/01/13	WJB	Review chart of financial information	0.1
05/01/13	WJB	Review two letters in support of D Smith to Judge Hurd re sentencing; Prepare e-mail B Shea to review same for transaction searches as investors	0.2
05/01/13	WJB	Review e-mail from E Coombe re availability for conference call re criminal sentencing	0.1
05/01/13	K-K	Docket last day for Lynn Smith/Smith Trust to file motion	0.2
05/02/13	WJB	Review V Verenich e-mail re meeting re disputed claims and prepare reply re scope and confidentiality	0.2

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 31 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
05/03/13	WJB	Review M Shannon e-mail re conference call after presentation to senior management; Prepare reply re same and publicity	0.3
05/06/13	WJB	Review P Hosner letter to Judge Hurd re D Smith; Forward to B Shea for review in claims process	0.1
05/06/13	WJB	Telephone call from R Bellas at U.S. Attorney's Office re claims process and damages amount, follow-up information	0.2
05/06/13	WJB	Telephone call to B Shea re coordination re claims amount, potential damages for U.S. Attorney's Office, necessary information, preparation of notes re same	0.6
05/06/13	WJB	Exchange e-mails with M Guidry and telephone call to M Guidry re issues at Legacy and termination payment, follow-up instructions re same	0.4
05/06/13	WJB	Prepare e-mail B Shea re no discrepancies with U.S. Attorney date	0.1
05/06/13	WJB	Telephone call from M Guidry re confirmation that Legacy has agreed to pay \$60,000 termination fee	0.1
05/06/13	WJB	Telephone call from B Shea re variances on list for U.S. Attorney's Office	0.1
05/07/13	WJB	Criminal Case: Review B Shea e-mail on analysis report to respond to U.S. Attorney questions and prepare notes; Extended conference with B Shea re explanation, review and comparison to prior analysis for Receiver Schedules	1.0
05/07/13	WJB	Review B Shea date list as prepared for U.S. Attorney	0.1
05/07/13	WJB	Review claim versus Aquatic Development Group, review documents and evaluate same and forward to TAR for preparation of Complaint	0.8
05/07/13	WJB	Telephone call from B Shea re result of IRS meeting re claims and damages review and numbers resulting from same reconciling with Receiver database	0.4



33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 32 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
05/07/13	TAR	Analysis of Third Albany/Aquatic Development loan documents	0.7
05/07/13	TAR	Began preparation of complaint (Third Albany/Aquatic Development)	0.6
05/08/13	WJB	Benchmark: Review Benchmark-Legacy contract re termination and prior e-mails re same and prepare language to confirm payment of termination amount by Legacy to Benchmark and revise same; Prepare e-mail M Guidry re same and no commission payments to be made to Legacy pursuant to Section 10.19 of contract	0.8
05/08/13	WJB	Benchmark: Exchange multiple e-mails with M Guidry re termination amount and imposition of same upon Legacy	0.3
05/08/13	WJB	NFS: Telephone conference M Shannon and NFS internal counsel re discussion of proposed process, confidentiality and related matters	0.7
05/08/13	WJB	NFS: Telephone call to B Shea re background on NFS, number of investors and customer statement discs	0.3
05/08/13	WJB	Review B Shea e-mail on number of NFS customers	0.1
05/09/13	WJB	Review e-mail from D Stoelting at SEC on sales of securities by brokers and prepare reply re list; Prepare e-mail B Shea to consider assembling such data and data sources for such data; Review B Shea reply re assembling broker sales to investors	0.4
05/09/13	WJB	Telephone call from B Shea re SEC broker list assembly and Renny System	0.2
05/09/13	WJB	Prepare e-mail D Stoelting re broker list and securities sales vis-a-vis Renny List	0.2
05/09/13	WJB	Telephone call from D Stoelting re list formulation on broker sales to investors within McGinn Smith	0.3
05/09/13	WJB	Review D Stoelting broker and investment list for analysis	0.1

33474 Brown, William J. as Receiver of McGinn,  
Smith & Co., Inc., et al  
00004 Case Administration  
June 30, 2016

Invoice Number 876691

Page 33 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
05/09/13	WJB	Further work on McGinn Smith broker list and securities review and preparation of explanatory e-mail to B Shea	0.3
05/09/13	WJB	Telephone call to B Shea re calculation of investor sales; Telephone message D Stoelting at SEC re same	0.3
05/09/13	WJB	Telephone call from D Stoelting to explain Livingston commission was just recovery of excess payments in light of lower commissions	0.2
05/09/13	TAR	Continued preparation of Third Albany-Aquatic Development complaint	1.7
05/10/13	WJB	Review Google alert re press developments	0.1
05/10/13	TAR	Revisions to Aquatic Development complaint	0.5
05/13/13	WJB	Telephone call from B Shea re payroll information to validate broker commissions	0.2
05/13/13	WJB	Follow-up telephone call from B Shea re formulating broker commissions	0.2
05/13/13	TAR	Correspondence with WJB regarding Aquatic Development note language regarding notice of default	0.2
05/14/13	WJB	Review B Shea e-mail with broker data and information request; Prepare e-mail D Stoelting with questions re broker information data and report on payroll data to obtain information on commissions	0.4
05/14/13	TAR	Correspondence with B Shea regarding amount due from Aquatic Development	0.2
05/15/13	WJB	Benchmark: Prepare follow-up e-mail M Guidry re Legacy status; Review M Guidry reply; Prepare reply with instruction to not let transition occur without payment of termination fee, risk of offset	0.3
05/15/13	WJB	Aquatic Development: Review draft Compliant	0.1

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 34 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
05/15/13	TAR	Conference with B Shea regarding Aquatic Development amount due and payment history	0.4
05/15/13	TAR	Revisions to Aquatic Development complaint	1.2
05/15/13	TAR	Research regarding Aquatic Development Loan and rates of interest charged	0.5
05/16/13	WJB	Telephone call from D Stoelting and others at SEC re payroll records for brokers, assembling broker information and state of same; Prepare e-mail B Shea re broker payroll records	0.4
05/16/13	WJB	Telephone call to B Shea re analysis complete on broker payroll records and no need for further pursuit	0.1
05/16/13	WJB	Cruise Charter Ventures: Review HSBC letter on Cruise Charter Ventures bank account, interest rate change and consider implications; Prepare e-mail B Shea re same	0.2
05/17/13	WJB	Review R Golden, L Hanlon and one other D Smith support letters directed to Judge Hurd; Prepare e-mail B Shea re same for claims review	0.3
05/17/13	WJB	Review JPF2 Memorandum of Law on distribution priority on investors versus general secured creditors and follow-up conference JPF2 on interpretation of same including traceable proceeds	0.4
05/17/13	JPF2	Complete and revise Memorandum summarizing legal research re priority as between investor and creditor claims	1.3
05/20/13	WJB	99 Pine Street: Review draft letter prepared by B Shea extending 6-month renewal option for lease at 99 Pine Street office space, revise and forward to B Shea for delivery to landlord	0.4
05/20/13	WJB	Telephone message M Shannon re NFS proposal and status of same	0.1

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 35 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
05/20/13	WJB	Review B Shea e-mail on Vidsoft proceeds and potential Guzzetti offset; Prepare reply on course of action	0.1
05/20/13	WJB	Review B Shea e-mail on HSBC rate lowering on bank accounts and prepare reply and request for comparison of rates among various accounts and course of action	0.1
05/20/13	WJB	99 Pine Street: Review e-mail from B Shea on 99 Pine Street lease extension, review lease and prepare reply instructing to extend lease	0.3
05/20/13	WJB	TD Bank: Review e-mail re lack of cooperation and prepare reply directing Shea to close account for accounting purposes	0.1
05/20/13	WJB	Telephone call from A Guzzetti to discuss Vidsoft settlement and funding, roles of parties; Prepare e-mail B Shea for reconciliation of Vidsoft numbers and review prior B Shea e-mails re same and shareholder letter	0.6
05/20/13	WJB	Review various files for integrating and organization within computer management system	0.2
05/20/13	WJB	99 Pine Street: Review draft notification of lease renewal prepared by B Shea	0.2
05/21/13	WJB	Review two NYS Dept of Labor notices received from B Shea re D Smith; Prepare reply e-mail with course of action re unemployment claims since same appear to be barred by NYS notice	0.2
05/21/13	WJB	Telephone call from F Chiappone re request for information on insurance coverage	0.1
05/21/13	WJB	Review e-mail from M Leonard at Jones firm re financial information and prepare reply re same already provided	0.2
05/22/13	WJB	Prepare e-mail B Shea re M Leonard data information for Messrs. Smith and McGinn and forward e-mail to B Shea for discussion and response	0.1

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 36 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
05/22/13	WJB	Review B Shea responses to Jones firm request for financial data and prepare reply to W Dreyer, S Jones re information previously provided and response to accusation that no information was provided; Incorporate information into e-mail and prepare attachments	1.5
05/22/13	WJB	Continue preliminary review of G Smith motion to vacate and consider course of action	0.2
05/22/13	WJB	Telephone call to B Shea re questions on S Jones data request and follow-up information	0.2
05/23/13	WJB	Review K Sovas and M Czesnawskh letters to Court re D Smith sentencing in support of D Smith; Forward to B Shea for review in claims process	0.1
05/23/13	WJB	Forward e-mail to W Myers previously sent to S Jones and W Dreyer re financial information request and information having been previously provided, describe background information	0.4
05/23/13	WJB	Telephone call from L Mehraban at SEC on information re W Dreyer potentially seeking release of money to pay D Smith tax liabilities	0.2
05/24/13	WJB	Telephone call to B Shea re Pine Street investments and upcoming distribution, calculations, G Smith email blast following criminal conviction of father, TD Bank termination and Shoma closing documents	0.2
05/24/13	WJB	TD Bank: Review B Shea draft letter to TD Bank for withdrawal of all Receiver accounts; Prepare revisions and distribute same	0.4
05/24/13	WJB	Review follow-up file on Vero house sale, advertising and preservation of file	0.1
05/24/13	WJB	Review e-mails from T Welles on proposed distribution, review same	0.2

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 37 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
05/24/13	WJB	Prepare e-mail T Welles approving distribution and review of schedules	0.2
05/24/13	WJB	Review W Dreyer letter re request for adjournment of D Smith sentencing and reasons for same	0.3
05/24/13	WJB	Two telephone conferences with B Shea re Dreyer letter requesting adjournment of sentence and discussion on mark to market comment in Dreyer letter	0.5
05/24/13	WJB	Consider response by Receiver to W Dreyer letter to Judge Hurd re adjournment of sentencing because information re financial data provided by Receiver is not correct	0.1
05/28/13	WJB	Prepare e-mail to B Shea with G Smith motion to vacate	0.1
05/28/13	WJB	Review S Jones letter to Judge Hurd requesting adjournment of T McGinn sentencing	0.2
05/28/13	WJB	Review Albany Times Union article on D Smith support letter sent to Judge Hurd and forward to SEC	0.3
05/28/13	WJB	Vidsoft: Review B Shea materials on Vidsoft proceeds and calculation of same	0.1
05/29/13	WJB	Prepare e-mail B Shea re adding search in claims database from names in Times Union article on letters to Judge Hurd re D Smith	0.1
05/29/13	WJB	Review M/M Longobardi letter to Judge Hurd re D Smith conviction and sentencing; Review claims website for reference claim; Prepare e-mail B Shea re further investigation of closely related claims	0.2
05/29/13	WJB	Review e-mail from B Shea re termination of Workers' Compensation insurance and review non-renewal notice; Review no loss history report; Prepare e-mail B Shea re same to authorize search for replacement	0.3

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 38 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
05/30/13	WJB	Alarm Traders: Telephone call to R Vivacqua re replacement Worker's Compensation insurance, issues in marketplace; Prepare e-mail B Shea re communications with R Vivacqua	0.3
05/30/13	WJB	Vidsoft: Review proposed settlement documents received from counsel acting in settlement of claims; Telephone call to M Karrigan re federal court stay re any compromised amounts; Prepare e-mail B Shea re same	0.5
05/30/13	WJB	Review e-mail from M&T Bank re dormancy form, complete same and prepare reply with signature re TDM Verifier Trust 07 account	0.2
05/30/13	WJB	Telephone call to W Myers at US Attorney's Office re S Jones and W Dreyer letters to Judge Hurd re adjournment of sentencing hearing, proposed letter response and process towards sentencing, calculation of damages	0.3
05/30/13	WJB	Review letter from investor to District Court re sentencing of D Smith, T McGinn and urging strict sentence and invoking names of criminal lawyers	0.2
05/30/13	WJB	Vidsoft: Telephone call from C Donnelly re Vidsoft and automatic stay; Prepare email reply summarizing Receiver position re potential compromise of claim	0.4
05/31/13	WJB	Review letter to Judge Hurd from J Aretakis re D Smith and T McGinn sentencing; Prepare e-mail B Shea to check investor list	0.2
05/31/13	WJB	Alarm Traders: Telephone call from R Vivacqua re Workers Compensation insurance placement, use of state funds; Prepare e-mail B Shea reporting on same	0.2
05/31/13	WJB	Review K DeLeonardis letter to Judge Hummel re sentencing; Prepare e-mail B Shea re same	0.2
05/31/13	WJB	Telephone call to B Shea re QuickBooks description of records provided at initiation of TRO to D Smith	0.1

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 39 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
06/03/13	WJB	Locate and review criminal trial letter to Judge Hurd re sentencing	0.1
06/03/13	WJB	Assemble information re sentencing letter for D Smith and T McGinn	0.2
06/03/13	WJB	Review B Shea e-mail on DLG and A Guzzetti records in hands of IRS	0.1
06/03/13	WJB	Telephone call to B Shea re communications with IRS concerning DLG records and Fisher	0.2
06/03/13	WJB	Review Times Union article re postponement of D Smith and T McGinn sentencings and consider implications	0.1
06/07/13	WJB	Prepare e-mail SEC with account balances held by Receiver	0.1
06/07/13	WJB	Telephone call from D Stoelting re source of funds in Receiver's accounts	0.1
06/07/13	K-K	Docket sentencing date for Dave Smith and Timothy McGinn	0.2
06/10/13	WJB	Attend to dealing with Dinosaur and Guzzetti records including review e-mail from B Shea re same and telephone conference B Shea re same and preparation of e-mail to IRS agent re return of records	0.3
06/11/13	WJB	Vidsoft: Review escrow and settlement agreement documents received from counsel for Vidsoft and trustee	0.2
06/11/13	WJB	Review M Rekucki, E Clemente, J Pircino letters in support of D Smith relating to criminal conviction; Forward to B Shea for reconciliation against cliams database	0.3
06/11/13	WJB	Vidsoft: Evaluate legal documents for proposed settlement and entitlement of McGinn Smith entities to same; Telephone call to B Shea re same	0.6
06/11/13	WJB	Vidsoft: Telephone message and e-mail to Boston lawyer representing Vidsoft concerning proposed distribution	0.1



33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 40 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
06/11/13	WJB	Vidsoft: Review email from Boston counsel for Vidsoft and prepare reply analyzing list of questions re proposed distribution	0.3
06/11/13	K-K	Docket last day for Smith Defendants to serve motion papers	0.2
06/11/13	TAR	Preparation of memorandum to WJB regarding interest and late charge calculations regarding Aquatic Development	0.8
06/12/13	WJB	Review status of pending matters and attend to same	0.2
06/12/13	WJB	Review B Shea e-mail on obtaining Workers' Compensation insurance renewal from NYS Fund in light of pending circumstances	0.2
06/12/13	WJB	Review B Shea e-mail from W Shaw on Dunn & Bradstreet inquiry on T McGinn, consider information and prepare reply	0.2
06/12/13	WJB	Benchmark: Review e-mail from M Guidry on status of Legacy issues, no termination payment by condo association and prepare reply requesting history from M Guidry and relevant answers	0.3
06/12/13	WJB	Telephone call from W Myers at US Attorney's Office re amount of cash on hand in conjunction with criminal sentencing; Prepare e-mail with cash and securities report and forward to W Myers with explanation	0.3
06/12/13	WJB	Receive report from B Shea re IRS intention to return Dinosaur and Guzzetti records; Conferences JPF2, TAR re preparation of subpoena and service of same in case conversations do not produce result; E-mail W Myers; Multiple conversations with B Shea and review draft subpoena with JPF2; Telephone call from W Myers re agreement on retention of records	0.6
06/12/13	WJB	Review J Piakino letter to Judge Hurd re criminal conviction	0.1
06/13/13	WJB	Prepare e-mail B Shea re IRS to hold DLG records as part of agreement with Assistant U.S. Attorney	0.1

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 41 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
06/13/13	WJB	Workers' Compensation: Prepare e-mail to NYS Fund re authority to enter into Workers' Compensation Insurance policy coverage	0.2
06/13/13	WJB	Pine Street: Review e-mail from T Welles and prepare reply re delivery of interest checks to B Shea	0.1
06/13/13	WJB	Review Workers' Compensation form received from B Shea for review and approval	0.2
06/13/13	WJB	Benchmark: Prepare reply to M Guidry directing no equipment removal at Legacy given dispute	0.2
06/14/13	WJB	107th Associates: Develop strategy on dealing with 107th Associates pledged shares for upcoming meeting with lender	0.2
06/14/13	WJB	Review NYS Insurance Fund workers' compensation form received from B Shea, complete form, sign same and e-mail to B Shea responding to two questions in order to obtain workers' compensation insurance for Alarm Traders	0.6
06/14/13	WJB	Workers' Compensation Insurance: Telephone call to K Nowak and B Shea re questions concerning workers' compensation insurance form; Prepare corrections to cover letter and send same to B Shea	0.3
06/14/13	WJB	HSK Funding: Review HSBC Funding and TAIN participation agreement re loan; Telephone call to H Rittenberg re same	0.2
06/14/13	WJB	Review Senator Charles Schumer video received from M Check concerning introduction of legislation re McGinn Smith; Prepare e-mail M Check to acknowledge receipt of e-mail and instructions to locate knowledgeable member of Senator Schumer's staff	0.2
06/14/13	WJB	Work on issues relating to CMS resolution and 107th Associates resolution in anticipation of upcoming meetings	0.5

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 42 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
06/17/13	WJB	Vidsoft: Review voicemail from C Donnelly on behalf of Trustee re other money needed to pay taxes and other money being available for settlement; Review confidential settlement agreement received from C Donnelly dated May 2013 between seller and Citrix; Telephone call to B Shea re amounts due from Vidsoft and how same will be payable; Review agreements in light of same; Telephone call to C Donnelly re proposed resolution and Receiver position and prepare e-mail confirming same to C Donnelly in order to allow Vidsoft proceeds to be distributed	1.5
06/17/13	WJB	Vidsoft: Revise e-mail to C Donnelly re Vidsoft settlement terms in order to arrange for distribution of monies to Receiver	0.2
06/18/13	WJB	Review 2011 and 2012 SIPC annual reports	0.1
06/18/13	WJB	Vidsoft: Review T Christopher Donnelly e-mail on payments and respond re accuracy and authority for communications	0.3
06/18/13	K-K	Docket hearing date on motion for release of funds to pay taxes due and owing by David Smith	0.2
06/19/13	WJB	Review e-mail from F Chiappone re insurance policy information and prepare reply	0.1
06/19/13	WJB	Pine Street: Review B Shea analysis of management fee and prepare e-mail T Welles requesting liquidation report on two remaining entities	0.1
06/19/13	WJB	107th Associates: Telephone call H Rittenberg re approaches to resolving pledge of securities to B Kaufman and HSK, meeting in Binghamton and related activities	0.3
06/19/13	WJB	107th Associates: Review notes and Participation Agreement and analysis of HSK relationship	0.3
06/19/13	WJB	107th Associates: Prepare e-mail H Rittenberg re meeting in Binghamton and agenda for same re HSK pledge of shares	0.2

33474 Brown, William J. as Receiver of McGinn,  
Smith & Co., Inc., et al  
00004 Case Administration  
June 30, 2016

Invoice Number 876691

Page 43 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
06/19/13	WJB	Benchmark: Review May financial report and prepare e-mail B Shea for analysis	0.2
06/20/13	WJB	Review Second Circuit decision on Wagoner doctrine	0.1
06/20/13	WJB	Prepare e-mail B Shea re status of locksmith identifying keys and review response; Prepare reply re disposition of unidentified keys	0.2
06/20/13	WJB	107th Associates: Review two e-mails from H Rittenberg re agenda and confirmation of upcoming meeting re HSK pledge of shares	0.1
06/20/13	WJB	NYS Dept of Labor: Review form re hearing for D Smith unemployment insurance application and exchange e-mails with B Shea re same; Prepare letter Dept of Labor re Receiver's interest in the matter	0.4
06/20/13	WJB	Revise letter to NYS Dept of Labor re D Smith unemployment insurance application and enclose jury form to Dept of Labor	0.1
06/20/13	WJB	Prepare e-mail B Shea re Mercantile checks and review reply	0.1
06/21/13	WJB	Pine Street: Review T Welles e-mail with request for meeting to discuss two remaining investments in fund and prepare reply re same	0.2
06/21/13	JPF2	Research and work on memo re priority of IRS tax claims	0.8
06/24/13	WJB	Review files including pledge agreements, notes and other documents relating to 107th Associates and HSK Funding in anticipation of 6/25 meeting in Binghamton with B Kaufman and counsel and including consideration of inter-relationship with Coventry	1.8
06/25/13	WJB	107th Associates: Attend meeting at H Rittenberg's office with B Kaufman re 107th Associates and HSK pledge of shares, inter-relationship with Coventry and possible resolutions and settlement conference re same	1.8

33474 Brown, William J. as Receiver of McGinn,  
Smith & Co., Inc., et al  
00004 Case Administration  
June 30, 2016

Invoice Number 876691

Page 44 of 48

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
06/25/13	WJB	Pine Street: Prepare for and attend meeting with T Welles re status of investments at Pine Street, report on likely path concerning two remaining investments, discussion of investment value and remaining distributions and carried interest	1.3
06/25/13	WJB	107th Associates: Consider course of action re settlement efforts following meeting with B Kaufman and follow-up measures	0.4
06/26/13	WJB	Extended meeting with B Shea concerning various open legal items including 401k's, asset dispositions, Seton Hall, J Few, computer equipment, state of California dissolution for Alarm Traders Corp., securities sales, Verifier and DLG documents and related matters	3.1
06/26/13	WJB	Review U.S. Bank mail to T McGinn re self-directed IRA; Prepare e-mail T McGinn for current mailing address for forwarding of same; Review reply and conference B Shea re forwarding of same	0.3
06/27/13	WJB	Seton: Attend to follow-up issues concerning payment to National Grid relating to period occupied by Seton and not Receivership entity	0.1
06/28/13	WJB	M&T Bank: Review e-mail from bank requesting Receiver signature to close accounts and open savings account for interest rate benefit; Review treasury management services form	0.2
06/28/13	WJB	M&T Bank: Continue to deal with M&T account closure form and verify accounts listed on Schedule to same; Prepare e-mail re potential incorrect account and review response from B Shea re same; Prepare e-mail M&T Bank re treasury form	0.6

CURRENT FEES

\$68,395.50

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 45 of 48

FOR COSTS ADVANCED AND EXPENSES INCURRED:

Duplicating A1, 3 Page(s)	0.30
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Duplicating A1, 4 Page(s)	0.40
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Postage Mail to Bruce Ackerman, Esq.	0.45
Telephone (Long Distance Only) Telephone; 15042934000, 26 Mins. Ext: 7089	5.20
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Overnight Courier WJB - UPS to Gabriel M Nugent, Esq. re Case Administration	21.27
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Duplicating A1, 1 Page(s)	0.10
Duplicating A1, 13 Page(s)	1.30
Duplicating A1, 2 Page(s)	0.20

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 46 of 48

Duplicating A1, 1 Page(s)	0.10
Duplicating A1, 1 Page(s)	0.10
Duplicating A1, 6 Page(s)	0.60
Travel Expense Brown, William J; WJB 03/06/13 Trip to Utica and Albany, NY for B.Shea sentencingand review of files returned by Justice Department; 03/18/13	254.54
Travel Meals Brown, William J; WJB 03/06/13 Trip to Utica and Albany, NY for B.Shea sentencingand review of files returned by Justice Department; 03/18/13	30.66
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Telephone (Long Distance Only) Telephone; 17176878623, 1 Mins. Ext: 7089	0.20
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Telephone (Long Distance Only) Telephone; 12188626420, 65 Mins. Ext: 7070	13.00
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33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00004 Case Administration  
 June 30, 2016

Invoice Number 876691

Page 47 of 48

Telephone (Long Distance Only) Telephone; 18152286825, 5 Mins. Ext: 7089	1.00
Miscellaneous VENDOR: HSBC Bank USA; INVOICE#: 4544-042513; DATE: 4/25/2013 Website hosting Order no. 538922331 04/21/13	137.76
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Telephone (Long Distance Only) Telephone; 19414600831, 1 Mins. Ext: 7089	0.20
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Duplicating A1, 1 Page(s)	0.10



33474 Brown, William J. as Receiver of McGinn,  
Smith & Co., Inc., et al  
00004 Case Administration  
June 30, 2016

Invoice Number 876691

Page 48 of 48

Duplicating A1, 3 Page(s)	0.30
Duplicating A1, 2 Page(s)	0.20
Duplicating A1, 1 Page(s)	0.10
Duplicating A1, 36 Page(s)	3.60

CURRENT EXPENSES

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522.98

TOTAL AMOUNT OF THIS INVOICE

\$68,918.48

\*\*\*PAYMENT DUE UPON RECEIPT\*\*\*

# **Category G**

## **Fee/Employment Applications**



## Phillips Lytle LLP

Attorneys at Law  
One Canalside  
125 Main Street  
Buffalo, NY 14203-2887  
Telecopier # (716) 852-6100  
(716) 847-8400  
FED I.D. #16-0505790

William J. Brown, Esq.  
Phillips Lytle LLP  
One Canalside  
125 Main Street  
Buffalo, NY 14203

Invoice Number 876692  
Invoice Date 06/30/16  
Client Number 33474  
Matter Number 00006  
W J Brown

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### Re: FEE / EMPLOYMENT APPLICATIONS

FOR PROFESSIONAL SERVICES RENDERED THROUGH JUNE 30, 2013:

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
01/07/13	WJB	Review Chiampou 12/29/12 statement and e-mail to B Shea for review and comment	0.2
02/06/13	WJB	Review Chiampou statements and forward to B Shea for review and approval	0.1
03/13/13	WJB	Review 1/27 - 2/23 statement for tax services received from Chiampou Travis and forward to B Shea for review and reconciliation	0.2
04/26/13	WJB	Review Chiampou e-mail with latest statement, review same and forward to B Shea for review and approval	0.1
06/18/13	WJB	Review B Shea response to review of Chiampou Travis 4/21 - 5/18 statement and two missing entries; Prepare e-mail M Horbachewski for clarification and completion of same	0.2

33474 Brown, William J. as Receiver of McGinn,  
Smith & Co., Inc., et al  
00006 Fee / Employment Applications  
June 30, 2016

Invoice Number 876692

Page 2 of 2

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
06/19/13	WJB	Prepare e-mail M Horbachewski re Chianpou statement and requesting completion of two time entries	0.2

CURRENT FEES	\$450.00
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TOTAL AMOUNT OF THIS INVOICE	\$450.00
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\*\*\*PAYMENT DUE UPON RECEIPT\*\*\*

# **Category P**

## **Tax Issues**



## Phillips Lytle LLP

Attorneys at Law  
 One Canalside  
 125 Main Street  
 Buffalo, NY 14203-2887  
 Telecopier # (716) 852-6100  
 (716) 847-8400  
 FED I.D. #16-0505790

William J. Brown, Esq.  
 Phillips Lytle LLP  
 One Canalside  
 125 Main Street  
 Buffalo, NY 14203

Invoice Number 876693  
 Invoice Date 06/30/16  
 Client Number 33474  
 Matter Number 00015  
 W J Brown

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### Re: TAX ISSUES

FOR PROFESSIONAL SERVICES RENDERED THROUGH JUNE 30, 2013:

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
01/07/13	WJB	Review, approve and sign 2012 McGinn Smith Alarm Trading Corp. U.S. and California tax returns and dissolution certificates	0.4
01/07/13	WJB	Prepare e-mail M Horbachewski, S Brady at Chianpou re commencement of criminal trial and possibility of criminal subpoenas	0.1
01/17/13	WJB	Telephone call to B Shea re MS Firstline taxes and potential Receiver assessment in light of potential impact upon Messrs. McGinn and Smith and decision to reject same	0.3
01/18/13	WJB	Prepare email B Shea re MSFC tax returns and review reply concerning same	0.1
01/18/13	WJB	Locate e-mail from E Agabs re 2012 MSFC 2012 tax return	0.2

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00015 Tax Issues  
 June 30, 2016

Invoice Number 876693

Page 2 of 9

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
01/25/13	WJB	Telephone conference with M Horbachewski, B Shea re various tax issues including 74 State Street and other matters, analysis and course of action including obtaining copies of certain prior tax returns and work papers for Asst. U.S. Attorney	0.7
01/28/13	WJB	Prepare draft e-mail to Asst. U.S. Attorney re Piatka and Lyons work paper request to as to complete certain tax returns	0.2
01/29/13	WJB	Prepare e-mail B Shea re revised demand letter and 1099 issuance from M Brustle	0.2
02/01/13	WJB	Prepare e-mail E Coombe re request for Piatker & Lyons work papers, revise and send same	0.2
02/07/13	WJB	Sign request to IRS and prepare letter for two 74 State Street entity returns	0.2
02/11/13	WJB	Upstate Imaging: Review proposed final K-1 letter, review history and prior court proceedings; Prepare comments and e-mail same to B Shea with follow-up questions before issuance to investors	0.4
02/11/13	WJB	Telephone call from B Shea re Upstate Imaging K-1 related information confirming equity and rephrasing letter to cover same	0.1
02/12/13	WJB	Review proposed letter to FGF Investors with final K-1 and approve same	0.2
02/14/13	WJB	Prepare e-mail IRS special agent with additional request for Mr. Cranberry work papers in order to complete tax returns	0.1
02/18/13	WJB	Prepare reply e-mail to R Ormerod re Seton K-1s	0.1
02/20/13	WJB	Review e-mail from M Horbachewski re filing tax returns and review same; Prepare reply concerning 3/1 deadline	0.1
02/20/13	WJB	Prepare e-mail to Chiampou Travis re M&T Bank account consolidation and request for review of process for approval	0.2

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00015 Tax Issues  
 June 30, 2016

Invoice Number 876693

Page 3 of 9

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
02/20/13	WJB	Upstate Imaging: Review S Laplante e-mail to B Shea re K-1 and attend to response; Prepare e-mail re same	0.2
02/20/13	WJB	Prepare e-mail S Laplante with K-1 information for Upstate Imaging	0.1
02/22/13	WJB	Telephone call from B Shea to discuss Piatker & Lions work papers and inability to locate information concerning tax questions as to certain tax returns and unresolved issues, follow-up and next steps with prior accountants	0.4
02/22/13	WJB	Prepare e-mail B Shea re profit and loss statements at Bellon Sheedy accounting firm for Verifier accounts receivable	0.2
02/23/13	WJB	Review, sign and file 2012 federal and NYS tax returns for Trusts consisting of Firstline Trust 07, Firstline Sr. Trust 07, Firstline Trust 07 Series B, Firstline Sr. Trust 07 Series B, Fortress Trust 08, Integrated Excellence Jr. Trust 08, Pacific Trust 02, TDM Luxury Cruise Trust 07, TDM Verifier Trust 07, TDM Verifier Trust 07R, TDM Verifier Trust 08, TDM Verifier Trust 09, TDM Verifier Trust 11, TDMM Cable Jr. Trust 09, TDMM Cable Sr. Trust 09, and TDMM Benchmark Trust 09	1.9
02/23/13	WJB	Review, sign and attend to filing of 2012 Forms IT-204-LL for NY LLC/LLP filing fee payments and review, sign and forward to Chiampou Form TR-579-PT for e-filing authorizations for McGinn Smith Holdings, LLC, McGinn Smith Alarm Trading, LLC, McGinn, Smith Funding, LLC, McGinn Smith Licensing, LLC, McGinn Smith advisors, LLC, 107th Associates, First Independent Income Notes, LLC, First Excelsior Income Notes, LLC, First Advisory Income Notes, LLC, Third Albany Income Notes, LLC, NEI Capital, LLC, IP Investors, LLC, Cruise Charter Ventures, LLC, Mr. Cranberry, LLC, MSFC Security Holdings, LLC, TDM Cable Funding, LLC, TDMM Cable Funding, LLC, and McGinn Smith Firstline Funding, LLC	0.8
02/25/13	WJB	Review tax treatment relevant to McGinn in Pearlman case for relevancy	0.2



33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00015 Tax Issues  
 June 30, 2016

Invoice Number 876693

Page 4 of 9

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
02/27/13	WJB	Review B Shea e-mail re JA Torani e-mail on Portfolio Partners unpaid partner contributions and alternatives on how to allocate amounts for final return based upon results of investigation	0.4
02/28/13	WJB	Review draft letter from B Shea for distribution of final K-1 re Portfolio Partners, revise same and forward to B Shea	0.4
02/28/13	WJB	Review McGinn Smith & Co. federal and NYS income tax extensions received from Chiampou Travis	0.2
03/01/13	WJB	Review tax form schedule and e-mail B Shea, M Horbachewski as revised	0.2
03/02/13	WJB	Review various tax returns for review for signing and filing	0.3
03/04/13	WJB	Portfolio Partners: Review, sign and approve 2012 IRS and NYS Partnership return and e-filing authorization signatures	0.1
03/04/13	WJB	Prepare e-mail B Shea, M Horbachewski re criminal conviction and requesting review of U.S. Attorney statement and instructions on amended tax returns for consideration of next step re returns to be filed and any returns filed to date	0.3
03/05/13	WJB	Review Health Enterprises Management Inc. 2012 tax returns	0.1
03/11/13	WJB	Review e-mail from SEC inquiring concerning QSF treatment	0.2
03/11/13	WJB	Telephone call to S Brady re QSF treatment in response to SEC question and investigation of law re same	0.5
03/12/13	WJB	Prepare e-mail M Horbachewski re 3/15 deadline and prepare reply concerning certain tax returns and authorization to file same	0.2
03/12/13	WJB	Investigation of law re applicability of QSF treatment	0.2
03/13/13	WJB	Review, sign and approve McGinn Smith Capital Holdings 2012 IRS and NYS tax returns and return to Chiampou Travis	0.4

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00015 Tax Issues  
 June 30, 2016

Invoice Number 876693

Page 5 of 9

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
03/13/13	WJB	Review, sign and approve Health Enterprises Management Inc. 2012 IRS and NYS tax returns and e-mail to M Horbachewski	0.4
03/18/13	WJB	Review information gathered re QSF process including review of literature provided by Chiampon Travis and prepare response to SEC re same	0.5
03/19/13	WJB	Further review of QSF question and revise e-mail to SEC with response	0.3
03/29/13	WJB	Review, sign and approve McGinn Smith Firstline Funding LLC 2012 NYS and IRS return and forward to M Horbachewski	0.4
03/29/13	WJB	Review FGF Partners LP 2012 IRS and NYS tax returns and forward to M Horbachewski	0.4
03/29/13	WJB	Review and sign income tax extension forms for GPV Associates, M&S Partners, McGinn Smith Holdings LLC, Mr. Cranberry LLC, TDM Cable Funding, TDMM Cable Funding, TNA Associates, McGinn Smith Transaction Funding Corp., Integrated Excellence Sr. Trust 08 and TDM Cable Trust 06	1.0
03/31/13	WJB	Review, sign and approve and forward to M Horbachewski Portfolio Partners 2012 IRS and NYS income tax returns	0.5
03/31/13	WJB	Review, sign and approve and forward to M Horbachewski MSFC Security Holdings LLC 2012 NYS and IRS income tax returns	0.4
03/31/13	WJB	Review, sign and approve and forward to M Horbachewski Upstate Imaging Associates 2012 NYS and IRS income tax returns; Prepare e-mail B Shea re Health Enterprises Management Inc. as tax matters partner question	0.4
03/31/13	WJB	Review, sign and approve and forward to M Horbachewski Seton Hall Associates 2012 NYS and IRS income tax returns	0.4

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00015 Tax Issues  
 June 30, 2016

Invoice Number 876693

Page 6 of 9

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
03/31/13	WJB	Review, sign and approve and forward to M Horbachewski IP Investors 2012 NYS and IRS, and Georgia income tax returns	0.4
03/31/13	WJB	Review e-mail from B Shea re Health Enterprises as tax managing partner for Upstate Imaging Associates and prepare reply re existence of documentation and review reply from B Shea re same	0.1
03/31/13	WJB	Review, sign and approve and forward to M Horbachewski 74 State Street Capital LP 2012 NYS and IRS income tax returns	0.4
04/04/13	WJB	Review e-mail from D Stoelting re pre-filing agreement procedure with IRS, applicability to McGinn Smith and prepare reply	0.2
04/08/13	WJB	Review LB & I jurisdiction and prepare e-mail M Horbachewski and B Shea re same	0.3
04/09/13	WJB	Review M Horbachewski e-mail on timing on response to SEC request and prepare reply re same	0.1
04/15/13	WJB	Review M Horbachewski pre-filing agreement comments in response to SEC inquiry; Prepare e-mail SEC with Chiampou Travis comments	0.3
05/02/13	WJB	Telephone call from B Shea re D Smith amending tax returns and amounts owed to government re same as a result of criminal conviction	0.2
05/09/13	WJB	Review B Shea e-mail re conference call to discuss tax returns to recover undisclosed income by T McGinn and D Smith and scheduling of same for Monday	0.2
05/13/13	WJB	Prepare for conference call with M Horbachewski, B Shea re filing of tax returns reflecting criminal trial judgment re tax matters	0.2

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00015 Tax Issues  
 June 30, 2016

Invoice Number 876693

Page 7 of 9

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
05/13/13	WJB	Prepare for tax call with M Horbachewski, B Shea re filing of returns based upon criminal conviction including review of chart and preparation of questions on cash effect to estate and course of action; Participate in conference call with B Shea, M Horbachewski re revisions to 9 entities and revenue to Smith and McGinn and follow-up questions re Piatka & Lyons	1.1
06/03/13	WJB	Benchmark: Review M Guidry e-mail on IRS and forward to B Shea with request for information	0.2
06/03/13	WJB	Benchmark: Telephone call to B Shea re coordination with M Guidry concerning resolving IRS tax payment question and forms and follow-up re same	0.2
06/06/13	WJB	Consider coordinating sentencing and completion of tax return information by estate	0.2
06/14/13	WJB	Review M Horbachewski e-mail re Piatka & Lyons, TNA Associates and GPV Associates tax issues, facts and proposed treatment and prepare reply	0.3
06/14/13	WJB	Prepare e-mail M Horbachewski re completing taxes for Messrs. McGinn and Smith prior to criminal sentencing	0.1
06/17/13	WJB	Benchmark: Review B Shea e-mail re compliance solutions and FET tax not applying to Benchmark and billing system issues; Prepare reply re matter being complete	0.2
06/17/13	WJB	Review M Horbachewski e-mail re 1099 for TDM Cable LLC rather than guaranteed payment on K-1 and reasons for same	0.4
06/17/13	WJB	Conference with KEM re M Horbachewski proposed treatment for tax liability and how to report same re T McGinn and D Smith	0.2
06/17/13	WJB	Consider course of action re unpaid taxes by T McGinn and D Smith and how to report same including telephone conference with B Shea, M Horbachewski re approach to same and prepare confirming e-mail re same	0.5

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00015 Tax Issues  
 June 30, 2016

Invoice Number 876693

Page 8 of 9

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
06/17/13	WJB	Review, sign and approve Integrated Excellence Sr. Trust 2008, 2011 and 2012 IRS and NYS tax returns and e-file forms and amended returns for 2008 and 2010, attend to signing and filing of same	0.7
06/17/13	WJB	Review TDMM Cable Jr. Trust 09 Amended tax returns for 2009, 2011 and 2012 for NYS and IRS, review sign and approve same	0.4
06/17/13	KEM	Teleconference WJB re guaranteed payment issue	0.1
06/18/13	WJB	Review IRS tax calculation for SEC; Prepare e-mail M Horbachewski, B Shea re using calculation process for Receivership tax returns	0.3
06/20/13	WJB	Prepare e-mail M Horbachewski re whether to continue on same theoretical path re D Smith, T McGinn tax liability irrespective of revenue agent's report	0.2
06/20/13	WJB	Review revised IRS tax computations re D Smith tax liability and forward to B Shea, M Horbachewski; Forward to KEM for advice re treatment of taxes by IRS which differs from Receiver's proposed treatment; Prepare e-mail M Horbachewski, B Shea re scheduling meeting to discuss proposed treatment in light of IRS approach	1.0
06/20/13	WJB	Review M Horbachewski e-mail on capital gains as reason for IRS tax treatment re D Smith	0.1
06/20/13	KEM	Review tax adjustments to D Smith 2006-2008 returns	0.5
06/21/13	WJB	Conference KEM re D Smith revenue agent report, discussion of tax treatment by IRS versus other alternatives including miscellaneous income and guaranteed payments and reasons for same	0.7
06/21/13	WJB	Telephone call from S Brady at Chiampou re D Smith and T McGinn tax issue and timing of same in light of revenue agent's report	0.2

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00015 Tax Issues  
 June 30, 2016

Invoice Number 876693

Page 9 of 9

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
06/21/13	KEM	Review IRS materials; Conference with GMB re distribution/allocation issue; Conference WJB re tax treatment of distribution	0.8
06/21/13	GMZ2	McGinn Smith: Discussed potential tax issues re outstanding loan with KEM	0.3
06/24/13	WJB	Telephone call from IRS agent re explanation of IRS determination to treat D Smith and T McGinn liability as capital gains treatment except in limited circumstances based upon various tax theories and presentation at criminal trial so as to permit Receiver to reconcile treatment	0.2
06/24/13	WJB	Prepare e-mail B Shea, M Horbachewski to relay information received from revenue agent concerning method for calculation of D Smith, T McGinn taxes	0.2
06/24/13	WJB	Revise e-mail to B Shea, M Horbachewski re revenue agent report on treatment of taxes	0.2

CURRENT FEES

\$12,020.50

TOTAL AMOUNT OF THIS INVOICE

\$12,020.50

\*\*\*PAYMENT DUE UPON RECEIPT\*\*\*

## **Category R**

**William J. Brown, as Receiver Function**



## Phillips Lytle LLP

Attorneys at Law  
 One Canalside  
 125 Main Street  
 Buffalo, NY 14203-2887  
 Telecopier # (716) 852-6100  
 (716) 847-8400  
 FED I.D. #16-0505790

William J. Brown, Esq.  
 Phillips Lytle LLP  
 One Canalside  
 125 Main Street  
 Buffalo, NY 14203

Invoice Number 876694  
 Invoice Date 06/30/16  
 Client Number 33474  
 Matter Number 00017  
 W J Brown

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**Re: W.J. BROWN, AS RECEIVER FUNCTION**

FOR PROFESSIONAL SERVICES RENDERED THROUGH JUNE 30, 2013:

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
01/02/13	WJB	Receive and attend to deposit of Livingston monthly check	0.1
01/02/13	WJB	Telephone call from investor W Strawbridge re civil and criminal trials, alleged Ponzi scheme and methodology	0.3
01/03/13	WJB	Benchmark: Review, sign and approve checks and forward to M Guidry	0.7
01/08/13	WJB	Travel from Buffalo to Federal District Court in Utica for commencement of criminal trial of Messrs. McGinn and Smith (Total travel time 3.0 hours)	1.5
01/08/13	WJB	No Charge: Travel from Buffalo to Federal District Court in Utica for commencement of criminal trial of Messrs. McGinn and Smith (Total travel time 3.0 hours)	1.5
01/08/13	WJB	Travel from Federal District Court in Utica to Buffalo following opening statements at McGinn Smith criminal trial (Total travel time 3.0)	1.5



33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00017 W.J. Brown, as Receiver Function  
 June 30, 2016

Invoice Number 876694

Page 2 of 14

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
01/08/13	WJB	No Charge: Travel from Federal District Court in Utica to Buffalo following opening statements at McGinn Smith criminal trial (Total travel time 3.0)	1.5
01/09/13	WJB	Telephone call from R Beck as investor re his claims history and status	0.2
01/11/13	WJB	Alarm Traders: Review payroll	0.1
01/14/13	WJB	Telephone call from J Bowen re investor questions concerning status of civil and criminal trials, distributions and other matters	0.4
01/15/13	WJB	Alarm Traders: Review, sign and approve checks and forward to B Shea	0.3
01/15/13	WJB	Benchmark: Review, sign and approve checks including review of invoices and forward to M Guidry	0.4
01/22/13	WJB	Telephone call from Dr. Chang's daughters re IRA Services and value discussion for tax impact of imputed distributions	0.3
01/23/13	WJB	Exchange e-mails with B Shea on delivery of checks and returning of same	0.1
01/23/13	WJB	Review and approve weekly payroll including comparison to earlier payroll approvals and prepare reply with approval	0.2
01/25/13	WJB	Telephone call from Ms. Allegretti re background on mediation claim, explanation of claims process, status of criminal and civil cases including criminal trial, likelihood of appeals and timeframe re same	0.5
01/25/13	WJB	Benchmark: Review, sign, approve and return checks to M Guidry	0.5
01/25/13	WJB	Alarm Traders: Review, sign, approve and forward checks to B Shea	0.4

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00017 W.J. Brown, as Receiver Function  
 June 30, 2016

Invoice Number 876694

Page 3 of 14

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
01/30/13	WJB	Telephone conference Albany Business Review reporter re interview on criminal trial, civil case, distributions and investors	0.6
01/31/13	WJB	Travel to Federal Court in Utica, NY for criminal trial closing arguments (Total travel time 2.8)	1.4
01/31/13	WJB	No Charge: Travel to Federal Court in Utica, NY for criminal trial closing arguments (Total travel time 2.8)	1.4
01/31/13	WJB	Travel from Federal Court in Utica to Buffalo following closing arguments in criminal trial (Total travel time 2.8)	1.4
01/31/13	WJB	No Charge: Travel from Federal Court in Utica to Buffalo following closing arguments in criminal trial (Total travel time 2.8)	1.4
02/01/13	WJB	Attend to administrative detail	0.2
02/01/13	WJB	Review Schenectady Gazette article re criminal trial	0.2
02/04/13	WJB	Review investor letter from W & P Seigford and prepare reply	0.3
02/05/13	WJB	Alarm Traders: Review and approve Alarm Traders payroll and prepare e-mail B Shea re same	0.1
02/05/13	WJB	Review HSBC Cruise Charter Venture and TAIN bank account statements and forward to B Shea	0.2
02/06/13	WJB	Telephone conference with D Stoelting at SEC re verdict, distribution and other related items	0.1
02/06/13	WJB	Telephone call from M Check as investor concerning McGinn Smith guilty verdict, her communications with L Levy, payment of criminal and civil legal fees, status of case and next steps	0.5
02/06/13	WJB	Alarm Traders: Review, sign and approve Alarm Traders checks and forward to B Shea	0.2

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00017 W.J. Brown, as Receiver Function  
 June 30, 2016

Invoice Number 876694

Page 4 of 14

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
02/07/13	WJB	Benchmark: Review, sign and approve checks and forward to M Guidry	0.6
02/07/13	WJB	Telephone call from M Favish re investor questions in light of criminal conviction	0.2
02/08/13	WJB	Telephone call from investor D Puglisi re criminal convictions and next steps	0.2
02/08/13	WJB	Telephone call from P Gibbons re taking loss as tax issue and application of stay in FINRA proceeding	0.2
02/12/13	WJB	Travel from Buffalo to Albany for claims review process (Total travel time 5.4 hours)	2.7
02/12/13	WJB	No Charge: Travel from Buffalo to Albany for claims review process (Total travel time 5.4 hours)	2.7
02/13/13	WJB	Attend to various administrative matters at 99 Pine Street office	0.4
02/13/13	WJB	Alarm Traders: Review, sign and approve Alarm Traders checks and reconcile same and conference with B Shea	0.7
02/13/13	WJB	Conference with B Shea and M&T representatives re account maintenance, costs and benefits at M&T, negotiations re bank account terms and conclusion re same	0.9
02/13/13	WJB	Alarm Traders: Review, sign and approve additional Alarm Traders checks	0.2
02/13/13	WJB	Finalize review of administrative issues at 99 Pine Street with B Shea following move to new location	0.9
02/13/13	WJB	Travel from 99 Pine Street to NYC office (Total travel time 3.8)	1.9
02/13/13	WJB	No Charge: Travel from 99 Pine Street to NYC office (Total travel time 3.8)	1.9
02/15/13	WJB	Attend to administrative detail	0.2

33474 Brown, William J. as Receiver of McGinn,  
Smith & Co., Inc., et al  
00017 W.J. Brown, as Receiver Function  
June 30, 2016

Invoice Number 876694

Page 5 of 14

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
02/15/13	WJB	Telephone call from R Ormerod as Seton investor with questions on K-1s	0.2
02/18/13	WJB	Benchmark: Review and approve payroll; Prepare e-mail to Whitney Bank to approve ACH	0.1
02/19/13	WJB	Alarm Traders: Review and approve Alarm Traders payroll and e-mail B Shea with approval	0.2
02/19/13	WJB	Attend to administrative detail concerning claims analysis and distribution plan	0.8
02/20/13	WJB	Benchmark: Review, sign and approve Benchmark checks and forward to M Guidry; Prepare e-mail M Guidry re questions on storage charges	0.2
02/20/13	WJB	Benchmark: Continue review of large group of Benchmark checks and review reply from M Guidry concerning storage charges	0.7
02/21/13	WJB	Review wire transfer request and send to Whitney Bank	0.1
02/26/13	WJB	Benchmark: Prepare e-mail from Benchmark re payroll, review and approve same; Prepare e-mail re ACH to Whitney Bank	0.2
02/28/13	WJB	Benchmark: Review, sign and approve checks and forward to M Guidry	0.5
02/28/13	WJB	Alarm Traders: Review, sign and approve checks and forward to B Shea	0.3
02/28/13	WJB	Telephone call to M Prior re parents (investors); Arrange telephone call for 3/1	0.2
03/01/13	WJB	Telephone call from M Buturla re James & Celine Prior claim and course of action	0.3
03/06/13	WJB	Travel from Buffalo to Federal District Court in Utica for hearing on B Shea sentencing (Total travel time 3.0)	1.5

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00017 W.J. Brown, as Receiver Function  
 June 30, 2016

Invoice Number 876694

Page 6 of 14

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
03/06/13	WJB	No Charge: Travel from Buffalo to Federal District Court in Utica for hearing on B Shea sentencing (Total travel time 3.0)	1.5
03/06/13	WJB	Travel from Federal District Court in Utica to Albany for claims process (Total time 1.6)	0.8
03/06/13	WJB	No Charge: Travel from Federal District Court in Utica to Albany for claims process (Total time 1.6)	0.8
03/06/13	WJB	Alarm Traders: Review, sign and approve Alarm Traders checks	0.2
03/06/13	WJB	Benchmark: Review, sign and approve checks	0.4
03/06/13	WJB	Travel from 99 Pine Street to Buffalo following Federal Court hearing and conference re claims process and various administrative matters (Total time 5.6)	2.8
03/06/13	WJB	No Charge: Travel from 99 Pine Street to Buffalo following Federal Court hearing and conference re claims process and various administrative matters (Total time 5.6)	2.8
03/07/13	WJB	Attend to administrative detail	0.2
03/07/13	WJB	Alarm Traders: Review payroll request, approve same and prepare e-mail B Shea re same	0.2
03/13/13	WJB	Benchmark: Review, sign and approve checks and forward to M Guidry	0.5
03/15/13	WJB	Benchmark: Review and approve payroll and forward e-mail to bank to authorize same	0.1
03/20/13	WJB	Benchmark: Review, sign and approve Benchmark checks and forward to M Guidry	0.3
03/20/13	WJB	Alarm Traders: Review, sign and approve Alarm Traders checks and forward to B Shea	0.2

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00017 W.J. Brown, as Receiver Function  
 June 30, 2016

Invoice Number 876694

Page 7 of 14

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
03/28/13	WJB	Review, sign and approve Benchmark checks and forward to M Guidry	0.3
03/28/13	WJB	Alarm Traders: Review, sign and approve checks and bill of sale and forward to B Shea	0.2
03/28/13	WJB	Alarm Traders: Review, sign and approve checks and forward to B Shea	0.2
04/02/13	WJB	Alarm Traders: Review payroll, approve same and prepare e-mail B Shea re same	0.2
04/02/13	WJB	Benchmark: Review, sign and approve checks and forward to M Guidry	0.5
04/02/13	WJB	Telephone call from investor, J Prior, re CMS claim, SAI and two other funds	0.2
04/02/13	WJB	Benchmark: Prepare e-mail Whitney Bank approving ACH authorizations	0.1
04/03/13	WJB	Benchmark: Review additional ACH request for credit card ACH; Prepare e-mail Whitney Bank for approval of same	0.2
04/05/13	WJB	Review First Niagara Firstline bank account statement and McGinn Smith & Co. statement and forward to B Shea	0.2
04/08/13	WJB	Check on open items and prepare list of next tasks	0.3
04/10/13	WJB	Benchmark: Review, sign and approve checks and forward to M Guidry	0.6
04/10/13	WJB	Alarm Traders: Review, sign and approve checks and forward to B Shea	0.3
04/11/13	WJB	Benchmark: Review payroll request, approve same and email Whitney Bank to clear ACH	0.2
04/17/13	WJB	Alarm Trades: Review and approve payroll and forward to B Shea	0.1

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00017 W.J. Brown, as Receiver Function  
 June 30, 2016

Invoice Number 876694

Page 8 of 14

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
04/18/13	WJB	Alarm Traders: Review, sign and approve checks and forward to B Shea	0.2
04/18/13	WJB	Benchmark: Review, sign and approve checks and forward to M Guidry	0.3
04/18/13	WJB	Benchmark: Prepare e-mail B Shea re calculation of 1-year payments to DDCESI	0.1
04/18/13	WJB	Telephone call from B Shea requesting Receiver to authorize TD Bank to provide statements to B Shea for accounting purposes	0.1
04/18/13	WJB	Benchmark: Follow-up on completion of approval of checks and forward to M Guidry	0.2
04/18/13	WJB	TD Bank: Review B Shea e-mail to TD Bank requesting statements and authorization from Receiver	0.1
04/23/13	WJB	Benchmark: Review emails from B Shea, M Guidry re checks and prepare reply re same	0.1
04/23/13	WJB	Benchmark: Review, sign and approve checks and forward to M Guidry	0.4
04/25/13	WJB	Alarm Traders: Review, sign and approve checks and forward to B Shea	0.5
04/29/13	WJB	Travel from Buffalo to Albany for 4/30 settlement conference and 4/30 meeting with U.S. Attorney's Office re claims (Total travel time 5.6)	2.8
04/29/13	WJB	No Charge: Travel from Buffalo to Albany for 4/30 settlement conference and 4/30 meeting with U.S. Attorney's Office re claims (Total travel time 5.6)	2.8
04/30/13	WJB	Travel from Albany following settlement conference at District Court to Buffalo (Total travel time 4.4 hours)	2.2

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00017 W.J. Brown, as Receiver Function  
 June 30, 2016

Invoice Number 876694

Page 9 of 14

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
04/30/13	WJB	No Charge: Travel from Albany following settlement conference at District Court to Buffalo (Total travel time 4.4 hours)	2.2
05/01/13	WJB	Alarm Traders: Review Alarm Traders payroll and approve same; Prepare e-mail B Shea re same	0.1
05/02/13	WJB	Benchmark: Review ACH charges pending at Whitney Bank; Prepare e-mail approving same	0.1
05/03/13	WJB	Alarm Traders: Review, sign and approve Alarm Traders checks and review census form from Department of Commerce and instruct B Shea re same	0.4
05/03/13	WJB	Benchmark: Review large group of checks; Sign, approve and forward same to M Guidry	0.8
05/06/13	WJB	Telephone call from C Dott re explanation re SIPC, suitability questions, allowance of claims and referral to website	0.4
05/06/13	WJB	Follow-up telephone conference with C Dott re call with L Mehraban of SEC	0.1
05/07/13	WJB	Endorse monthly check for deposit; Review Mr. Livingston letter with pre-dated checks for deposit through November 2013	0.3
05/08/13	WJB	Review HSBC bank statement re Cruise Charter Ventures and forward to B Shea; Telephone call to L Whelan at HSBC re address change	0.1
05/08/13	WJB	Review HSBC bank statement re TAIN and forward to B Shea	0.1
05/08/13	WJB	Benchmark: Review, sign and approve Benchmark checks and forward to M Guidry	0.4
05/09/13	WJB	Telephone message to HSBC re correcting statement addresses on HSBC bank account statements for Receiver accounts	0.1



33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00017 W.J. Brown, as Receiver Function  
 June 30, 2016

Invoice Number 876694

Page 10 of 14

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
05/09/13	WJB	Review First Niagara Bank McGinn Smith & Co. and Firstline Funding statements and forward to B Shea for posting	0.2
05/09/13	WJB	Telephone call from L Whelan at HSBC re correcting account address errors on bank statements	0.1
05/14/13	WJB	Alarm Traders: Review payroll, approve same and prepare e-mail B Shea re same	0.1
05/15/13	WJB	Benchmark: Review, sign and approve checks and forward to M Guidry; Prepare e-mail M Guidry re status of Legacy termination fee	0.4
05/15/13	WJB	Benchmark: Review payroll request; Prepare e-mail M Guidry re need for data	0.2
05/17/13	WJB	Benchmark: Review wire transfer request from M Guidry; Prepare e-mail Whitney Bank authorizing same	0.2
05/20/13	WJB	Alarm Traders: Review, sign and approve checks and forward to B Shea	0.3
05/21/13	WJB	Benchmark: Review, sign and approve checks and forward to M Guidry including e-mail B Shea re NYC address change	0.6
05/28/13	WJB	Benchmark: Prepare e-mail M&T Bank to stop payment on Benchmark M&T check	0.1
05/29/13	WJB	Benchmark: Review payroll request and e-mail Whitney Bank re same	0.1
05/29/13	WJB	Alarm Traders: Review and approve checks and forward to B Shea	0.3
05/29/13	WJB	Benchmark: Review, sign and approve checks and forward to M Guidry	0.7
06/05/13	WJB	Benchmark: Review, sign and approve Benchmark checks and forward to M Guidry	0.3

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00017 W.J. Brown, as Receiver Function  
 June 30, 2016

Invoice Number 876694

Page 11 of 14

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
06/10/13	WJB	Review two HSBC bank statements for TAIN account and Cruise Charter Venture account and forward to B Shea	0.2
06/10/13	WJB	Review First Niagara Bank Firstline statement and McGinn Smith & Co. statement and forward to B Shea	0.2
06/10/13	WJB	Review, sign and approve Alarm Traders checks and forward to B Shea	0.2
06/11/13	WJB	Alarm Traders: Review and approve payroll and forward e-mail re same	0.2
06/13/13	WJB	Benchmark: Review, sign and approve Benchmark checks and prepare e-mail M Guidry with inquiry and explanation for technician payments	0.5
06/13/13	WJB	Telephone call from M Check re report on \$4 million payment and denying same, referral to report on Senator Schumer introduction of legislation	0.2
06/14/13	WJB	Telephone call from D Puglisi re questions concerning J Featherstonhaugh's letter to Court re Trust having no further intention to reply to motion	0.1
06/18/13	WJB	Benchmark: Review, sign and approve checks and forward to M Guidry; Prepare e-mail B Shea re amounts for Dish and request verification	0.4
06/18/13	WJB	Benchmark: Review e-mail response from B Shea re reconciliation of Dish amounts over recent period of time	0.1
06/20/13	WJB	Alarm Traders: Review, sign and approve checks and forward to B Shea	0.2
06/20/13	WJB	Benchmark: Review, sign and approve checks and commission payments and forward to M Guidry	0.3
06/21/13	WJB	TD Bank: Review checks received from closing of TD Bank accounts, endorse same and forward to B Shea	0.2

33474 Brown, William J. as Receiver of McGinn,  
Smith & Co., Inc., et al  
00017 W.J. Brown, as Receiver Function  
June 30, 2016

Invoice Number 876694

Page 12 of 14

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
06/24/13	WJB	Travel to airport for pick-up of rental car for 107th Associates meeting in Binghamton (Total travel time .6)	0.3
06/24/13	WJB	No Charge: Travel to airport for pick-up of rental car for 107th Associates meeting in Binghamton (Total travel time .6)	0.3
06/25/13	WJB	Travel to Binghamton for 107th Associates meeting with HSK representatives (Total travel time 3.2)	1.6
06/25/13	WJB	No Charge: Travel to Binghamton for 107th Associates meeting with HSK representatives (Total travel time 3.2)	1.6
06/25/13	WJB	Travel from Binghamton to 99 Pine Street for staff meetings (Total travel time 3.2)	1.6
06/25/13	WJB	No Charge: Travel from Binghamton to 99 Pine Street for staff meetings (Total travel time 3.2)	1.6
06/25/13	WJB	Review Alarm Traders payroll request; Telephone call to B Shea re questions re amount and provisional approval	0.2
06/26/13	WJB	Alarm Traders: Review, sign and approve checks and forward to B Shea	0.2
06/26/13	WJB	Benchmark: Review, sign and approve Benchmark checks and forward to M Guidry	0.2
06/26/13	WJB	Travel from 99 Pine Street to NYC office following Pine Street administrative meetings (Total travel time 3.8)	1.9
06/26/13	WJB	No Charge: Travel from 99 Pine Street to NYC office following Pine Street administrative meetings (Total travel time 3.8)	1.9
06/27/13	WJB	Benchmark: Review M Guidry payroll request and prepare e-mail Whitney Bank re same	0.2

CURRENT FEES

\$26,505.00

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00017 W.J. Brown, as Receiver Function  
 June 30, 2016

Invoice Number 876694

Page 13 of 14

FOR COSTS ADVANCED AND EXPENSES INCURRED:

Travel Expense Brown, William J; WJB 12/04-12/07/12 Parking for trips to Albany	44.00
Travel Expense Brown, William J; WJB 12/16-12/18/12 Parking for trips to Albany; 01/24/13	30.00
Travel Expense Brown, William J; WJB 01/08/13 Trip to utica, NY for opening of criminal trial and B Shea testimony; 01/24/13	225.61
Travel Meals Brown, William J; WJB 01/08/13 Trip to utica, NY for opening of criminal trial and B Shea testimony; 01/24/13	9.52
Travel Expense Brown, William J; WJB 01/31/13 Trip to Utica, NY for federal court for McGinn Smith trial closing arguments; 02/15/13	220.45
Travel Meals Brown, William J; WJB 01/31/13 Trip to Utica, NY for federal court for McGinn Smith trial closing arguments; 02/15/13	13.46
Travel Expense Brown, William J; WJB 02/12-02/13/13 Trip to Albany, NY for claims review and M & T meeting with B. Shea; 02/22/13	417.51
Travel Meals Brown, William J; WJB 02/12-02/13/13 Trip to Albany, NY for claims review and M & T meeting with B. Shea; 02/22/13	36.16
Travel Expense Brown, William J; WJB 04/29-04/30/13 Trip to Albany, NY 99 Pine Street for settlement conference at court and USAO meting re: Claims; 05/14/13	561.72
Travel Meals Brown, William J; WJB 04/29-04/30/13 Trip to Albany, NY 99 Pine Street for settlement conference at court and USAO meting re: Claims; 05/14/13	22.41
Travel Expense Brown, William J; WJB 06/25-06/26/13 Trip to Binghamton/Albany, NY for 107th associates meeting then to 99 Pine street; 07/24/13	486.89

33474 Brown, William J. as Receiver of McGinn,  
Smith & Co., Inc., et al  
00017 W.J. Brown, as Receiver Function  
June 30, 2016

Invoice Number 876694

Page 14 of 14

Travel Meals Brown, William J; WJB 66.95  
06/25-06/26/13 Trip to Binghamton/Albany, NY for  
107th associates meeting then to 99 Pine street;  
07/24/13

CURRENT EXPENSES

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2,134.68

TOTAL AMOUNT OF THIS INVOICE

\$28,639.68

\*\*\*PAYMENT DUE UPON RECEIPT\*\*\*

## **Category S**

**SEC vs. McGinn, Smith & Co. Inc.**



## Phillips Lytle LLP

Attorneys at Law  
 One Canalside  
 125 Main Street  
 Buffalo, NY 14203-2887  
 Telecopier # (716) 852-6100  
 (716) 847-8400  
 FED I.D. #16-0505790

William J. Brown, Esq.  
 Phillips Lytle LLP  
 One Canalside  
 125 Main Street  
 Buffalo, NY 14203

Invoice Number 876695  
 Invoice Date 06/30/16  
 Client Number 33474  
 Matter Number 00018  
 W J Brown

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**Re: SEC V MCGINN SMITH & CO., INC., ET AL**

FOR PROFESSIONAL SERVICES RENDERED THROUGH JUNE 30, 2013:

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
01/29/13	WJB	Prepare e-mail SEC inquiring as to scheduled 9:30 a.m. conference call with Magistrate on criminal case legal fees	0.1
03/22/13	WJB	Review T McGinn, D Smith joint reply requesting new trial and acquittal	0.3
03/27/13	WJB	Revise reply letter to T O'Connor March 22 letter regarding discovery request regarding proceeding against third parties	0.3
04/15/13	WJB	Participate in telephone conference with Court and parties re implications of Second Circuit decision re Smith Sacandaga camp and related matters, scheduling of settlement conference by Court	0.5
04/26/13	WJB	Review Court's Order re settlement conference and participation by parties; Telephone call to Chambers re whether participation of Receiver is requested; Follow-up on same	0.5

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00018 SEC v McGinn Smith & Co., Inc., et al  
 June 30, 2016

Invoice Number 876695

Page 2 of 5

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
04/26/13	WJB	Telephone conference with D Stoelting, K McGrath re discussion of preparation for settlement conference at Court per Court Order, involvement of Receiver, providing answers to various information questions	1.0
04/30/13	WJB	Prepare for settlement conference at District Court with SEC and defendants	0.6
04/30/13	WJB	Attend settlement conference at District Court with SEC and defendants' counsel including discussion of upcoming motions to be made by defendants and lack of inability to reach settlement agreement and including post-settlement conference discussions with SEC re same and NFS	2.3
05/01/13	WJB	Review ECF dates for briefing as a result of settlement conference	0.1
05/14/13	WJB	Review original and corrected Second Circuit mandate as filed with Court to identify potential changes and review Second Circuit Decision	0.6
05/21/13	WJB	Preliminary review of G Smith motion to vacate stay versus trust and sale of lake property	0.2
05/22/13	WJB	Review G Smith motion to vacate and review trust letter outlining assets contained in trust	0.3
05/24/13	WJB	Review K McGrath e-mail on timing for discussion on G Smith motion to vacate and prepare reply	0.1
05/28/13	WJB	Review G Smith Memorandum of Law to vacate order re asset freeze and review G Smith affidavit in support of motion to vacate	1.0
05/28/13	WJB	Further review of G Smith affidavit and motion to vacate and compare to prior information received from Trustee of Smith Trust	0.2



33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00018 SEC v McGinn Smith & Co., Inc., et al  
 June 30, 2016

Invoice Number 876695

Page 3 of 5

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
05/28/13	WJB	Telephone conference with K McGrath, D Stoelting re history of communications by Receiver with Smith Trust trustee re expenses for camp and related matters relating to Smith Trust in order to deal with G Smith motion to vacate	0.7
05/28/13	WJB	Review prior orders of District Court re Smith Trust and directions to Receiver re preservation and sale of Smith Lake House; Prepare email K McGrath re references to prior orders re same	0.7
05/31/13	WJB	Prepare draft Declaration re G Smith motion to vacate stay of Trust property on behalf of Receiver	1.1
05/31/13	WJB	Prepare e-mail B Shea for providing of expenses related to camp and trust in connection with preparation of Receiver Declaration in opposition to G Smith motion to vacate order re Trust	0.2
06/03/13	WJB	Review Smith Trust motion, Memorandum and Affidavit and prepare Declaration in response to same including revisions	2.1
06/03/13	WJB	Review K McGrath comments to WJB draft Declaration re Smith Trust motion and draft additional language in response to same	0.3
06/03/13	WJB	Telephone call to K McGrath re discussion of response to motion concerning Trust motion and discretionary standard available to Receiver	0.2
06/03/13	WJB	Revise Receiver Declaration and attend to filing of same in response to Trust motion following Second Circuit decision	0.6
06/04/13	WJB	Prepare final revisions to Receiver Declaration filed as Docket No. 571 in response to motion of Smith Trust	0.5
06/04/13	WJB	Telephone conference K McGrath, D Stoelting re standard for sale of lake house in view of Receiver	0.3

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00018 SEC v McGinn Smith & Co., Inc., et al  
 June 30, 2016

Invoice Number 876695

Page 4 of 5

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
06/04/13	WJB	Telephone call to D Stoelting re SEC questions concerning in rem tax lien foreclosure notice on Smith camp and explanation re same as being in rem notice in ordinary course for non-payment of taxes by Smiths	0.2
06/05/13	WJB	Review and approve Affidavit of Service for Receiver Declaration filed in connection with Trust Motion	0.1
06/07/13	WJB	Review status of Trust motion and responses and consider course of action	0.3
06/11/13	WJB	Review J Featherstonhaugh letter to Court re no intention to file sur reply by G Smith re motion to vacate decision on camp	0.1
06/12/13	JPF2	Prepare and revise subpoena for IRS records	0.3
06/17/13	WJB	Review motion to release money for payment of Smith taxes	0.2
06/18/13	WJB	Review Smith motion to pay taxes and consider defenses to same so as to minimize impact upon investors; Prepare e-mail SEC re applicability of marshaling doctrine	0.3
06/18/13	WJB	Review Judge Hummel scheduling order issued by ECF on Smith motion to pay taxes	0.1
06/19/13	WJB	Telephone call from B Shea re discussion of revenue agent analysis for D Smith taxes and tax liability, fact that filed document appears to be incorrect; Prepare e-mail W Dreyer requesting revenue agent report and complete form	0.4
06/20/13	WJB	Prepare e-mail W Dreyer re need to inform court of lack of response to request for revenue agent's report if not delivered timely by Dreyer law firm since same constitutes an exhibit to motion	0.2
06/20/13	WJB	Review e-mail from Dreyer law firm with revenue agent report re D Smith taxes and W Dreyer e-mail re reservation of rights to object to standing of Receiver; Prepare reply re disagreement on position	0.3

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00018 SEC v McGinn Smith & Co., Inc., et al  
 June 30, 2016

Invoice Number 876695

Page 5 of 5

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
06/20/13	WJB	Prepare follow-up e-mail W Dreyer and L Owens on delivery of revenue agent's report so as to be able to deal with Smith motion for payment of taxes	0.2
06/20/13	WJB	Review B Shea analysis on revenue agent's report received from Dreyer law firm and problem with format and missing documents; Prepare e-mail W Dreyer notifying of problem with revenue agent's report as presented	0.3
06/21/13	WJB	Prepare e-mail JPF2 requesting investigation of law re D Smith tax motion as to priority of IRS under circumstances of Receivership	0.2
06/24/13	WJB	Review JPF2 Memorandum on priority of IRS re payment of taxes versus Receivership funds and conference re research re same	0.2
06/24/13	WJB	Telephone conference D Stoelting, K McGrath re case law on priority of IRS versus Receiver and D Smith re Smith motion concerning payment of taxes, briefing issues and discussion of analysis and strategy	0.6
06/24/13	JPF2	Further research re priority of IRS claim; Draft Memorandum to WJB summarizing research	2.7
06/27/13	WJB	Review case law on tax payment priority in connection with motion by D Smith for payment of taxes	0.3
06/28/13	WJB	Investigation of law on IRS priority on payment versus Receiver and investors in connection with preparation of response to Smith motion for payment of taxes	1.4
CURRENT FEES			\$9,765.00
TOTAL AMOUNT OF THIS INVOICE			\$9,765.00

\*\*\*PAYMENT DUE UPON RECEIPT\*\*\*

## **Category W**

**David L. & Lynn A. Smith Irrevocable Trust**



## Phillips Lytle LLP

Attorneys at Law  
 One Canalside  
 125 Main Street  
 Buffalo, NY 14203-2887  
 Telecopier # (716) 852-6100  
 (716) 847-8400  
 FED I.D. #16-0505790

William J. Brown, Esq.  
 Phillips Lytle LLP  
 One Canalside  
 125 Main Street  
 Buffalo, NY 14203

Invoice Number 876696  
 Invoice Date 06/30/16  
 Client Number 33474  
 Matter Number 00022  
 W J Brown

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**Re: DAVID L. & LYNN A. SMITH IRREVOCABLE TRUST**

FOR PROFESSIONAL SERVICES RENDERED THROUGH JUNE 30, 2013:

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
01/02/13	WJB	Prepare e-mail SEC re payment of Sacandaga taxes and withdrawal from Kinderhook Bank including review of Kinderhook check	0.4
01/07/13	WJB	Review e-mail from G Smith with tax bills; Telephone call to Broadalbin tax collector to confirm tax bill received from G Smith constitutes 2013 tax bills including review of receipts for payment of prior taxes in 2012; Prepare e-mail G Smith re 2013 taxes and tax receipts since prior taxes were paid	0.6
01/07/13	WJB	Prepare e-mail SEC re new Sacandaga taxes for 2013 and confirmation of payment of 2011 and 2012 taxes	0.1
01/21/13	WJB	Review e-mail from B Shea re lack of receipt of National Grid bills from G Smith and suggestion to pay amount to keep service in place; Consider same and prepare reply	0.1
02/11/13	WJB	Review status of camp bills and taxes and necessary follow-up	0.2

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00022 David L. & Lynn A. Smith Irrevocable Tru  
 June 30, 2016

Invoice Number 876696

Page 2 of 6

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
02/12/13	WJB	Review situation with camp taxes, IRS and NYS returns and review e-mail from G Smith re same	0.2
02/12/13	WJB	Sign Smith camp checks and e-mail G Smith re payment of various amounts	0.1
02/13/13	WJB	Review, sign and approve check to NYS Income Tax for Smith Trust	0.2
02/13/13	WJB	Prepare e-mail SEC re status and disposition of various checks concerning Smith camp and income tax returns	0.2
02/13/13	WJB	Prepare e-mail G Smith re payment of NYS income tax return and question as to payment of IRS return and request to confirm that Smith accountant is checking on same	0.1
02/13/13	WJB	Prepare e-mails SEC, G Smith re camp utilities and related matters	0.2
02/14/13	WJB	Prepare e-mail B Shea re Smith and Smith Trust balances as requested by SEC	0.1
02/14/13	WJB	Review Smith and Smith Trust amounts as held in Receiver accounts and prepare letter to SEC after confirming same	0.3
03/05/13	WJB	Review G Smith e-mail re IRS denial of adjustment of interest and penalties; Prepare reply e-mail requesting amount to pay IRS	0.2
03/19/13	WJB	Prepare draft e-mail to SEC re impressions and next steps in light of Second Circuit decision	0.2
03/19/13	WJB	Revise e-mail to SEC re next steps in light of Smith Trust decision and review article re same	0.3
03/19/13	WJB	Prepare for and participate in conference call with D Stoelting, K McGrath of SEC re Second Circuit Smith Trust decision, Smith Trust account at Kinderhook bank and other assets, issues with camp and sale of same, best process for same, analysis and course of action	0.8

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00022 David L. & Lynn A. Smith Irrevocable Tru  
 June 30, 2016

Invoice Number 876696

Page 3 of 6

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
03/19/13	WJB	Locate Pine Street Order re distribution of funds to be held by Receiver in light of discussion with SEC concerning Smith Trust Second Circuit decision	0.2
03/19/13	WJB	Follow-up activities as a result of Second Circuit decision re Smith Trust including locating prior letter to J Featherstonhaugh with information request re Smith Trust property; Prepare e-mail SEC re information received previously on lake property; Locate prior orders on Pine Street proceeds and locate prior Second Circuit Order on ability to sell property; Prepare e-mail SEC summarizing same	1.0
03/22/13	WJB	Prepare e-mail B Shea re compiling costs incurred at Sacandaga Lake camp in response to SEC request for same	0.2
03/22/13	WJB	Review B Shea e-mail with estimated camp expenses	0.2
03/22/13	WJB	Telephone call to J Sweet at Kinderhook Bank for follow-up on requested information including preparation of letter to J Sweet requesting copies of statements, address change and balance amounts	0.4
03/22/13	WJB	Prepare e-mail to K McGrath at SEC calculating real property tax amounts and incorporate numbers received from B Shea as spent on Sacandaga Lake property to date by Receiver	0.4
03/22/13	WJB	Review Kinderhook bank account balances and revise e-mail to W Dreyer and S Jones re same	0.2
03/22/13	WJB	Finalize e-mail to SEC re Sacandaga Lake camp expenses	0.2
03/28/13	WJB	Review J Sweet e-mail with Kinderhook bank statements and request to remove dormant status on one of two accounts; Prepare reply re removal of dormant status, review statements	0.3
03/29/13	WJB	Prepare e-mail B Shea re Kinderhook statements re interest rate and request analysis and comparison	0.2

33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00022 David L. & Lynn A. Smith Irrevocable Tru  
 June 30, 2016

Invoice Number 876696

Page 4 of 6

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
04/01/13	WJB	Review e-mail from D Smith on Smith Trust tax request information and prepare reply after analysis of same (.2); Prepare e-mail B Shea requesting compilation of information requested by D Smith concerning Smith Trust taxes (.2)	0.4
04/01/13	WJB	Locate various tax amounts paid for D Smith at his request including review of compilation of data provided by B Shea (.4); Telephone call to B Shea re interest earned on accounts and use of same to offset bank fees (.2); Prepare reply with information to D Smith	0.7
04/02/13	WJB	Reply to D Smith e-mail for data request for tax return and answer questions re same	0.2
04/08/13	WJB	Review two statements for Smith Trust from Kinderhook Bank and forward to B Shea for reconciliation	0.2
04/09/13	WJB	Locate Smith Trust asset list received from G Smith, review same and forward to B Shea	0.3
04/15/13	WJB	Prepare for telephone conference with Court and parties re results and implications of Second Circuit decision and review data on amount of money spent to preserve Smith Sacandaga camp	0.9
04/18/13	WJB	Prepare e-mail B Shea re mailing National Grid checks for camp at Sacandaga	0.1
05/09/13	WJB	Review Kinderhook Bank statement and send to B Shea for recording; Forward Kinderhook Bank statement to G Smith by e-mail	0.2
05/15/13	WJB	Review Kinderhook Bank 3/29/13 statement for business checking account; Forward to B Shea for posting	0.2
06/10/13	WJB	Review \$60 check for National Grid for 3 accounts at Sacandaga camp, sign and forward same to National Grid	0.1
06/11/13	WJB	Review e-mail with various bills from G Smith; Prepare reply and inquiry re repairs and bills; Prepare e-mail SEC with proposed bills and repairs at camp	0.5



33474 Brown, William J. as Receiver of McGinn,  
 Smith & Co., Inc., et al  
 00022 David L. & Lynn A. Smith Irrevocable Tru  
 June 30, 2016

Invoice Number 876696

Page 5 of 6

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
06/11/13	WJB	Review SEC request to file court papers on camp repairs and prepare reply re decision to wait for Smith Trust decision on how to proceed	0.3
06/11/13	WJB	Review follow-up e-mails from D Stoelting and SEC and prepare replies on Receiver's need to inspect property for what needs to be done to evaluate appropriateness of same	0.3
06/11/13	WJB	Review Kinderhook bank statement for business money market account and prepare e-mail G Smith re same; Forward to B Shea for reconciliation	0.1
06/12/13	WJB	Review and sign National Grid and insurance checks for Sacandaga camp bills sent by G Smith on 6/11; Check insurance bill and prepare e-mail B Shea re obtaining copy of policy	0.3
06/14/13	WJB	Prepare email librarians to research financial status of Kinderhook Bank	0.1
06/14/13	WJB	Review Basic Business Checking account statement from Kinderhook Bank and prepare e-mails G Smith, B Shea re same	0.1
06/14/13	WJB	Review Kinderhook Bank unaudited financial statement and Federal Financial Institutions Examination Report	0.2
06/14/13	WJB	Review G Smith prior e-mail on repair estimates for property and prepare follow-up e-mail re status of determination of potential repair costs	0.1
06/14/13	AMS2	Research enforcement actions against National Union Bank of Kinderhook	1.0

CURRENT FEES

\$5,945.00

33474 Brown, William J. as Receiver of McGinn,  
Smith & Co., Inc., et al  
00022 David L. & Lynn A. Smith Irrevocable Tru  
June 30, 2016

Invoice Number 876696

Page 6 of 6

FOR COSTS ADVANCED AND EXPENSES INCURRED:

Duplicating A1, 3 Page(s)	0.30
Overnight Courier WJB - UPS to Jessica Sweet re Smith Trust	27.93
Postage WJB - Postage re Trust	4.48
Duplicating A1, 1 Page(s)	0.10
CURRENT EXPENSES	<hr/> 32.81

TOTAL AMOUNT OF THIS INVOICE	\$5,977.81
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\*\*\*PAYMENT DUE UPON RECEIPT\*\*\*

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF NEW YORK

-----X  
SECURITIES AND EXCHANGE COMMISSION :

*Plaintiff,* :

vs. :

Case No. 1:10-CV-457  
(GLS/CFH)

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, :

*Defendants,* :

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.* :

-----X  
**ORDER APPROVING SIXTH INTERIM APPLICATION OF  
PHILLIPS LYTLE LLP AND THE RECEIVER FOR ALLOWANCE OF  
COMPENSATION AND REIMBURSEMENT OF EXPENSES**

Upon the Sixth Interim Application of Phillips Lytle LLP (“Phillips Lytle”) and the Receiver (“Receiver”) for Allowance of Compensation and Reimbursement of Expenses dated June 30, 2016 (“Application”) for an order approving the allowance of compensation and reimbursement of expenses; and notice of the Application having been given to the Securities

and Exchange Commission and all parties who have filed a Notice of Appearance in this action and all creditors of the McGinn Smith Entities and other parties in interest via the Receiver's website, which notice is deemed good and sufficient notice; and the Court having determined that sufficient cause exists; it is therefore

ORDERED, that the Application is approved such that (i) compensation for legal and Receiver services rendered between January 1, 2013 and June 30, 2013 ("Sixth Interim Period") in the amount of \$131,489.24 is allowed as an interim allowance, and (ii) reimbursement of expenses advanced by Phillips Lytle during the Sixth Interim Period in the amount of \$3,842.49 is allowed as an interim disbursement payment; and it is further

ORDERED, that the Receiver is authorized and directed to pay the amounts as allowed pursuant to this Order.

Dated: \_\_\_\_\_, 2016

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HON. CHRISTIAN F. HUMMEL

Doc #01-2763906.2

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF NEW YORK

-----X  
SECURITIES AND EXCHANGE COMMISSION :

*Plaintiff,* :

vs. :

Case No. 1:10-CV-457  
(GLS/CFH)

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, :

*Defendants,* :

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.* :

-----X  
**CERTIFICATE OF SERVICE**

I, Karen M. Ludlow, being at all times over 18 years of age, hereby certify that on July 1, 2016, a true and correct copy of the Notice and Sixth Interim Application of Phillips Lytle LLP and the Receiver for Allowance of Compensation and Reimbursement of Expenses ("Sixth Interim Application") was caused to be served by e-mail upon all parties who receive electronic notice in this case pursuant to the Court's ECF filing system, and by First Class Mail to the parties indicated below:

- **William J. Brown** wbrown@phillipslytle.com,khatch@phillipslytle.com
- **Certain McGinn Smith Investors**  
apark@weirpartners.com
- **Elizabeth C. Coombe** elizabeth.c.coombe@usdoj.gov, paul.condon@usdoj.gov,  
CaseView.ECF@usdoj.gov,kelly.cicarelli@usdoj.gov

- **William J. Dreyer** wdreyer@dreyerboyajian.com, bhill@dreyerboyajian.com, lowens@dreyerboyajian.com, coconnell@dreyerboyajian.com
- **Scott J. Ely** sely@elylawpllc.com, shm@fwc-law.com
- **James D. Featherstonhaugh** jdf@fwc-law.com, jsm@fwc-law.com, cr@fwc-law.com, shm@fwc-law.com
- **James H. Glavin , IV** hglavin@glavinandglavin.com
- **Bonnie R. Golub** bgolub@weirpartners.com
- **Erin K. Higgins** EHiggins@ckrpf.com
- **Benjamin W. Hill** bhill@dreyerboyajian.com, jcantoni@dreyerboyajian.com, coconnell@dreyerboyajian.com
- **E. Stewart Jones , Jr** bessetca@esjlaw.com, sangerki@esjlaw.com
- **Jack Kaufman** kaufmanja@sec.gov
- **Michael A. Kornstein** mkornstein@coopererving.com
- **James P. Lagios** jlagios@icrh.com, rlaport@icrh.com, mlohman@icrh.com
- **Kevin Laurilliard** laurilliard@mltw.com, chandler@mltw.com
- **James D. Linnan** jdlinnan@linnan-fallon.com, lawinfo@linnan-fallon.com
- **Haimavathi V. Marlier** marlierh@sec.gov
- **Jonathan S. McCardle** jsm@fwc-law.com
- **Kevin P. McGrath** mcgrathk@sec.gov
- **Lara S. Mehraban** mehrabanl@sec.gov, marlierh@sec.gov, newvillej@sec.gov
- **Michael J. Murphy** mmurphy@carterconboy.com, sboncke@carterconboy.com, abell@carterconboy.com
- **Joshua M. Newville** newvillej@sec.gov
- **Craig H. Norman** cnorman@chnesq.com, jbugos@coopererving.com
- **Andrew Park** apark@weirpartners.com, imarciniszyn@weirpartners.com
- **Thomas E. Peisch** TPeisch@ckrpf.com, apower@ckrpf.com
- **Terri L. Reicher** Terri.Reicher@finra.org
- **Richard L. Reiter** reiterr@wemed.com, richard.reiter@wilsonelser.com
- **Sheldon L. Solow** sheldon.solow@kayescholer.com, kenneth.anderson@kayescholer.com, elise.neveau@kayescholer.com
- **David P. Stoelting** stoeltingd@sec.gov, mehrabanl@sec.gov, mcgrathk@sec.gov, paleym@sec.gov, wbrown@phillipslytle.com
- **Charles C. Swanekamp** cswanekamp@bsk.com, mhepple@bsk.com, roehla@bsk.com
- **Walter Weir** wweir@weirpartners.com, smorris@weirpartners.com
- **Bryan M. Westhoff** bryan.westhoff@kayescholer.com
- **Benjamin Zelsermyer** bzlaw@optonline.net, steincav@aol.com

And, I hereby certify that on July 1, 2016, I mailed, via first class mail using the United States Postal Service, a copy of the Sixth Interim Application to the individuals listed below:

Nancy McGinn  
426-8th Avenue  
Troy, NY 12182

Thomas J Urbelis  
Urbelis & Fieldsteel, LLP  
155 Federal Street  
Boston, MA 02110-1727

Michael L. Koenig, Esq.  
Greenberg Traurig, LLP  
54 State Street, 6th Floor  
Albany, NY 12207

Martin H. Kaplan, Esq.  
Gusrae, Kaplan, Bruno & Nusbaum PLLC  
120 Wall Street  
New York, NY 10005

Jill A. Dunn, Esq.  
The Dunn Law Firm PLLC  
99 Pine Street, Suite 210  
Albany, NY 12207

RBS Citizen, N.A.  
Cooper Erving & Savage LLP  
39 North Pearl Street  
4th Floor  
Albany, NY 12207

Iseman, Cunningham, Riester & Hyde, LLP  
9 Thurlow Terrace  
Albany, NY 12203

Piaker & Lyons CPAs  
Jaekle Fleischmann & Mugel, LLP  
Charles C. Swanekamp, Esq.  
12 Fountain Plaza  
Suite 800  
Buffalo, NY 14202

The Shoma Group  
3470 NW 82nd Ave., Suite 988  
Doral, FL 33122

Dated: July 1, 2016

/s/ Karen M. Ludlow  
Karen M. Ludlow