

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF NEW YORK

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SECURITIES AND EXCHANGE COMMISSION :

*Plaintiff,* :

vs. :

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

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

PLEASE TAKE NOTICE that upon the Amended Second Interim Application of  
Phillips Lytle LLP and the Receiver for Allowance of Compensation and Reimbursement of

Expenses (“Application”)<sup>1</sup>, Phillips Lytle LLP (“Phillips Lytle”) will move before the Hon. David R. Homer, 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 **December 15, 2011 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 request from 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

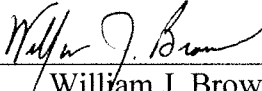
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<sup>1</sup> This Amended Second Interim Application corrects the amounts sought to be allowed in the WHEREFORE Clause and in the proposed Order to correspond to the correct amounts which are set forth on the Face Sheet for Second Interim Application of Phillips Lytle LLP and the Receiver for Allowance of Compensation (Docket No. 419). Consequently, this Amended Second Interim Application amends and replaces the Second Interim Application of Phillips Lytle LLP and the Receiver for Allowance of Compensation and Reimbursement of Expenses (Docket No. 419).

Civil Procedure and the Local Rules for the United States District Court for the Northern District  
of New York.

Dated: November 12, 2011

PHILLIPS LYTTLE LLP

By   
\_\_\_\_\_  
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

3400 HSBC Center  
Buffalo, New York 14203  
Telephone No.: (716) 847-8400

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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 FOR AMENDED SECOND  
INTERM 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

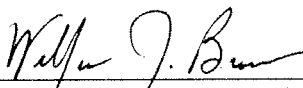
NATURE OF SERVICES RENDERED: Legal services rendered for William J. Brown, Receiver, with respect to McGinn, Smith & Co., Inc., et al. and for Receiver services and expenses

AMOUNT OF COMPENSATION  
SOUGHT FOR FEES FROM AUGUST 1,  
2010 THROUGH DECEMBER 31, 2010 \$121,456.64 (including Phillips Lytle and Receiver's fees at pre-arranged discounted hourly rates) at 7.5% for Phillips Lytle and \$225 rather than \$425 per hour for the Receiver

AMOUNT OF COMPENSATION  
SOUGHT FOR EXPENSES FROM  
AUGUST 1, 2010 THROUGH  
DECEMBER 31, 2010 \$9,324.23

Dated: November 12, 2011

PHILLIPS LYTLE LLP

By   
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

3400 HSBC Center  
Buffalo, New York 14203  
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UNITED STATES DISTRICT COURT  
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*Defendants,* :

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

*Intervenor.* :  
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**AMENDED SECOND 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 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), and the Preliminary Injunction Order was entered on July 22, 2010 appointing William J. Brown as the permanent Receiver.

2. During the period from August 1, 2010 to December 31, 2010 (“Second 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 current \$425 per hour, again per prior agreement with the SEC.

4. As a result, legal services at full value in this Second Interim Period total \$67,331.50, while the amount to be paid less the 7.5% discount is \$62,281.64. The Receiver’s services at full value of \$425 per hour in this Second Interim Period total \$98,132.50, while the amount to be paid if this Application is granted are \$59,175.00 at \$225 per hour. This makes the

total amount sought pursuant to this Application to be \$121,456.64 in fees and \$9,324.23 in disbursements.<sup>1</sup>

### **COMPENSATION FOR LEGAL SERVICES**

5. The legal services rendered by Phillips Lytle during the Second Interim Period have been categorized into twenty-two (22) separate categories (Categories A through V), as described below:

A. Asset Analysis and Recovery

Category A relates to matters relating to storage facilities for furniture and other equipment as well as access to the facility and the maintenance of the same. Services rendered for Category A were performed at no charge.

B. Claims Administration and Objections

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

C. Asset Disposition

The minimal time charged to Category C during this period relates to preparations for non-disclosure agreements relating to parties who expressed interest in acquiring the Benchmark assets.

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 \$367.50, and no disbursement expense:

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<sup>1</sup> This Amended Second Interim Application corrects the amounts sought to be allowed in the WHEREFORE Clause and in the proposed Order to correspond to the correct amounts which are set forth on the Face Sheet for Second Interim Application of Phillips Lytle LLP and the Receiver for Allowance of Compensation (Docket No. 419). Consequently, this Amended Second Interim Application amends and replaces the Second Interim Application of Phillips Lytle LLP and the Receiver for Allowance of Compensation and Reimbursement of Expenses (Docket No. 419).



<u>ATTORNEY</u>	<u>HOURS</u>	<u>RATE</u>	<u>TOTAL</u>
William J. Brown	0.70	425.00	297.50
Richard E. Honen	0.20	350.00	70.00

D. Business Operations

No services were charged to or rendered by Phillips Lytle in Category D during the Second 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 21 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 placed into Receivership by this Court’s Preliminary Injunction Order (Docket No. 96). The detailed descriptions attached include discussions regarding avoidance actions, the Clifton Park Storage facility, the background and structure of the Benchmark acquisition including seller debt, various contracts and business issues arising in the ordinary course of business of the Alarm Traders business with third parties, matters relating to tax reporting and financial statement issues, maintaining of business inventories and compliance regarding inventory safeguards, dealing with third party lenders such as Full Circle, matters relating to Same Day Surgery Center and the Imaging Center, dealing with vehicles being used by former McGinn Smith employees or relatives and assuring that insurance was in place regarding the same, obtaining and evaluating information regarding Shoma Group claims of ownership in certain entities, dealings with Firstline escrow and matters regarding the purchase of the Firstline portfolio just prior to the initiation of the Receivership, various legal inquiries and questions

raised by the SEC concerning the Receivership estates, coordinating with the United States Attorney's Office concerning records and information, dealing with issues of privilege and work product in relationship to request from U.S. Attorney's Office, investigation of law regarding same and formulation of Receiver position, evaluation of the Seton Associates real property interests and operations and how to resolve the structure of the Seton facility property, dealings with the former accountants for the Receivership entities with regarding to the turnover of tax returns and prior information and the challenges relating to same, negotiations with KeyBank on paying for alarm services in light of McGinn Smith prior promise not to charge for same, review of evidence and file storage boxes at Clifton Park Storage facility to assess importance of same to Receivership estates and coordination of storage facilities at Clifton Park, meetings and dealings with CMS and Robert Haldeman regarding CMS interests, legal and business issues relating to credit cards, dealing with IRS and other search warrants and subpoenas, communications regarding Benchmark prior owners' requests for payment and sale of property, dealing with various FINRA proceedings, communications with Verifier regarding inability to pay debt, engaging in due diligence regarding Benchmark transaction and current status, preparation of Firstline documents regarding release of escrow in light of developments, dealing with Allentown Metalworks issues, David Roman Firstline option contract and discussions with staff regarding background and implications and value of same, attendance at various court hearings and conferences, review of various Judge Homer decisions and implications for Receivership estates, initial discussions with SEC concerning sale or disposition of Vero Beach home, analysis and potential means to dispose of 74 State Street Hotel interests, dealing with IRA certificate transfer issues based upon request from brokers and investors and establish process for completion of same with A. Guzzetti, dealing with Aquatic Development Group monies owed to

estate and tendered check in incorrect amount, and formulation of David Roman Firstline offer regarding resolution of option rights and claim.

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 \$40,651.50, plus \$2,043.76 in disbursement expense:

<u>ATTORNEY</u>	<u>HOURS</u>	<u>RATE</u>	<u>TOTAL</u>
William J. Brown	78.60	423.38	33,277.50
John A. Pappano	0.40	370.00	148.00
Edward S. Bloomberg	0.20	355.00	71.00
Gary F. Kotaska	3.30	360.00	1,188.00
Kevin J. English	0.30	340.00	102.00
Angela Z. Miller	0.20	290.00	58.00
Allan L. Hill	0.70	340.00	238.00
Todd A. Ritschdorff	20.80	205.00	4,264.00
Joshua P. Fleury	3.30	180.00	594.00
Karen A. Kawczynski (P)	3.10	135.00	418.50
Maureen B. Daly (P)	0.20	135.00	27.00
Amanda M. Steinbacher (P)	0.10	125.00	12.50
Jourdan L. Stevenson (P)	2.30	110.00	253.00

F. Employee Benefits/Pensions

Category F consists of services related to human resource issues including employee termination and benefits including 401K plans, stay bonuses, health care, pensions, unemployment, and COBRA issues.

In rendering the services in Category F, the following attorneys and paralegals at Phillips Lytle expended the time represented below at the hourly rates represented below for a total value of \$733.00, and no disbursement expense:

<u>ATTORNEY</u>	<u>HOURS</u>	<u>RATE</u>	<u>TOTAL</u>
William J. Brown	0.20	425.00	85.00
Gary F. Kotaska	1.80	360.00	648.00

G. Fee/Employment Applications

Category G consists of services related to review, editing and preparation of First Interim Fee Application of Phillips Lytle and statements of Chiampou Travis for filing of fee applications in addition to communications with SEC for review and consent to First Interim Fee Application.

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 \$1,997.50, and no disbursement expense:

<u>ATTORNEY</u>	<u>HOURS</u>	<u>RATE</u>	<u>TOTAL</u>
William J. Brown	4.70	425.00	1,997.50

H. Fee/Employment Objections

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

I. Accounting/Auditing

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

J. Business Analysis

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

K. Corporate Finance

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

L.     Data Analysis

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

M.     Status Reports

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

N.     Litigation Consulting

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

O.     Forensic Accounting

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

P.     Tax Issues

Category P consists of services related to initial 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 of a significant number of 2008, 2009 and 2010 IRS and New York State tax returns, various other tax forms for carry back refund claims, requests for copies of tax returns from the IRS in light of the inability to obtain same from former tax accountants for the McGinn Smith entities, and an initial coordinating meeting with Chiampou Travis to discuss agenda regarding tax issues and process.

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 \$2,233.00, and no disbursement expense:

<u>ATTORNEY</u>	<u>HOURS</u>	<u>RATE</u>	<u>TOTAL</u>
William J. Brown	4.70	425.00	1,997.50
James A. Locke	0.50	385.00	192.50
Kelly E. Marks	0.20	215.00	43.00

Q. Valuation

No services were charged to or rendered by Phillips Lytle in Category Q during the Second 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 \$98,132.50, the amount to be paid is \$59,175.00. 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 meetings with various accountants for selection as tax accountants for the estates, 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, travel

time from 99 Pine Street to the Receiver's offices in New York City and Buffalo, attending to various investor letters, dealing with business issues at Alarm Traders, interview of various real estate brokers to deal with real properties owned by Receivership estates including Seton, the Imaging Center and the former Surgery Center, conferences with various brokers for sales of businesses, efforts to obtain access to prior tax returns, significant time spent dealing with IRA certificates and transfers, dealing with building management at 99 Pine Street concerning access rights and retaining facilities, conferences with Pine Street representatives concerning performance and distributions from the Pine Street fund, dealing with press inquiries, dealing with the Clifton Park Storage facility issues and considering how to preserve records and equipment and the cost thereof, identifying alternative storage opportunities, dealing with IRS and U.S. Attorney's Office regarding records and need for copies including visitation to identify and retrieve records needed, meetings at Seton regarding disposition of property, dealing with various license issues concerning Alarm Traders operations, dealing with KeyBank, Alarm Traders contract and collection of payment from KeyBank, analyzing Full Circle relationship, identifying ways to dispose of Alarm Traders, Benchmark and White Glove interests, dealing with stop payment and official check requests to M&T Bank, dealing with insurance issues regarding insurance policies and proper coverage, conferences regarding 401K issues including surety bonds and reporting, dealing with issues regarding maintenance of Seton facility and appropriate inspections, arranging for electronic e-mail data to be provided or shared with SEC after having obtained same from e-mail provider, communications with third parties concerning possible disposition of Imaging Center property at Crescent Hill, communications with brokers and third parties regarding same, dealing with Allentown Metalworks and 74 State Street disposition and claim issues, conferences with David Boland and others regarding due diligence

for Benchmark, communications with CIT and potential third party buyers concerning 74 State Street, on-site visit at Benchmark offices in Louisiana regarding office, business records, equipment and setup in anticipation of sale, meetings with various IRS officers regarding records and analysis, meeting with Full Circle regarding debt relationship and repayment, monitoring bank balances and statements, dealing with employee and holiday scheduling issues, initial conversations with D Boland regarding scope of White Glove examination, efforts at sale of 74 State Street residual interests and dealing with Aquatic Development Group and Herbert Ellis regarding claim.

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 \$98,132.50, plus \$6,639.69 in disbursement expense:

<u>ATTORNEY</u>	<u>HOURS</u>	<u>RATE</u>	<u>TOTAL</u>
William J. Brown	263.00	373.13	\$98,132.50 (to be billed and paid at \$59,175.00)

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, communications with SEC regarding action and review of Judge Homer decisions in the action as well as conferences with counsel concerning Receiver's answer in the action.



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 \$6,098.50, plus \$87.87 in disbursement expense:

<u>ATTORNEY</u>	<u>HOURS</u>	<u>RATE</u>	<u>TOTAL</u>
William J. Brown	13.10	425.00	5,567.50
Joshua P. Fleury	2.80	180.00	504.00
Karen Kawczynski (P)	0.20	135.00	\$27.00

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

Category T consists of services related to the Receiver's action against Thomas Livingston for recovery of overpayments and unpaid reimbursements to the McGinn Smith entities for personal expenses including preparation of Amended Complaint and dealing with answers and counterclaims, research regarding the counterclaims, communications with defendant's counsel, preparation of information requests to Mr. Livingston for financial data and review of same, and pleadings in support of motion to dismiss counterclaim and communications with former McGinn Smith employees concerning development of data to support claims and defend counterclaims, preparation of civil case management plan, and revisions to Livingston financial disclosure affidavit.

In rendering the services in Category T, the following attorneys and paralegals at Phillips Lytle expended the time represented below at the hourly rates represented below for a total value of \$15,080.50, plus \$552.91 in disbursement expense:

<u>ATTORNEY</u>	<u>HOURS</u>	<u>RATE</u>	<u>TOTAL</u>
William J. Brown	3.30	425.00	1,402.50
Marc H. Goldberg	1.80	295.00	531.00
Benjamin M. Farber	0.40	270.00	108.00
Chad W. Flansburg	3.50	225.00	787.50
Todd A. Ritschdorff	65.10	187.37	12,197.50
Karen Kawczynski (P)	0.40	135.00	54.00

U. Sale of McGinn Niskayuna Property

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

V. Sale of Smith Vero Beach Property

Category V consists of services related to the preparation of a Declaration regarding real estate disposition experience of Receiver.

In rendering the services in Category V, the following attorneys and paralegals at Phillips Lytle expended the time represented below at the hourly rates represented below for a total value of \$170.00, and no disbursement expense:

<u>ATTORNEY</u>	<u>HOURS</u>	<u>RATE</u>	<u>TOTAL</u>
William J. Brown	0.40	425.00	170.00

**REIMBURSEMENT OF EXPENSES**

6. 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.

7. 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**

During the Second Interim Period, there are no instances where unusual substantial disbursement expenses have been incurred by Phillips Lytle in connection with the legal services provided by Phillips Lytle to the Receiver. The disbursements consist of such items as UPS charges for checks received and sent to Receivership businesses, which amount to 896.56 for the period, and in the Livingston litigation computerized research of \$552.91.

### **CONCLUSION**

8. 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.

9. 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.

10. As the record in this action clearly indicates, Phillips Lytle has worked persistently and efficiently during the Second 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.

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

12. 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.

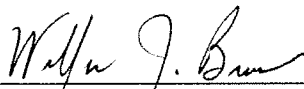
### **NOTICE**

13. 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 \$121,456.64, and reimbursement of expenses in the amount of \$9,324.23, for a total of \$130,780.87 for the period of August 1, 2010 through December 31, 2010; and (ii) granting such other and further relief as is just and proper.

Dated: November 12, 2011

PHILLIPS LYTLE LLP

By   
William J. Brown (Bar Roll #601330)  
Todd A. Ritschdorff (Bar Roll #512601)

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Buffalo, New York 14203  
Telephone No.: (716) 847-8400

Doc # 01-2518660.2

# Exhibit A

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF NEW YORK

-----X  
SECURITIES AND EXCHANGE COMMISSION :

*Plaintiff,* :

vs. :

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

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  
**DECLARATION OF WILLIAM J. BROWN IN SUPPORT OF SECOND 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 Second 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 current hourly rate of \$425.

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: November 7, 2011

/s/ William J. Brown

William J. Brown

Doc # 01-2518888.1

# Exhibit B

**33474.0**

**Asset Analysis & Recovery**



Attorneys at Law  
3400 HSBC Center  
Buffalo, NY 14203  
Telecopier # (716) 852-6100  
(716) 847-8400  
FED I.D. #16-0505790

William J. Brown, Esq.  
Phillips Lytle LLP  
3400 HSBC Center  
Buffalo, NY 14203

Invoice Number 690245  
Invoice Date 11/07/11  
Client Number 33474  
Matter Number 00000  
W J Brown

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**Re: ASSET ANALYSIS & RECOVERY**

FOR CHARGES AND DISBURSEMENTS THROUGH DECEMBER 31, 2010:

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
07/26/10	TAR	No Charge: Correspondence with WJB re storage facility update; Telephone call to E Comb re same	0.4

CURRENT FEES \$0.00

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

**33474.2**

**Asset Disposition**



## Phillips Lytle LLP

Attorneys at Law  
3400 HSBC Center  
Buffalo, NY 14203  
Telecopier # (716) 852-6100  
(716) 847-8400  
FED I.D. #16-0505790

William J. Brown, Esq.  
Phillips Lytle LLP  
3400 HSBC Center  
Buffalo, NY 14203

Invoice Number 690247  
Invoice Date 11/07/11  
Client Number 33474  
Matter Number 00002  
W J Brown

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### Re: ASSET DISPOSITION

FOR PROFESSIONAL SERVICES RENDERED THROUGH DECEMBER 31, 2010:

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
06/28/10	REH	Conference with WLB with regard to counsel to trustee in certain recovery actions	0.2
12/23/10	WJB	Benchmark: Review notes concerning possible sale possibility; Forward confidentiality agreements to Broadstar and D Orshan; Telephone call to R Kleban regarding non-disclosure agreement; Prepare chart of potential buyers	0.7

CURRENT FEES \$367.50

TOTAL AMOUNT OF THIS INVOICE \$367.50

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

**33474.4**

**Case Administration**



## Phillips Lytle LLP

Attorneys at Law  
3400 HSBC Center  
Buffalo, NY 14203  
Telecopier # (716) 852-6100  
(716) 847-8400  
FED I.D. #16-0505790

William J. Brown, Esq.  
Phillips Lytle LLP  
3400 HSBC Center  
Buffalo, NY 14203

Invoice Number 690216  
Invoice Date 11/07/11  
Client Number 33474  
Matter Number 00004  
W J Brown

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### Re: CASE ADMINISTRATION

FOR PROFESSIONAL SERVICES RENDERED THROUGH DECEMBER 31, 2010:

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/02/10	WJB	Review A Bambach e-mail on B Shea and prepare reply regarding conditions to possible stay bonus	0.2
08/02/10	WJB	Review M McGinn response letter regarding no responsibility for medical records at surgery center	0.1
08/02/10	ALH1	Review of recent correspondence regarding pending litigations	0.2
08/03/10	WJB	Arrive at 99 Pine Street and review status of employee functions and employees	0.2
08/03/10	WJB	Conference with B Shea regarding potential avoidable transactions	0.1
08/03/10	WJB	Prepare e-mail SEC regarding information concerning possible whereabouts concerning David & Lynn Smith joint account statements	0.1



<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/03/10	WJB	Consider three proposals for tax services received from accounting firms and compare benefits and disadvantages of each proposal and make preliminary decision	0.1
08/04/10	WJB	Benchmark: Review issues surrounding Benchmark sales agency check; Review B Bronston e-mail regarding request and consider legal alternatives given that payees are not payees on Note; Prepare reply regarding suggested pay proceeds letter	0.3
08/04/10	WJB	Deal with Alarm.com contract issues, review same and prepare comments and provide instructions to D Keenholts regarding moving forward	0.5
08/04/10	WJB	Telephone call from Judge Homer's Law Clerk regarding scheduling conference for August 11; Review e-mail and prepare response accepting same	0.1
08/04/10	WJB	Prepare and revise amended Complaint; Review and compare SEC Amended Complaint regarding fraudulent allegation assertions and consider any for possible incorporation into Livingston Complaint including exhibits	0.3
08/04/10	K-K	Docket order to show cause conference date	0.2
08/04/10	TAR	Correspondence with B Shea and J Carr regarding Clifton Park storage facility visit; Telephone call with B Comb re documents located at Clifton Park storage facility	0.4
08/05/10	WJB	Prepare e-mail D Keenholts regarding comments on counterparty name to alarm.com contract	0.4
08/05/10	WJB	Telephone call from lawyer for Shoma Group regarding need to identify Florida claimed ownership interest of 45% in so-called cable television companies	0.1
08/05/10	WJB	Telephone call from J Carr, B Shea regarding call to Mr. Haldeman and advisability of same concerning gathering of facts	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/05/10	WJB	Review Alarm.com dealer agreement and dealer program agreement changes for final approval of contract; Prepare e-mail with changes and send to D Keenholtz for execution	0.3
08/05/10	WJB	Benchmark: Telephone call to M Guidry regarding AT&T contract for telecommunication services, background facts, potential issues on resale and prepare reply on resale	0.3
08/05/10	WJB	Benchmark: Conference with JAL regarding who should receive 1099s and other IRS forms in connection with Note by Benchmark in connection with pay proceeds request from former Benchmark owners	0.1
08/05/10	WJB	Review TAR proposed changes to Livingston Amended Complaint, finalize same and attend to filing	0.2
08/05/10	WJB	Prepare e-mail B Shea regarding investor mailing list	0.1
08/05/10	WJB	Review pay proceeds letter received from B Bronston, revise same and e-mail comments to Bronston	0.3
08/05/10	WJB	Benchmark: Telephone call to B Bronston to discuss issues relating to AT&T Telecommunications contract, implications for sale, implications and interpretation of various provisions at issue	0.3
08/05/10	WJB	Benchmark: Review B Bronston letter comments and distribute same concerning telecommunications contract	0.2
08/06/10	WJB	Benchmark: Prepare reply e-mail to B Bronston regarding AT&T contract and potential sale of Benchmark assets	0.2
08/06/10	WJB	Consider issues and implications about providing state bonuses to certain executive employees	0.1
08/06/10	WJB	Telephone call to TAR regarding inventory of items removed and boxes removed from Clifton Park storage facility	0.1
08/06/10	K-K	Docket rescheduled in-person conference date	0.2

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/06/10	TAR	Review of materials and evidence boxes at Clifton Park storage facility	2.2
08/06/10	TAR	Meetings with J Carr and B Shea re Clifton Park storage facility materials; Correspondence with WJB re meetings	0.8
08/06/10	TAR	Travel to/from Clifton Park Storage Facility	1.2
08/09/10	WJB	Conference with TWH regarding civil and potential criminal issues affecting employees at McGinn Smith including potential retention bonuses and ways to handle same, balancing of legal and equitable risks, balancing of practical risk concerning retention of employment	0.5
08/09/10	WJB	Telephone call from B Shea regarding how to copy and send investor letter and correcting zip codes in underlying investor list	0.2
08/09/10	WJB	Review claims of C Norman and Shoma Group regarding ownership interest	0.2
08/09/10	WJB	Firstline: Conference with D Keenholts regarding account receivable list for D Roman and discuss why phone numbers and zip codes are relevant and issues regarding disclosure of same	0.2
08/09/10	WJB	Review and revise J Carr draft inventory and consignment agreement for D Gibson	0.3
08/09/10	WJB	Review revisions to D Gibson inventory and consignment agreement and e-mail back revised version to D Keenholts with instructions on having same signed and finalized	0.2
08/09/10	WJB	E-mail D Keenholts regarding no phone numbers to be provided to option contract party regarding Firstline	0.1
08/09/10	WJB	Full Circle: Review blocked account agreement prepared by M&T and prepare changes and return to M&T	0.3
08/09/10	TAR	Preparation of memorandum re inventory of Boxes retrieved from storage facility	0.8

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/09/10	TAR	Correspondence wit WJB re payment of storage facility charges	0.2
08/10/10	WJB	Prepare e-mail B Shea regarding IRA services information to D McQuaid on confidential basis for completion of IRA transfers	0.1
08/10/10	WJB	Review e-mail from C Keefer at M&T regarding Full Circle blocked account letter and reply with directions	0.2
08/10/10	WJB	Prepare e-mail Whitney Bank authorizing ACH for Benchmark payroll	0.1
08/10/10	WJB	Review M McGinn letter regarding same day surgery center records and prepare reply regarding NYS Department of Health responsibilities	0.1
08/10/10	TAR	Correspondence and telephone call with P Moschetti re Livingston vehicle insurance issues; Review of cancellation notice of Livingston vehicle insurance policy	0.4
08/10/10	TAR	Correspondence with WJB re McGinn Smith storage facility issues	0.5
08/11/10	WJB	Telephone call to D Rutnik as counsel for tenant at Seton and prepare reply letter concerning payment of assessment claim	0.1
08/11/10	WJB	Shoma Group: Conference with J Carr regarding results of investigation to determine evidence of Shoma Group interest ownership	0.1
08/11/10	WJB	Prepare e-mail T McGinn regarding receipt of personal mail at 99 Pine Street and proposed process for handling of same and request for no further deliveries, revise and send same	0.2
08/11/10	WJB	Revise proposed stay bonus program and dictate changes to same	0.2

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/11/10	WJB	Follow-up and review memo on highly compensated employees with B Shea regarding McGinn Smith incentive plan	0.4
08/11/10	WJB	Prepare further revisions to stay bonus program for staff employees based upon comments received from B Shea	0.1
08/11/10	WJB	Prepare e-mail D Smith, T McGinn regarding explanation of ownership of same day surgery center	0.1
08/12/10	WJB	Conference with J Carr regarding more information obtained on Shoma Group but still unsatisfactory as determining nature of stated interest	0.3
08/12/10	WJB	Review e-mail from Firstline attorney concerning request for turnover of \$150,000 holdback in Firstline transaction and review of Firstline agreement concerning rights regarding same	0.4
08/12/10	WJB	Conference with J Carr regarding Thurston preliminary injunction regarding Firstline transaction and whether it complies with same for release of deposit	0.1
08/12/10	WJB	Evaluate information received from J Carr regarding obligations concerning release of \$150,000 holdback and prepare e-mail to Utah counsel concerning Receiver position regarding same based upon legal documents	0.4
08/12/10	TAR	Telephone call with P Moschetti re Livingston vehicle insurance; Correspondence with WJB re insurance cancellation issues	0.4
08/13/10	WJB	Telephone call from D Orschon of Broadstar concerning level of interest in certain assets	0.2
08/13/10	WJB	Telephone conference with B Shea regarding questions concerning D Smith handwritten messages	0.2
08/13/10	WJB	Review e-mails from Utah counsel concerning Firstline escrow payment and handling of same, failure to meet conditions for release	0.1

33474 Brown, William J. as Receiver of McGinn,  
Smith & Co., Inc., et al  
00004 Case Administration  
November 7, 2011

Invoice Number 690216

Page 7

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/13/10	WJB	Telephone call to D Youngbluth regarding M&T form for electronic access and questions regarding same	0.2
08/13/10	WJB	Telephone call from D Keenholts regarding Firstline Utah facts regarding release of deposit escrow requested by Utah debtor at Firstline	0.2
08/13/10	WJB	Review D Roman request regarding contract and e-mail D Keenholts regarding bank account number	0.1
08/13/10	WJB	Telephone call from Utah counsel C Berschon regarding issues Receiver has with release of Firstline \$150,000 deposit because of nonconforming documents and legal requirements	0.3
08/13/10	WJB	Conference with JLS regarding paralegal assistance with regard to investor inquiries	0.1
08/14/10	WJB	Full Circle: Review 8/11 M&T letter regarding tri-party depository agreement as revised; Review and sign same and dictate transmittal e-mail to M&T and parties	0.4
08/16/10	WJB	Attend hearing before Judge Homer with parties and SEC litigation concerning establishment of timeline for responsive papers regarding reinstatement of freeze on certain assets including trust, filing of D Smith handwritten letter and related matters	0.9
08/16/10	WJB	Attend discovery conference with counsel in SEC action, Featherstonhaugh law firm to prepare case management program and discuss discovery issues including discovery against Receivership estates, location and identification of records	1.5
08/16/10	WJB	Telephone call to JLS to explain Receivership and roles in preparation for response to investor inquiries	0.2
08/16/10	WJB	Prepare e-mail to C Perschon regarding Firstline time to respond to new preliminary injunction concerning \$150,000 deposit	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/16/10	WJB	Review D Smith handwritten statement as filed with Court and e-mail Alarm Traders staff regarding same	0.3
08/16/10	WJB	Prepare e-mail D Stoelting and K McGrath regarding L Smith statement regarding sole ownership of account	0.2
08/16/10	WJB	Firstline: Review e-mail from C Perschon regarding escrow and attempt to resolve preliminary injunction and modification agreement; Prepare e-mail requesting non-solicitation agreement	0.3
08/16/10	JLS	Telephone from Earnest Krensel regarding McGinn Smith letter from WJB/Receiver	0.1
08/16/10	JLS	Create McGinn Smith call log for possible telephone calls	0.1
08/16/10	TAR	Review of D Smith statement	0.2
08/17/10	WJB	Review proposed non-disclosure agreement for Carrow, prepare comments and return to B Shea	0.3
08/17/10	WJB	Prepare e-mail to Carrow regarding non-disclosure agreement concerning Seton	0.1
08/17/10	WJB	Review M&T setoff request concerning T McGinn account, review PIO and e-mail L Mehraban at SEC regarding same	0.2
08/17/10	WJB	Review One City Center documents at request of SEC and prepare e-mail L Mehraban regarding same	0.4
08/17/10	JLS	Telephone from Investor Dora Liberman	0.1
08/17/10	JLS	Telephone from Investor Ken Reid	0.1
08/18/10	WJB	Review prior Firstline letter with ALH1 regarding Mr. Thurston and references as to Firstline and McGinn Smith	0.1
08/18/10	JLS	McGinn Smith telephone call with Investor Robert Bernard	0.2

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/19/10	WJB	Prepare e-mail to Asst. U.S. Attorney regarding tax records and need for same to be made available to Receiver	0.2
08/19/10	JLS	Telephone calls McGinn with Investor Bernard Lieberman	0.1
08/19/10	JLS	McGinn Smith Investor re Edmund letter	0.2
08/20/10	WJB	Telephone conference with D Keenholtz regarding request to review Firstline exhibit A list to confirm that it is appropriate list to be attached to Bill of Sale for purposes of non-disclosure agreement; Prepare three e-mails D Keenholtz with list and request to review	0.2
08/20/10	WJB	Conference with JLS regarding how to deal with investor with no computer and outline of fixed answers in response to questions from investors	0.2
08/20/10	WJB	Firstline: Review Thurston proposed revised injunction to satisfy agreement for release of \$150,000 deposit	0.2
08/20/10	WJB	Review proposed Firstline documents for release of escrowed monies including review of June e-mails regarding Exhibit A; Prepare e-mail Utah counsel with approval subject to several further conditions and changes	0.6
08/20/10	WJB	Prepare e-mails Utah counsel to confirm Exhibit A and bill of sale in accordance with Firstline documents and request D Keenholtz to review and confirm same	0.0
08/20/10	TAR	Correspondence and telephone calls with WJB and TRW re Clifton Park storage facility payment and related issues	1.2
08/23/10	WJB	Telephone call to B Shea regarding identifying and how to send information to SEC on thumb drive	0.1
08/23/10	WJB	Prepare notes regarding status of transaction regarding Firstline release of \$150,000 escrow amount	0.2
08/23/10	WJB	Prepare e-mail with private placement memos to Asst. U.S. Attorney at her request	0.1



<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/23/10	TAR	Review of TimesUnion article regarding Clifton Park storage facility; Correspondence with WJB and B Shea regarding retrieving files from facility	0.4
08/23/10	TAR	Telephone call with T Kove re Seton Hall Associates; Correspondence with WJB re responding to T Kove and investor issues	0.4
08/24/10	WJB	Check on new owner identity for 99 Pine Street building in response to request for access card for building maintenance manager, review foreclosure order and order relieving Receiver and prepare e-mail to parties regarding same	0.2
08/24/10	WJB	Telephone call from E Coombe at U.S. Attorney's Office regarding notification to expect letter requesting waiver of privilege and request for bank account information on redacted basis	0.1
08/24/10	WJB	Prepare e-mail B Shea to check on life insurance beneficiary in light of circumstances	0.1
08/24/10	WJB	Review e-mail from M Lucas regarding CW Capital Asset Management for BofA regarding 99 Pine Street and providing operating agreement to confirm authority of building manager to request Sonitrol card	0.2
08/24/10	JLS	Telephone call to Investor Timothy Kove regarding Investor questions	0.3
08/24/10	TAR	Correspondence with WJB and D Keenholts regarding storage facility issues	0.2
08/25/10	WJB	Review J Carr proposed e-mail to profitability.net and discuss with B Shea regarding delivery of hard drive with e-mails	0.2
08/25/10	TAR	Correspondence with B Shea and WJB regarding storage facility issues	0.3
08/26/10	WJB	Prepare draft e-mail SEC on legal and business issues associated with Seton building and imaging center building	0.2

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/26/10	WJB	Prepare for and attend meeting at U.S. Attorney's Office with IRS representative to review seized materials to identify tax return materials needed for McGinn Smith receivership entities with B Shea	2.5
08/26/10	WJB	Revise proposed J Carr e-mail to profitability.net regarding turnover of hard drive with e-mails	0.2
08/26/10	WJB	Discuss KeyBank requested changes with J Carr and review contract	0.3
08/26/10	JPF2	Draft email to WJB regarding accord and satisfaction issue	0.4
08/27/10	WJB	Review J Carr changes to KeyBank agreement regarding payment for services to Alarm Traders and send comments to J Carr and approve same	0.4
08/27/10	WJB	Conference with KJE regarding issue of personal service of summons in SEC action based upon K McGrath inquiry to Receiver	0.1
08/27/10	WJB	Prepare reply e-mail to K McGrath regarding ECF and service of process and Receiver position regarding same	0.2
08/27/10	WJB	Shoma Group: Review materials received from C Norman regarding CA pleadings but no evidence of ownership; Prepare e-mail regarding need for alleged ownership documents; Review and prepare e-mail regarding existence of stay under District Court order in light of Florida default judgments; Telephone call to C Norman regarding stay and default and next steps and promise of receipt of ownership evidence	0.4
08/27/10	WJB	Check on legal name and good standing for McGinn Smith Alarm Trading LLC	0.1
08/27/10	TAR	Telephone call with D Keenholts re storage facility issues	0.2
08/27/10	TAR	Travel to/from storage facility; Inventory of equipment and furniture	2.0

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/28/10	WJB	Century Hill Imaging: Prepare reply to K Baer's e-mail regarding offer for property and non-acceptance of same given amount of offer and alternative approaches	0.2
08/28/10	WJB	Prepare e-mail B Shea regarding renewed efforts to obtain insurance on Century Hill property	0.1
08/28/10	WJB	Prepare revisions to draft e-mail to SEC on Century Hill and Seton Building and challenges regarding same	0.3
08/30/10	WJB	Revise memo regarding legal and business issues to SEC on Seton Associates building and Century Hill Imaging and consider strategy regarding those properties	0.7
08/30/10	WJB	Prepare waiver of service at request of K McGrath of SEC	0.2
08/30/10	WJB	Telephone call from Mr. Swanekamp as attorney for prior accountants concerning request by Receiver for turnover of prior information to ease preparation of current tax returns and refusal to provide same	0.2
08/30/10	WJB	Conference with KJE regarding discussion of ability to use subpoena for turnover of prior accountant records based upon conversation with Mr. Swanekamp	0.1
08/30/10	WJB	Prepare email to profitability.net and arranging for shipping	0.2
08/30/10	WJB	Telephone call to owner of profitability.net inquiring as to why hard drive is being shipped to B Shea, prior complaints, Receiver position regarding same and e-mailing instructions on where to ship in care of Receiver	0.4
08/30/10	KJE	Conference with WJB regarding subpoena to former accountants for purposes of preparing tax returns	0.1
08/30/10	TAR	Preparation of report and correspondence to WJB and D Keenholts re storage facility inventory	0.8
08/31/10	WJB	Telephone call to E Coombe regarding discovery of documents not seized by IRS relating to 2008 taxes	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/31/10	WJB	Prepare e-mail SEC regarding delivery of thumb drive with copied information at request of SEC	0.1
08/31/10	WJB	Telephone call to J Carr to review latest requested revisions from KeyBank, reasons for same and discussion of reasons why certain provisions are not acceptable to Receiver and follow-up and course of action	0.3
08/31/10	WJB	Attend to Rule 16 arrangements and preparation	0.1
08/31/10	WJB	Prepare e-mail regarding retention of hard drive with e-mail material and prepare e-mail E Coombe regarding e-mail chain regarding same	0.3
08/31/10	WJB	Telephone call to E Coombe regarding privilege issues	0.1
08/31/10	WJB	Deal with issues regarding filing of waiver and estimated dates; Check prior e-mails regarding same	0.2
08/31/10	WJB	Telephone call to L Mehraban regarding document production and Smith Trust	0.2
08/31/10	WJB	Telephone call from L Mehraban and D Stoelting regarding privilege and document production issues including e-mails	0.2
08/31/10	WJB	Telephone call to E Coombe regarding profitability.net and turnover of hard drive and facts concerning existence and production of same	0.2
09/01/10	WJB	Prepare e-mail to A Larkins regarding hard drive of e-mails at Profitability.net and requesting turnover of same	0.2
09/01/10	WJB	Review preliminary injunction order for authority to compel turnover of Profitability.net hard drive with e-mails	0.2
09/02/10	WJB	Telephone call from R McMahon as counsel for Profitability.net regarding turnover of hard drive with McGinn Smith e-mails and reasons for same under preliminary injunction order	0.2

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
09/02/10	WJB	Telephone call to E Coombe regarding conversation with counsel for Profitability.net and likelihood of turnover under civil process	0.1
09/02/10	WJB	Review e-mail from A Larkin regarding promise to ship hard drive to WJB following WJB conversation with counsel for Profitability.net	0.1
09/02/10	WJB	Review revised KeyBank agreement regarding servicing and payment by KeyBank and prepare e-mail J Carr with revision to Section 9.1	0.3
09/02/10	TAR	Correspondence with B Shea regarding Clifton Park storage facility visit	0.2
09/07/10	WJB	Consider issues concerning privilege waiver and discuss with WJB2	0.2
09/08/10	WJB	Telephone call with C Perschon regarding Firstline trustee and request for extension; Prepare reply e-mail regarding same	0.1
09/09/10	WJB	State Street: Revise 74 State Street letter from B Shea to 74 State Street investors concerning tax issues and send revisions to B Shea	0.3
09/10/10	TAR	Travel to/from Clifton Park Storage Facility	1.0
09/10/10	TAR	Review of evidence boxes at Clifton Park Storage Facility	1.6
09/10/10	TAR	Conference with WJB re storage facility space and payment issues	0.2
09/10/10	TAR	Preparation of Memorandum to file re file retrieval from Clifton Park Storage Facility	0.4
09/10/10	TAR	Preparation of inventory of boxes/materials removed from Clifton Park Storage Facility	0.5

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
09/11/10	WJB	Prepare for meeting on Tuesday with R Halderman concerning CMS	0.1
09/13/10	WJB	Telephone call to L Mehraban at SEC regarding discussion of legal issues concerning payment priority in light of SEC freeze order versus other bona fide creditors especially in connection with credit cards and issues regarding same, bankruptcy provisions concerning pro rata treatment and legal issues regarding same	0.5
09/13/10	WJB	Telephone call to E Coombe at U.S. Attorney's Office concerning e-mail records at McGinn Smith	0.1
09/13/10	WJB	Benchmark: Telephone call from counsel for Benchmark regarding progress and status of Non-Disturbance agreements for potential purchasers and sale process	0.2
09/13/10	WJB	Voicemail message to U.S. Attorney regarding various matters	0.1
09/14/10	WJB	Prepare e-mail L Mehraban regarding relevant Title 11 provisions concerning pro-rata payments to creditors in conjunction with credit card use	0.1
09/14/10	ALH1	Research regarding bankruptcy code statute authority for classification and priority schemes	0.3
09/14/10	ALH1	E-mail to WJB regarding bankruptcy code priority and classification	0.2
09/16/10	JLS	Telephone call to Herman (wife returned call)	0.3
09/17/10	WJB	Telephone call to E Coombe at U.S. Attorney's Office regarding hard drive containing e-mails and potential delivery of same and identification of agents who will be contacting Receiver	0.2
09/17/10	WJB	Benchmark: Investigate Crescent Affiliates \$8,193 claim for management fees	0.2

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
09/17/10	WJB	Benchmark: Prepare letter M Guidry regarding reservation of rights by Receiver for payment of Crescent fee on monthly basis	0.2
09/17/10	WJB	Benchmark: Prepare letter M Guidry regarding reservation of rights by Receiver for payment of Crescent fee on monthly basis	0.2
09/17/10	WJB	Telephone call from A DeVersa regarding IRS search warrant	0.1
09/21/10	WJB	Prepare e-mail E Coombe regarding warrant for e-mail information	0.1
09/21/10	WJB	Telephone call from E Coombe regarding schedule for delivery of warrant and turnover of e-mail information	0.1
09/21/10	WJB	Prepare e-mail B Shea regarding warrant for e-mail information	0.1
09/21/10	WJB	Meet with Special Agent D Miller for review of search warrant and voluntary surrender agreement regarding hard drive containing McGinn Smith emails and turnover of same, coordinate arrangements to obtain copy for internal use	0.7
09/21/10	WJB	Meet with Agent B Hague and B Shea regarding potential additional records subject to search warrant and inspection of premises where located	0.5
09/21/10	WJB	Follow-up and close out meeting with Agent B Hague regarding potential additional record seizure	0.2
09/22/10	WJB	Pine Street: Review proposed 9/23 distribution to Pine Street investors, compare to prior distribution and review terms of order to show cause, preliminary injunction and intervening orders concerning rights of Smith Trust and Smith parties to distributions and analyze same; Prepare e-mail to Pine Street parties regarding procedures for distribution	0.5

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
09/22/10	WJB	Prepare e-mail to SEC regarding question concerning L Smith COBRA check based upon whether cashing a check would violate asset freeze and preliminary injunction	0.1
09/22/10	JLS	McGinn Smith Investor - Telephone call Patricia Chapman	0.1
09/23/10	WJB	Prepare e-mail D Smith regarding question regarding source of L Smith COBRA check proceeds so as to comply with preliminary injunction and freeze order and review of check and consider issues regarding same	0.3
09/23/10	JLS	Update McGinn Smith Investor call log with new additions	0.1
09/24/10	WJB	Review D Smith e-mail on source of monies for COBRA payment so as not to violate preliminary injunction or freeze order; Review e-mail from SEC regarding same	0.2
09/24/10	WJB	Prepare response and revise same to M Guidry regarding request for 2009-2010 Crescent Affiliate pre-Receiver charges based upon non-written alleged contractual commitment made by non-officer of Benchmark to him, Receiver reasons for non-payment and basis for same and recommendation on dealing with same as part of overall asset sale and possible court approval including review of prior materials received	0.8
09/24/10	WJB	Benchmark: Telephone call to B Hoover to explain Receiver position on Crescent Affiliates payment because of pre- Receivership nature and lack of written agreements and due authorization	0.1
09/24/10	WJB	Firstline: Telephone conference with Firstline trustee, A Aflack and other concerning lack of final order concerning escrow amount and Receiver position regarding same and request for copies of docket and confirmation of final order	0.2
09/24/10	JLS	Update McGinn Smith Investor call log	0.1
09/25/10	WJB	Review J Dunn letter to Judge Homer requesting hearing on SEC motion and extension of time to answer or move against complaint	0.1



<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
09/28/10	WJB	Prepare e-mail D Smith regarding authorizing negotiation of COBRA payment check based upon explanation provided from D Smith regarding source of monies to pay same	0.1
09/28/10	WJB	Revise e-mail D Smith regarding authorization for negotiation of COBRA payment check based upon explanation from D Smith	0.1
09/28/10	AMS2	Research Westlaw for Longview Aluminum case	0.1
10/04/10	WJB	Telephone call to T O'Connor regarding potential insurance claim, investor use of insurance claim and desire by O'Connor to possibly pursue same on behalf of estate	0.3
10/04/10	WJB	Consider error and omissions policy, attempt to locate same in light of T O'Connor discussion	0.2
10/05/10	WJB	Telephone call from T O'Connor regarding Finra arbitration and Taylor case	0.4
10/05/10	WJB	Telephone call from T O'Connor regarding Finra case follow-up	0.1
10/06/10	K-K	Docket response date to requests for document production of Lynn Smith, David Smith and David Wojeski	0.2
10/07/10	WJB	74 State Street: Review L Mehraban e-mail regarding Order to Show Cause; Prepare reply J Schultz regarding proposal concerning Receiver position concerning lifting of stay and orderly sale process	0.4
10/07/10	K-K	Docket hearing on motion to amend preliminary injunction order	0.2
10/08/10	WJB	74 State Street: Prepare e-mail to J Schultz in response to receipt of documents and proposing concept regarding lifting of stay and exchange for orderly sale process	0.2
10/08/10	K-K	Docket date for evidentiary hearing re: 10/7 Order	0.2

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
10/11/10	WJB	Same Day Surgery: Confirm limited interest of Receiver based upon prior e-mail regarding ownership from D Smith; Review prior e-mails and send two e-mails D Smith regarding his need to file form 5500 to terminate retirement plan	0.5
10/11/10	WJB	Verifier: Review letter regarding lack of available cash to meet payment; Prepare e-mail B Shea to confirm transaction	0.2
10/11/10	WJB	Review e-mail from B Shea regarding misdirected Pine Street 401K reimbursement and prepare reply authorizing movement of money between deposit accounts	0.1
10/12/10	WJB	Follow-up conference with JPF2 regarding authority to waive attorney-client and other privileges by Receiver	0.1
10/12/10	WJB	Telephone call to Asst. U.S. Attorney regarding confirming citations of legal authority for waiver of privilege	0.2
10/12/10	WJB	Review JPF2 Memorandum of Law on waiver of privilege by Receiver and prepare e-mail JPF2 with follow-up questions on discretion available within the decision	0.3
10/12/10	K-K	Docket last day to file proofs of claim in Chapter 7 case	0.2
10/12/10	JPF2	Investigate law regarding waiver of attorney-client privilege; Draft memorandum summarizing the same; Telephone calls with WJB regarding the same; Draft email to WJB regarding additional privilege issues	2.9
10/15/10	WJB	Review e-mail from counsel for Firstline regarding decision by Receiver on request for release of \$150,000 escrow in Bankruptcy Court for District of Utah; Prepare reply regarding same and timing	0.2

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
10/15/10	WJB	Firstline: Review various pleadings including docket in Firstline bankruptcy case and adversary proceeding to review stipulation for injunction, withdrawal of initial stipulation regarding injunction, filing of amended stipulation and amended order regarding preliminary injunction against Mr. Thurston in conformance with APA from Firstline and confirm that amended documents meet terms of agreement; Prepare reply e-mail confirming same to Firstline debtor's counsel and trustee	0.6
10/18/10	WJB	Review and revise BDO proposed engagement letter for Benchmark due diligence and prepare e-mail D Boland regarding same	0.4
10/18/10	WJB	Telephone call from B Hoover regarding fact that he represented Smith Trust in preparation of annuity and prepare memo to file regarding same	0.1
10/19/10	WJB	Review and revise Joinder to SEC motion concerning credit cards including review of underlying pleadings regarding same	0.5
10/19/10	WJB	Review revised BDO engagement letter for Benchmark received from BDO and compare to requested changes, sign and return same	0.3
10/19/10	K-K	Docket rescheduled date for evidentiary hearing re: 10/7 Order	0.2
10/19/10	JLS	Returned telephone call to McGinn Smith Investor Almeda Wilmartin regarding updates to the case	0.1
10/20/10	WJB	Prepare e-mail SEC on B Hoover call concerning Smith annuity agreement	0.1
10/20/10	WJB	Telephone call from U.S. Attorney regarding notification that request for inquiry on assertion of attorney-client privilege and work product doctrine will be forthcoming	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
10/21/10	WJB	Conference with Judge Homer's clerk regarding status of credit card motion and submission on papers at District Courthouse	0.7
10/21/10	WJB	Review U.S. Attorney letter inquiring regarding assertion of attorney-client and work product privilege and prepare e-mail reply regarding timing of response to same	0.2
10/22/10	WJB	Prepare draft letter to E Coombe regarding Receiver position on privilege and work product doctrine	0.2
10/25/10	WJB	Review Albany Times Union article on McGinn & Smith engaging in new business with C Gracey as President, consider legal implications	0.1
10/25/10	WJB	Review privilege and work product waiver issue including relevant case law and prepare letter to U.S. Attorney in response to inquiry and prepare letter to stakeholders regarding Receiver's intended position concerning no assertion of privilege or work product doctrine following effective date; Revise and distribute letters	1.4
10/25/10	WJB	Review final version of letter to U.S. Attorney and letter to stakeholders regarding no assertion of privilege or work product doctrine and distribute same	0.2
11/01/10	WJB	Firstline: Review proposed instructions to escrow agent concerning release of \$150,000; Review underlying documents, consider release and hold harmless provision and mark-up escrow release provision; Prepare e-mail C Perschon regarding revised form of escrow instruction release and advise regarding inability of Receiver to indemnify and hold harmless	0.7
11/01/10	WJB	White Glove: Review bond cancellation papers received from W Shaw and prepare e-mail requesting 2010 renewal confirmation from surety or payment provided to surety	0.2
11/01/10	WJB	Review M Russo letter on privilege and telephone call to M Russo, A Cohen regarding Receiver's position on waiver of privilege, reasons and legal right to do same	0.3

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
11/02/10	ESB	Conference with WJB regarding waiver of privilege by corporation where individuals claim joint representation	0.2
11/02/10	WJB	Prepare and revise reply letter to M Russo concerning his letter concerning Receiver waiver of attorney-client privileges and review prior letters regarding same; Conference ESB regarding thoughts on same, finalize and send letter	0.3
11/02/10	WJB	Finalize e-mail to M Russo concerning waiver of privilege	0.3
11/02/10	WJB	Conference J Carr regarding M Russo assertion concerning J Carr role in privilege discussions with Messrs. McGinn and Smith	0.2
11/02/10	WJB	Allentown Metal Works: Review notice from Capstone regarding intention to take collateral in satisfaction of debt including review of J Carr proposed objection letter and revise same	0.4
11/02/10	MBD	Docketed deadline for all defendants to file answers or otherwise move re: amended complaint per Order	0.2
11/04/10	JLS	McGinn Smith Investor telephone call with Ken Reid	0.1
11/05/10	WJB	Review S Jones 10/28 letter regarding T McGinn asserted privilege; Prepare e-mail with Dreyer letter to SEC for informational purposes	0.1
11/05/10	WJB	Allentown Metal Works: Review J Carr e-mails with Loan Agreement and background facts; E-mail J Carr requesting further information and information on demanding debt and guaranties and foreclosing mortgage	0.6
11/05/10	WJB	Allentown Metal Works: Review Brill Complaint and forward to J Carr for evaluation and additional facts	0.5
11/05/10	WJB	Review CIT motion to vacate stay and prepare e-mail SEC regarding same	0.3

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
11/05/10	WJB	Review e-mail from Capstone attorney requesting Note and Security Agreement; Prepare reply e-mail to Mustafe Haque regarding same	0.3
11/05/10	WJB	Firstline: Review revised escrow release document received from C Perschon	0.1
11/08/10	WJB	White Glove: Review E Castanon e-mail with State of Florida letter on bond cancellation and prepare reply regarding insurance company contact information	0.1
11/08/10	WJB	Allentown Metal Works: Telephone call from T Welles regarding background facts on structure of loan and information on how present circumstances arose	0.4
11/08/10	WJB	Firstline: Review and sign escrow release instructions as revised and e-mail C Perschon regarding same	0.2
11/09/10	WJB	Review R Issacman Notice of Appearance on behalf of Trust; Attempt to identify R Isaacman and confer with Albany lawyers regarding same	0.2
11/09/10	WJB	Firstline: Prepare e-mail D Keenholts, J Carr, B Shea on need to release \$150,000 escrow funds from closing of Firstline assets in light of performance by Firstline trustee in meeting escrow conditions for release of monies to Firstline estate; Prepare letter C Perschon with original signed escrow release	0.2
11/10/10	WJB	74 State Street: Review K McGrath e-mail on how Receiver intends to deal with motion to lift stay regarding 74 State Street; Review prior e-mails to SEC on same subject and forward to K McGrath	0.1
11/11/10	WJB	Discuss background of Benchmark acquisition and purchase price with AZM and consider various theories regarding same including value of business	0.2
11/11/10	WJB	Review D Roman loan documents regarding Firstline and review collateral security and perfection for same	0.3

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
11/11/10	WJB	Conference with JLS requesting Firstline financing statements regarding D Roman option	0.1
11/11/10	JLS	McGinn Smith Investor telephone call	0.3
11/11/10	AZM	Conference WJB regarding potential fraudulent conveyance claim against indirect subsidiary and sale of shares	0.2
11/13/10	WJB	Review Witness List and e-mail trust counsel regarding inability to review Witness List filing on court system	0.1
11/13/10	WJB	Review stipulation between SEC and Smith Trust regarding witnesses and evidence for upcoming hearing	0.1
11/13/10	WJB	Prepare e-mail D Keenholts on potential value or cost of completing D Roman option contract	0.1
11/14/10	K-K	Docket rescheduled time for hearing to release certain assets from PLO	0.1
11/16/10	WJB	Attend hearing at District Court on Smith Trust motion for reconsideration and witness testimony concerning July 2010 telephone call with J Dunn concerning annuity agreement	2.7
11/16/10	WJB	Prepare for hearing at District Court including review of pleadings and potential issues	0.2
11/16/10	WJB	Review e-mail from J Carr regarding FINRA and Merrill Lynch e-mail regarding discovery and e-mail ALH1 regarding same regarding response	0.2
11/16/10	WJB	White Glove: Telephone call to L Bourgeois regarding cancellation of surety bond and reasons why same is incorrect and leave message regarding same	0.1
11/16/10	WJB	Review ALH1 e-mail regarding Merrill Lynch FINRA discovery request and recommendations on approach regarding same	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
11/16/10	WJB	White Glove: Telephone call from surety company regarding bond and follow-up communications with Receiver's counsel	0.2
11/16/10	K-K	Docket hearing date on motion to compel plaintiff to answer interrogatories	0.2
11/17/10	WJB	Attend hearing at District Court on SEC motion for contempt versus Messrs. McGinn and Smith as a result of continuing securities operations	1.0
11/18/10	WJB	Review court docket listing regarding hearing and appearances on 11/16; Telephone call to L Hennessey at Chambers regarding same	0.3
11/19/10	WJB	Benchmark: Telephone call from B Hoover to discuss inconsistencies in B Bronston position concerning recommendations and parties identified for sale including Charter which was recommended and forwarded by B Bronston	0.3
11/19/10	WJB	White Glove: Attend to issues concerning reinstatement of renewal of bond	0.1
11/19/10	WJB	White Glove: Prepare e-mail on bond to surety and E Castanon regarding extension of same and conditions of same	0.2
11/19/10	WJB	Consider implications of D Roman option agreement on Firstline contracts; Extended telephone conference with B Shea analyzing financial implications of exercising and not exercising option and benefits for estate, pros and cons, analysis and course of action	0.7
11/19/10	K-K	Docket hearing date on motion to quash subpoena	0.2
11/22/10	WJB	Alarm Traders: Prepare confidentiality agreement for T Smith, revise and prepare e-mail distributing same to T Smith	1.0



<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
11/22/10	WJB	Read Judge Homer's Decision on Smith Trust, refreezing Trust and consider implications to Receivership estate	0.4
11/22/10	WJB	Prepare e-mail to Pine Street and B Shea regarding reimposition of freeze on Smith Trust and delivery of all proceeds to Receiver estate	0.1
11/23/10	WJB	Alarm Traders: Review proposed T Smith engagement letter, prepare revisions to same and return to T Smith	0.5
11/23/10	K-K	Docket return date of CIT's motion to intervene	0.2
11/23/10	K-K	Docket last day for defendant to file sur-reply to motion to quash subpoena	0.2
11/24/10	WJB	Alarm Traders: Review revised T Smith engagement letter and create termination provision for subsequent sales	0.4
11/24/10	WJB	Alarm Traders: Conference GFK regarding T Smith retention letter and inclusion of provision to confirm T Smith not an employee and individual status of Alarm Traders	0.1
11/24/10	WJB	Alarm Traders: Prepare final inserts to T Smith engagement letter and forward to T Smith	0.2
11/24/10	WJB	Alarm Traders: Telephone call from T Smith regarding final discussions on engagement letter and due process visit	0.3
11/24/10	WJB	Review e-mail from D Stoelting regarding Vero Beach home and prepare reply concerning Receiver desire to sell same to preserve equity	0.1
11/24/10	K-K	Docket hearing date on Phillips Lytle/receiver fee application	0.2
11/26/10	WJB	74 State Street: Prepare e-mail G Sherman on CIT contacts and offer and compromise and status of same	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
11/26/10	WJB	74 State Street: Review history of communications with CIT and its counsel including settlement offer by Borrower and consideration of same by CIT; Prepare reply to CIT motion for lifting of stay	0.9
11/26/10	WJB	No Charge: Prepare revisions to response to CIT motion to lift stay regarding 74 State Street	0.3
11/29/10	WJB	74 State Street: Prepare Receiver response to CIT motion for lifting of stay and revise same; Review loan documents including security agreements and check UCC filings at NY SOS, consider alternatives and outline recommendations to court	2.4
11/29/10	WJB	74 State Street: Finalize, file and serve Response to CIT motion to lift stay	0.2
11/29/10	WJB	74 State Street: Prepare e-mail to B Hill requesting CIT appraisals on 74 State Street	0.1
11/29/10	WJB	Allentown Metal Works: Send e-mail to Capstone general counsel regarding request for response to Receiver objection to taking collateral in satisfaction of debt	0.1
11/30/10	WJB	Prepare e-mail to CIT counsel on lack of communication and fact of issuing subpoena for appraisals	0.2
11/30/10	K-K	Docket hearing date on order to show cause granting Iseman Cunningham leave to conclude its engagement as special counsel	0.2
12/01/10	JAP	Review proposed bankruptcy court order and telephone conference WJ B re SEC interest in Vero property	0.4
12/01/10	WJB	74 State Street: Telephone call from L Hennessey regarding Judge's request to have conference regarding CIT motion for stay lift; Prepare for same	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/01/10	WJB	Vero Beach Home: Telephone call from D Stoelting at SEC regarding proposed Order concerning sale process for D Smith Vero Beach home; Revise Order and mark-up same including discussion with JAP regarding revisions; Send e-mail to D Stoelting with revised proposed Order regarding Receiver's position concerning process	0.9
12/02/10	WJB	74 State Street: Attend status conference at District Court with Judge Homer and CIT counsel regarding motion to lift stay	1.1
12/02/10	WJB	Telephone call to D Stoelting regarding potential sale of D Smith Vero Beach home and process for same	0.1
12/02/10	TAR	Meeting with B Shea at M & T Bank to empty contents of safe deposit boxes	0.9
12/02/10	TAR	Began preparation of McGinn-Smith safe deposit box inventory	0.7
12/03/10	TAR	Continued preparation of McGinn Smith safe deposit box inventory	1.8
12/03/10	TAR	Correspondence with WJB re McGinn Smith safe deposit box inventory	0.4
12/06/10	WJB	Review and approve Benchmark checks and prepare cover letter M Guidry distributing same	0.2
12/07/10	WJB	CMS: Review CMS materials from R Haldeman regarding financial statements, ability to fund purchase of McGinn Smith investment and related matters	0.5
12/07/10	WJB	CMS: Prepare e-mail R Haldeman regarding preliminary responses and goals of Receiver regarding CMS, revise and send same	0.4
12/07/10	WJB	Conference with GFK regarding valuation for Roth IRA purposes based upon C Penchina inquiry	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/07/10	GFK	Office conference with WJB ; Telephone conference with B Shea; Review materials re IRA issue; Telephone conference with B Shea, A Guzzetti, IRA Services; Office conference with WJB re status	1.1
12/07/10	K-K	Docket hearing date on J Dunn motion for reconsideration re: order on motion for TRO	0.2
12/08/10	WJB	CMS: Read and consider R Haldeman memorandum in response to Receiver's Memorandum on legal issues involving CMS and McGinn Smith investment; Forward to B Shea	0.3
12/08/10	WJB	Pine Street: Prepare e-mail SEC on request by Pine Street for removal of D Smith in management role, background of same and lack of economic consequences reported by Pine Street	0.3
12/08/10	GFK	Emails re IRA certificate transfer issues; B Shea, A Gazzetti	0.4
12/09/10	WJB	Benchmark: Review loan documents in comparison to UCC search results and determine legal conclusions based upon same	0.3
12/09/10	WJB	Aquatic Development Group: Prepare reply letter to H Ellis in light of prior conference call and summarizing opportunities offered to Mr. Ellis	0.2
12/09/10	GFK	Emails from and to B Shea, A Gazzetti; WJB re IRA certificate issue	0.6
12/10/10	WJB	74 State Street: Prepare e-mail J Schultz as counsel for CIT regarding extension of time to deliver appraisals and report back to court; Revise same	0.2
12/10/10	WJB	74 State Street: Telephone call from J Schultz to discuss adjournment of Subpoena for appraisal and report to court on ultimate settlement agreement; Participate in conference call with Judge Homer to update on status	0.3

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/13/10	GFK	Emails from A Guzzetti; Email to WJB; Telephone conference with WJB re IRA certificates	0.2
12/15/10	GFK	Email to WJB re IRA certificate transfers; Telephone conference with WJB	0.2
12/17/10	WJB	74 State Street: Prepare e-mail summarizing settlement terms to Garrison and J Schultz regarding second mortgage lien	0.3
12/17/10	WJB	Aquatic Development Group: Conference with J Carr regarding H Ellis and other legal matters	0.2
12/17/10	WJB	Conference with J Schultz regarding questions regarding 74 State Street settlement process and clarifications to confirming e-mail and participate in conference call with Judge Homer explaining proposed settlement and process to approve same	0.6
12/17/10	WJB	Benchmark: E-mail from and to M Guidry on further insurance questions and potential property damage	0.2
12/17/10	WJB	Analyze Pine Street request to remove D Smith from management and characterize as withdrawing member including review of various operative agreements, supporting memorandum and prepare reply e-mail authorizing same provided that there is no economic impact	0.7
12/17/10	WJB	Revise and distribute e-mail to Pine Street partners regarding D Smith withdrawal as managing member provided no economic impact	0.2
12/17/10	K-K	Docket return date of Lynn Smith's motion to dismiss amended complaint	0.2
12/20/10	WJB	Prepare draft order approving 74 State Street settlement regarding second mortgage lien	0.5

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/20/10	WJB	Revise draft Stipulated Order resolving 74 State Street CIT motion to lift stay regarding second mortgage lien incorporating appropriate reservations of rights and forward to J Schultz and Maynard for sign-off	0.6
12/20/10	WJB	Aquatic Development Group: Conference with KJE regarding strategy concerning tendered check	0.1
12/20/10	WJB	74 State Street: Prepare e-mail J Schultz to obtain correct mortgagee name for stipulated order	0.1
12/20/10	KJE	Discussion regarding Herb Ellis (Aquatic Development) collection of funds	0.2
12/21/10	WJB	74 State Street: Revise Stipulated Order and e-mail to J Schultz including new revisions	0.5
12/21/10	WJB	Conference with JAL regarding potential tax issues for payment to M Guidry for Crescent Affiliates	0.1
12/21/10	GFK	Telephone conference with WJB and B Shea; Email custodian; Letter to B Shea	0.4
12/21/10	GFK	Telephone conference with WJB re rollover issue	0.2
12/22/10	WJB	Benchmark: Work on revisions to proposed confidentiality agreement for Charter to make provisions bilateral and other changes	0.2
12/22/10	WJB	74 State Street: Review signed Stipulation and Order received from counsel for Garrison; Prepare e-mail J Schultz regarding wire transfer information for settlement payment; Prepare e-mail B Shea regarding segregation of settlement payment	0.2
12/22/10	WJB	Benchmark: Prepare final revisions to Benchmark/Charter confidentiality agreement to create mutuality and reciprocity; Prepare e-mail with revised agreement to two Charter representatives	0.5

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/22/10	WJB	Benchmark: Finalize preparation of standard form confidentiality agreement for Benchmark due diligence and revise same; Forward to R Kleban and other prior contacts	1.1
12/27/10	GFK	Office conference with WJB re notice to IRA investors	0.2
12/27/10	TAR	Telephone call with B Pinckney at Business Review re 74 State Street	0.1
12/27/10	TAR	Correspondence with J George re 74 State Street	0.2
12/28/10	TAR	Correspondence with WJB re Clifton Park storage facility payment issues	0.2
12/29/10	WJB	Benchmark: Prepare Access Media 3 confidentiality agreement in limited form regarding limited properties and e-mail to R Neumann per his request; Review e-mail from R Neumann regarding no interest and referral to third party; Revise and update buyer chart	0.4
12/30/10	WJB	Benchmark: Review due diligence material received from M Guidry on thumb drives, consider legal and business implications of same; Send to D Orshan at Broadstar	0.6
12/30/10	WJB	Prepare e-mail to B Bronston regarding letter to M Guidry and Crescent Affiliates check and conditions for tender of same	0.1
12/30/10	WJB	74 State Street: Telephone call from R Weisz regarding representation of LLC in foreclosure, discussion of status and explanation of what has occurred to date	0.3
12/30/10	WJB	Firstline: Continue review of D Roman option and analyze benefits to estate, if any	0.1
12/30/10	WJB	Telephone call from W Dreyer regarding Receiver position on answer to SEC complaint and suggestion of conversation among all objecting defense counsel	0.2

33474 Brown, William J. as Receiver of McGinn,  
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<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/31/10	WJB	Review D Roman Firstline documents and analyze circumstances when estate would be benefited by undertaking option exercise	0.9
12/31/10	WJB	Prepare e-mail D Keenholts, B Shea on RMR on D Roman portion of option	0.1
12/31/10	WJB	Telephone call to D Keenholts regarding discussion of economics of Roman option, modeling of same and value of RMR versus total claims and analysis	0.3
12/31/10	WJB	Prepare draft settlement letter to D Roman concerning option including verifying numbers based upon certain assumptions and applicable documents; Revise and send same to D Roman	1.3

CURRENT FEES

\$40,651.50

FOR COSTS ADVANCED AND EXPENSES INCURRED:

Telephone (Long Distance Only) Telephone; 7138856210, 13 Mins. Ext: 7089	2.60
Telephone (Long Distance Only) Telephone; 6106444616, 4 Mins. Ext: 5758	0.80
Telephone (Long Distance Only) Telephone; 9178648740, 3 Mins. Ext: 5758	0.60
Telephone (Long Distance Only) Telephone; 6106444616, 1 Mins. Ext: 5758	0.20
Telephone (Long Distance Only) Telephone; 5613898188, 9 Mins. Ext: 5758	1.80
Outside Printing Copy Pacer 7/1/10 to 7/31/10	14.64
Duplicating A1, 5 Page(s)	0.50
Duplicating A1, 1 Page(s)	0.10
Telephone (Long Distance Only) Telephone; 2188621000, 7 Mins. Ext: 7070	1.40



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Telephone (Long Distance Only) Telephone; 2076423336, 2 Mins. Ext: 7089	0.20
Telephone (Long Distance Only) Telephone; 4122342554, 6 Mins. Ext: 7089	1.00
Telephone (Long Distance Only) Telephone; 5135333441, 1 Mins. Ext: 7089	0.20
Overnight Courier UPS to William Brown	16.69
Duplicating E2, 2 Page(s)	0.20
Duplicating P3, 18 Page(s)	1.80
Telephone (Long Distance Only) Telephone; 8015241000, 4 Mins. Ext: 7089	0.80
Telephone (Long Distance Only) Telephone; 8452925252, 7 Mins. Ext: 5758	1.40
Outside Printing Copy Pacer 8/1/2010 - 8/31/2010	3.44
Duplicating A1, 34 Page(s)	3.40
Duplicating E2, 2 Page(s)	0.20
Overnight Courier WJB - UPS - To: Mr. Mark L. Guidry, Re: Case Administration	25.20
Duplicating P3, 22 Page(s)	2.20
Miscellaneous VENDOR: CDW Computer Centers, Inc.; INVOICE#: TZS6988; DATE: 9/23/2010 - Hard drive for email data	92.32
Telephone (Long Distance Only) Telephone; 3052163200, 1 Mins. Ext: 7089	0.20
Overnight Courier WJB - UPS - To: Mr. Brian Shea, Re: Case Admin.	29.32
Telephone (Long Distance Only) Telephone; 5082261600, 1 Mins. Ext: 7089	0.20
Duplicating A1, 4 Page(s)	0.40
Overnight Courier UPS to Mr. Mark L. Guidry	40.71
Duplicating A1, 4 Page(s)	0.40
Duplicating P3, 76 Page(s)	7.60
Telephone (Long Distance Only) Telephone; 2627874793, 3 Mins. Ext: 7089	0.60
Overnight Courier FedEx to Mark L Guidry	26.06
Overnight Courier FedEx to Brian Shea	17.48
Overnight Courier WJB - UPS - To: Mr. Brian Shea; Re: Case Admin.	29.59
Overnight Courier FedEx to Mark L. Guidry	26.21
Telephone (Long Distance Only) Telephone; 5132416062, 5 Mins. Ext: 7089	0.80

33474 Brown, William J. as Receiver of McGinn,  
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Telephone (Long Distance Only) Telephone; 2512339543, 5 Mins. Ext: 7089	1.00
Overnight Courier WJB - UPS - To: Mr. Brian Shea, Re: Case Admin.	27.22
Overnight Courier WJB - UPS - To: Wanda Shaw, Dir. Business Operations, Re: Case Admin.	25.43
Overnight Courier WJB - UPS - To: Mr. Aaron White, Re: Case Admin.	27.22
Duplicating E2, 1 Page(s)	0.10
Duplicating E2, 3 Page(s)	0.30
Overnight Courier WJB - UPS - To: Mr Mark L. Guidry, RE: Case Admin.	25.43
Overnight Courier WJB - UPS - To: Mr. Brian Shea, RE: Case Admin.	29.59
Duplicating E1, 8 Page(s)	0.80
Duplicating A1, 3 Page(s)	0.30
Telephone (Long Distance Only) Telephone; 6315217759, 9 Mins. Ext: 7089	1.80
Duplicating A1, 8 Page(s)	0.80
Duplicating E2, 1 Page(s)	0.10
Duplicating A1, 2 Page(s)	0.20
Duplicating A1, 7 Page(s)	0.70
Overnight Courier WJB - UPS to Wanda Shaw, Dir. Business Operationsre Case Admin	25.43
Overnight Courier WJB - UPS to Mr Mark L Guidry re Case Admin	25.43
Duplicating E2, 4 Page(s)	0.40
Overnight Courier WJB - FedEx to Mark L Guidry	26.21
Outside Printing Pacer 9/01/10 - 9/30/10	18.48
Outside Printing Pacer 9/01/10 - 9/30/10	4.72
Telephone (Long Distance Only) Telephone; 8602624000, 4 Mins. Ext: 7089	0.80
Telephone (Long Distance Only) Telephone; 5045813214, 2 Mins. Ext: 7089	0.20
Travel Expense Brown, William J; WJB 10/15/10 Parking for trip to Benchmark offices in Metairie, LA; 11/11/10	24.00
Telephone (Long Distance Only) Telephone; 2146650719, 2 Mins. Ext: 7089	0.20
Duplicating A1, 5 Page(s)	0.50
Overnight Courier WJB - UPS to Wanda Shaw, Dir. Business Operations re Case Administration	25.55

33474 Brown, William J. as Receiver of McGinn,  
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Overnight Courier WJB - UPS to Mr Mark L Guidry re Case Administration	41.28
Overnight Courier WJB - UPS to Mr Brian Shea re Case Administration	27.34
Telephone (Long Distance Only) Telephone; 8602624000, 2 Mins. Ext: 7089	0.40
Telephone (Long Distance Only) Telephone; 6267959199, 18 Mins. Ext: 7089	3.60
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Duplicating A1, 91 Page(s)	9.10
Telephone (Long Distance Only) Telephone; 2147328811, 10 Mins. Ext: 7089	1.80
Telephone (Long Distance Only) Telephone; 2146650719, 2 Mins. Ext: 7089	0.20
Telephone (Long Distance Only) Telephone; 5045813214, 4 Mins. Ext: 7089	0.60
Telephone (Long Distance Only) Telephone; 6267959199, 3 Mins. Ext: 7089	0.60
Overnight Courier WJB - UPS to Mr Brian Shea re Case Administration	20.34
Overnight Courier WJB - UPS to Mr Mark L Guidry re Case Administration	25.55
Duplicating E2, 2 Page(s)	0.20
Telephone (Long Distance Only) Telephone; 3037349443, 10 Mins. Ext: 7089	2.00
Travel Expense Brown, William J; WJB 11/15- 11/17/10 Trip to Albany, NY for court hearings and administrative matters; 11/23/10	619.61
Travel Meals Brown, William J; WJB 11/15- 11/17/10 Trip to Albany, NY for court hearings and administrative matters; 11/23/10	41.41
Telephone (Long Distance Only) Telephone; 4108509060, 2 Mins. Ext: 7089	0.40
Outside Printing Pacer 10/01/2010 - 10/31/2010	10.64
Searches VENDOR: CT Corporation; INVOICE#: 6359494-RI; DATE: 11/22/2010 McGinn Smith/Case Admin	50.37
Telephone (Long Distance Only) Telephone; 6033581344, 1 Mins. Ext: 7089	0.20
Telephone (Long Distance Only) Telephone; 8312368808, 2 Mins. Ext: 7089	0.40

33474 Brown, William J. as Receiver of McGinn,  
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Telephone (Long Distance Only) Telephone; 9706189417, 9 Mins. Ext: 7089	1.80
Telephone (Long Distance Only) Telephone; 6267054098, 9 Mins. Ext: 7089	1.60
Overnight Courier WJB - UPS to Mr Mark L Guidry re Case Administration	25.55
Overnight Courier WJB - UPS to Wanda Shaw, Dir Business Operations re Case Administration	25.55
Overnight Courier WJB - UPS to Mr Brian Shea re Case Administration	27.34
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Duplicating E2, 2 Page(s)	0.20
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Duplicating P3, 54 Page(s)	5.40
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Outside Printing Pacer 11/01 - 11/30/2010	38.24
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Telephone (Long Distance Only) Telephone; 6267054098, 4 Mins. Ext: 7089	0.80
Document Retrieval Work VENDOR: CT Corporation; INVOICE#: 6415645-RI; DATE: 12/2/2010 - McGinn Smith/Case Admin	114.24
Duplicating A1, 5 Page(s)	0.50
Duplicating A1, 2 Page(s)	0.20
Overnight Courier WJB - UPS to Mr Mark L Guidry re Case Admin	25.91
Overnight Courier WJB - UPS to Mr Brian Shea re Case Admin	27.72
Telephone (Long Distance Only) Telephone; 2146650719, 2 Mins. Ext: 7089	0.20
Duplicating E2, 41 Page(s)	4.10
Telephone (Long Distance Only) Telephone; 4123947914, 3 Mins. Ext: 7089	0.60
Duplicating E2, 3 Page(s)	0.30
Overnight Courier WJB - UPS to Mr Brian Shea re Case Admin	30.14
Overnight Courier WJB - UPS to Mr Mark L Guidry re Case Admin	41.86
Telephone (Long Distance Only) Telephone; 6267959199, 3 Mins. Ext: 7089	0.40

33474 Brown, William J. as Receiver of McGinn,  
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Duplicating A1, 7 Page(s)	0.70
Duplicating A1, 29 Page(s)	2.90
Telephone (Long Distance Only) Telephone; 9548857023, 1 Mins. Ext: 7089	0.20
Telephone (Long Distance Only) Telephone; 2146650719, 1 Mins. Ext: 7089	0.20
Duplicating A1, 5 Page(s)	0.50
Overnight Courier WJB - UPS to Mark J Rekucki re Case Administration	20.63
Telephone (Long Distance Only) Telephone; 9542437209, 8 Mins. Ext: 7089	1.60
Overnight Courier WJB - UPS to Wanda Shaw re Case Administration	15.95
Overnight Courier WJB - UPS to Mr Mark Guidry re Case Administration	15.95
Duplicating A1, 3 Page(s)	0.30
Telephone (Long Distance Only) Telephone; 6302300555, 2 Mins. Ext: 7089	0.40
Postage WJB - Postage to Mr Ralph Mackin	5.71
Overnight Courier WJB - UPS to Mr Brian Shea	20.63
Duplicating A1, 1 Page(s)	0.10
Overnight Courier WJB - UPS to Mr Doug Keenholts re Case Administration	30.14
Overnight Courier WJB - UPS to Mr Mark L Guidry re Case Administration	25.91
Telephone (Long Distance Only) Telephone; 5042934000, 5 Mins. Ext: 7089	1.00

CURRENT EXPENSES

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2,043.76

TOTAL AMOUNT OF THIS INVOICE

\$42,695.26

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

**33474.5**

**Employee Benefits/Pensions**



## Phillips Lytle LLP

Attorneys at Law  
3400 HSBC Center  
Buffalo, NY 14203  
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(716) 847-8400  
FED I.D. #16-0505790

William J. Brown, Esq.  
Phillips Lytle LLP  
3400 HSBC Center  
Buffalo, NY 14203

Invoice Number 690217  
Invoice Date 11/07/11  
Client Number 33474  
Matter Number 00005  
W J Brown

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### Re: EMPLOYEE BENEFITS / PENSIONS

FOR PROFESSIONAL SERVICES RENDERED THROUGH DECEMBER 31, 2010:

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/12/10	GFK	Review revised stay bonus program; Email WJB	0.3
09/02/10	GFK	Review surety bond; Email WJB re requirement for ERISA surety bond	0.4
09/23/10	GFK	Review 5500 form; other documents re 401(k) plan; Emails to and from WJB and B Shea re contribution requirement	0.6
10/13/10	GFK	Review materials re 401(k) plan; Memo to WJB	0.5
12/31/10	WJB	Review Hartford Insurance termination of 401K insurance; Prepare e-mail to insurance broker regarding stay violation and nullity of termination	0.2

CURRENT FEES

\$733.00

33474 Brown, William J. as Receiver of McGinn,  
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00005 Employee Benefits / Pensions  
November 7, 2011

Invoice Number 690217

Page 2

TOTAL AMOUNT OF THIS INVOICE

\$733.00

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



**33474.6**

**Fee/Employment Applications**



Attorneys at Law  
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Buffalo, NY 14203  
Telecopier # (716) 852-6100  
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William J. Brown, Esq.  
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3400 HSBC Center  
Buffalo, NY 14203

Invoice Number 690218  
Invoice Date 11/07/11  
Client Number 33474  
Matter Number 00006  
W J Brown

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**Re: FEE / EMPLOYMENT APPLICATIONS**

FOR PROFESSIONAL SERVICES RENDERED THROUGH DECEMBER 31, 2010:

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
09/02/10	WJB	Review and edit 4/20-7/31 pre-bills in preparation for Fee Application and forwarding to SEC	0.9
09/03/10	WJB	Finalize and forward pre-bills for Fee Application to SEC with explanation of billing rates and allocations	0.3
09/03/10	WJB	Prepare draft e-mail SEC with breakdown on bills by category and attorney and rates	0.1
09/29/10	WJB	Work on revisions to Fee Application for submission to Court	0.2
11/24/10	WJB	Draft and revise Fee Application narrative for Phillips Lytle and Receiver First Interim Fee Application and attend to filing and service of same	2.7
12/21/10	WJB	Approve and review pre-bills for accounting on First Interim Fee Application	0.1

33474 Brown, William J. as Receiver of McGinn,  
Smith & Co., Inc., et al  
00006 Fee / Employment Applications  
November 7, 2011

Invoice Number 690218

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<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/28/10	WJB	Review three Chianpou statements for tax work for appropriateness in preparation of fee application	0.3
12/28/10	WJB	Prepare e-mail M Horbachewski regarding missing page on 9/11 statement for tax services and request same for fee application	0.1

CURRENT FEES	\$1,997.50
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TOTAL AMOUNT OF THIS INVOICE	\$1,997.50
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\*\*\*PAYMENT DUE UPON RECEIPT\*\*\*

**33474.15**

**Tax Issues**



Attorneys at Law  
3400 HSBC Center  
Buffalo, NY 14203  
Telecopier # (716) 852-6100  
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FED I.D. #16-0505790

William J. Brown, Esq.  
Phillips Lytle LLP  
3400 HSBC Center  
Buffalo, NY 14203

Invoice Number 690219  
Invoice Date 11/07/11  
Client Number 33474  
Matter Number 00015  
W J Brown

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**Re: TAX ISSUES**

FOR PROFESSIONAL SERVICES RENDERED THROUGH DECEMBER 31, 2010:

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
09/08/10	JAL	Prepare for and attend conference with WJB and accountants re income tax return filing issues	0.5
09/08/10	KEM	Speak with JAL re tax return issues; Review receive order re same	0.2
09/11/10	WJB	Review and sign NYS Power of Attorney for NYS Department of Finance regarding MSFC Security Holdings, LLC; Prepare e-mail B Shea providing same	0.4
09/11/10	WJB	Review, sign and send IT-204 and 2009 IRS Form 1065 regarding 74 State Capital	0.3
12/23/10	WJB	Prepare e-mail B Shea regarding arranging for meeting with tax accountants concerning tax returns for week of 12/27	0.1
12/27/10	WJB	Review agenda from M Horbachewski for tax issue discussion with B Shea; Participate in conference call with M Horbachewski and B Shea regarding agenda regarding tax issues and make decisions on same	1.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/27/10	WJB	Firstline Trust 07 Series B: Review and sign state and federal tax returns for 2009	0.2
12/27/10	WJB	Firstline Sr. Trust 07: Review and sign 2009 IRS and NYS tax returns	0.2
12/27/10	WJB	Firstline Trust 07: Review and sign 2009 IRS and NYS tax returns	0.2
12/27/10	WJB	Firstline Sr. Trust 08: Review and sign IRS and NYS tax returns	0.2
12/27/10	WJB	Firstline Sr. Trust 07: Review and sign IRS and NYS tax returns	0.2
12/27/10	WJB	McGinn Smith Capital Holdings Corp: Review and sign 2009 IRS and NYS tax returns	0.2
12/27/10	WJB	Return copy request for James J. Carroll Charitable Fund to IRS	0.1
12/28/10	WJB	McGinn Smith & Co., Inc.: Review and sign NOL Carryback Refund Claim with IRS	0.2
12/29/10	WJB	E-mail M Horbachewski, B Shea regarding tax return chart and review M Horbachewski reply regarding five additional tax returns being mailed to supplement chart	0.1
12/30/10	WJB	Cruise Charter Ventures Trust 08: Review and sign IRS and NYS tax returns	0.2
12/30/10	WJB	Fortress Trust 08: Review and sign IRS and NYS tax returns	0.2
12/30/10	WJB	Pacific Trust 02: Review and sign IRS and NYS tax returns	0.2
12/30/10	WJB	Integrated Excellence Jr. Trust 08: Review and sign IRS and NYS tax returns	0.2
12/30/10	WJB	Mr. Cranberry LLC: Review and sign IRS and NYS tax returns	0.2

33474 Brown, William J. as Receiver of McGinn,  
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00015 Tax Issues  
November 7, 2011

Invoice Number 690219

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<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/30/10	WJB	Integrated Excellence Sr. Trust 08: Review and sign IRS and NYS tax returns	0.2

CURRENT FEES	\$2,233.00
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TOTAL AMOUNT OF THIS INVOICE	\$2,233.00
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\*\*\*PAYMENT DUE UPON RECEIPT\*\*\*

**33474.17**

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





Attorneys at Law  
3400 HSBC Center  
Buffalo, NY 14203  
Telecopier # (716) 852-6100  
(716) 847-8400  
FED I.D. #16-0505790

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Phillips Lytle LLP  
3400 HSBC Center  
Buffalo, NY 14203

Invoice Number 690220  
Invoice Date 11/07/11  
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 DECEMBER 31, 2010:

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/02/10	WJB	Travel from Buffalo to 99 Pine Street (Travel time 3.4 hours)	1.7
08/02/10	WJB	Prepare list of issues and objectives for week of August 2	0.1
08/02/10	WJB	Benchmark: Review contract for Internet service at Marcus Pointe apartments sent by M Guidry	0.2
08/02/10	WJB	Benchmark: Prepare e-mail M Guidry with questions on duration and effect of proposed Marcus Pointe agreement for Internet and other telecommunications services	0.2
08/02/10	WJB	Review Bonadio Group proposal for tax services and compare rates and proposal to Marvin proposal; Prepare e-mail to B Shea to set up appointments for interviews	0.3
08/02/10	WJB	Open and review Alarm Traders mail for August 2 and review mail process with D Keenholts and process for deposit of checks	0.2

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/02/10	WJB	Conference with B Shea regarding A Guzzetti and IRA transfer process	0.1
08/02/10	WJB	Conference with B Shea regarding Seton Building value and tenant rent and assessment collection	0.2
08/02/10	WJB	Review various mail items with B Shea and identify Trustco Bank GBP Associates account and discuss with B Shea	0.3
08/02/10	WJB	Benchmark: Telephone call from R Braden on behalf of B Hoover regarding Benchmark, explanation of SEC receivership, process of receivership versus personal interests of Benchmark former owners as to sale, refusal to proceed with bottom fisher approach and statement of trustee's intent on how to proceed	0.5
08/02/10	WJB	Conference with B Shea regarding Seton air conditioning units and issues with same	0.2
08/02/10	WJB	Conference with B Shea regarding Chiampou Travis tax proposal and comparison of proposals received	0.2
08/03/10	WJB	Review proposal received from Bonadio accounting firm for tax services and prepare for interview meeting; Attend meeting with B Shea and Bonadio accountants	1.4
08/03/10	WJB	Review proposal from Marvin & Co. regarding tax services and attend meeting with B Shea, Marvin accountants regarding interview for same	1.1
08/03/10	WJB	White Glove: Review E Castanon request for transfer and wire for two emergency checks; Prepare e-mail Mercantile Bank regarding same	0.2
08/03/10	WJB	Review Whitney Bank reply e-mail on R Neelis absence and e-mail back-up person for wire transfer authorization	0.1
08/03/10	WJB	Benchmark: Review M Guidry e-mail requesting two ACH charges approval; Prepare e-mail Whitney Bank regarding same	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/03/10	WJB	White Glove: Prepare e-mail Nisch at M&T Bank to request two bank checks per E Castanon request	0.2
08/03/10	WJB	Review e-mail from M Manzi (investor) regarding college tuition regarding TDM Verifier Trust and prepare reply	0.2
08/03/10	WJB	Telephone conference with C Chiampou and others with B Shea regarding interview concerning tax services proposal	0.6
08/03/10	WJB	Conference A Guzzetti, B Shea regarding IRA services, status and background of receivership case, identification of WJB qualifications, intentions of Receiver concerning case, administration and disposition of assets and course of action	0.9
08/03/10	WJB	Conference with T Welles regarding Pine Street Trust performance and potential asset sales	0.2
08/03/10	WJB	Benchmark: Review M Guidry \$31,577 wire transfer request to cover checks and compare checks to back-up information and e-mail Whitney Bank regarding same	0.2
08/04/10	WJB	Travel from Albany to Buffalo (Travel time 2.2 hours)	1.1
08/04/10	WJB	Prepare draft letter to investors regarding filing of SEC action, status of efforts, goals and claim process	0.8
08/04/10	WJB	Attend to check signing for Alarm Traders, Benchmark and other entities, compare back-up, note questions for B Shea and attend to same	0.4
08/04/10	WJB	Attend to signing of Alarm Traders and First Excelsior checks	0.4
08/04/10	WJB	Conference with B Shea regarding customer refund checks initially missing back-up, review back-up and arranging meetings with employees	0.2
08/04/10	WJB	Telephone conference with T Creenan regarding referral to potential alarm contract broker	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/04/10	WJB	Review Benchmark financial statements and consider financial performance and alternatives regarding disposition	0.2
08/04/10	WJB	Review various accounts payable by Alarm Traders and related entities	0.4
08/05/10	WJB	White Glove: Review payroll wire request from E Castanon; Prepare e-mail with instructions to Mercantile Bank regarding same	0.3
08/06/10	WJB	Review and revise initial letter to investors regarding appointment of Receiver for McGinn Smith and next steps	1.3
08/06/10	WJB	Prepare draft e-mail to SEC regarding initial investor letter and update of website	0.1
08/06/10	WJB	Finalize draft investor letter and forward to SEC for comment	0.7
08/06/10	WJB	Review investor list received from B Shea; Telephone call to LIM regarding arrangements for distribution of letter to more than 1,400 investors	0.3
08/06/10	WJB	Conference WPC staff regarding preparation of labels for mailing of 1,400+ investor letter	0.2
08/06/10	WJB	Attend to review of investor list information and telephone call to B Shea regarding scope of completeness	0.2
08/09/10	WJB	Attend to issues regarding imperfections in investor database concerning zip codes and prepare e-mail B Shea regarding same	0.2
08/09/10	WJB	Benchmark: Follow-up with M Guidry on AT&T contract to confirm certain terms and prepare e-mail to Whitney Bank to authorize ACH	0.2
08/09/10	WJB	Review B Shea proposed changes to investor letter; Dictate schedules to be attached to initial Receiver letter to investors	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/09/10	WJB	Attend to various letters and communications received and office procedures	0.3
08/09/10	WJB	Review check funding request from M Guidry; Prepare e-mail R Neelis at Whitney Bank regarding \$18,000 vendor check and wire transfer	0.2
08/09/10	WJB	KeyBank: Check status of signed agreement from KeyBank and e-mail D Keenholts regarding same	0.1
08/10/10	WJB	Prepare reply e-mail to A Guzetti regarding IRA services records and meeting on Monday	0.2
08/10/10	WJB	Prepare e-mail and consider D Keenholts role in assisting B Shea in completing financial records for pre-Receivership period	0.1
08/10/10	WJB	Review and compile investor contact information including Mary Beth Manzi letters and e-mails	0.1
08/10/10	WJB	Review B Shea e-mail to maintainer of database regarding IRA services information being provided to D McQuaid on limited basis	0.1
08/10/10	WJB	Review, revise and supplement proposed investor letter including verifying accuracy of schedules to letter against preliminary injunction order	0.6
08/10/10	WJB	Prepare e-mail Mercantile Bank for White Glove transfer and two wire transfers	0.1
08/10/10	WJB	White Glove: Prepare e-mail Nisch at M&T regarding White Glove bank checks for cruise line payables	0.2
08/10/10	WJB	Sign and send investor letter for mailing to investors to B Shea	0.2
08/10/10	WJB	Review 7/19 letter from K Lynch regarding investor situation	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/10/10	WJB	Review 6/30 Irwin Smith letter regarding investor situation and TDM Cable funding	0.1
08/11/10	WJB	Travel from Buffalo to 99 Pine Street, Albany (Travel time 4.4 hours)	2.2
08/11/10	WJB	Extended management meeting with B Shea, D Keenholts regarding discussion of process to market and sell alarm contracts, status of Firstline option exercise, identification of brokers to accomplish same, stalking horse bid process and course of action, Seton Building value and process for sale or improvement and use of American Express cards for business purposes	1.5
08/11/10	WJB	Conference with D Keenholts regarding getting signed contract completed with Alarm.com; Review exchange of e-mails with D Ramos	0.1
08/11/10	WJB	Conference with B Shea regarding investor letter mailing list, staff meetings regarding ongoing funding mechanism	0.4
08/11/10	WJB	Review two e-mails from R Profeta at mailing company regarding issues and questions regarding investor letter	0.1
08/11/10	WJB	White Glove: Attend to signing of checks for White Glove	0.2
08/12/10	WJB	Review check request received from B Shea including checks for Benchmark, Alarm Traders and Seton and sign same	0.7
08/12/10	WJB	Attend staff meeting with Alarm Traders employees to address current circumstances, short and long-term plans, retention bonus for staff and terms of same, answer questions and discussion of next steps and Receiver role	0.9
08/12/10	WJB	Seton: Attend meeting with S Rosenblatt of Carrow and B Shea to discuss management and potential disposition of Seton meeting and credentials of Carrow to accomplish same	0.8
08/12/10	WJB	Travel from 99 Pine Street, Albany to Buffalo including delays (Travel time 5.4 hours)	2.7

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/12/10	WJB	Arrive at 99 Pine Street and discuss daily issues with employees	0.1
08/12/10	WJB	Send final version of retention bonus agreement to GFK as final version; Review reply and make final changes	0.1
08/12/10	WJB	Attend to on-site responsibilities at 99 Pine Street and communications with employees regarding various matters	0.5
08/12/10	WJB	Prepare presentation to Alarm Traders employees on stay bonus program, Receiver intentions concerning monetizing assets to raise funds to repay investors, next steps, explanation of preliminary injunction order and other relevant matters	0.7
08/12/10	WJB	Prepare e-mail to M&T to close M&T Pine Street two accounts in Receivership capacity	0.1
08/12/10	WJB	Telephone call to letter distribution company with B Shea regarding mailing exceptions and how to resolve same	0.4
08/12/10	WJB	Attend to further issues concerning investor letter including proofing of schedule and proofing of letter, identification of errors and e-mail printing company regarding same	0.3
08/12/10	WJB	Extended conference with B Shea regarding discussion of potential allocation of overhead expenses among various receivership entities being borne by Alarm Traders income, review and justification of same	0.4
08/12/10	WJB	Review B Shea e-mails regarding M&T payroll transfer and attend to same for Alarm Traders	0.1
08/12/10	WJB	Prepare email reply to C Chiampou regarding engagement for tax services	0.1
08/12/10	WJB	Attend to signing of various checks for Receivership entities and proofing regarding same	0.4

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/13/10	WJB	Prepare revisions to mcginnsmithreceiver.com website for updating following distribution of investor letter to investors, create new categories of information and modifications	0.6
08/13/10	WJB	Prepare e-mails S Rosenblatt of Carrow requesting meeting and review reply and confirm meeting regarding Seton Associates building	0.1
08/13/10	WJB	Prepare e-mail Nisch at M&T regarding \$27,000 wire transfer request	0.1
08/13/10	WJB	Prepare e-mail providing investor letter to Messrs. McGinn and Smith and counsel with explanation of letter sent to McGinn Smith investors	0.3
08/13/10	WJB	Attend to website review and revisions based upon information contained in investor letter and discuss with MEY in Phillips Lytle IT department	0.4
08/13/10	WJB	Revise letter to Mr. Rutnick regarding Dr. Kumar regarding Seton rent and assessments	0.2
08/13/10	WJB	Telephone call to D Keenholts regarding format of information for D Roman and withholding information on credit card and bank account information	0.1
08/13/10	WJB	Prepare e-mail to Alarm Traders staff regarding Receiver letter sent to investors	0.2
08/13/10	WJB	Prepare e-mail to SEC regarding updated website and hyper link to letter and recent activities	0.3
08/14/10	WJB	Attend to adjustments in Sonitrol security system to allow building manager and staff access and use of card and adjust time for exit of staff on evening shift	0.5
08/14/10	WJB	Attend to various administrative details, correspondence and other matters concerning investors and banking	0.4
08/16/10	WJB	Travel from Buffalo to 99 Pine Street, Albany (Travel time 4.2 hours)	2.1



<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/16/10	WJB	Conference with B Shea regarding factors in selecting tax accountants and reasons for same, evaluation of candidates and telephone call to Chiampou regarding selection	0.4
08/16/10	WJB	Telephone call to B Coombe at U.S. Attorney's Office regarding need to access prior tax returns seized during FBI raid and arrangements for same	0.2
08/16/10	WJB	Conference with B Shea regarding IRA certificates and use of A Guzzetti to accomplish same in conjunction with Mr. McQuade, reasons for same	0.3
08/16/10	WJB	Prepare e-mail Phillips Lytle staff concerning investor calls and how to handle same	0.1
08/16/10	WJB	Prepare e-mail A Guzzetti providing investor letter so that brokers are aware same has been distributed	0.1
08/16/10	WJB	Telephone conference with K Besaw regarding engagement for tax services, confirmation of same and identification of next steps on how to proceed and need for engagement letter	0.1
08/16/10	WJB	E-mail to D Youngbluth at M&T regarding status of answers by M&T technology desk concerning form for electronic access	0.1
08/16/10	WJB	Conference with K McGrath regarding questions concerning L Smith account records and whereabouts of same	0.2
08/16/10	WJB	Conference with B Shea regarding Mrs. McGinn 1999 brokerage statement	0.1
08/16/10	WJB	Review e-mail from A Guzzetti regarding Christain Value Network and Biodell investments; Telephone call to A Guzzetti regarding same and explanation and forward to J Carr, B Shea	0.2
08/16/10	WJB	Discuss D Smith letter as filed with Court with B Shea and subsequent events	0.2

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/16/10	WJB	Review various news accounts and websites concerning D Smith and McGinn Smith information	0.5
08/17/10	WJB	Seton: Meeting with Carrow representatives and B Shea to discuss potential management and sale of Seton building	0.9
08/17/10	WJB	Review Alarm Traders accounts receivable aging and cash flow and conference with D Keenholts regarding same, roll-off and leveraging of Alarm Traders contracts	0.5
08/17/10	WJB	Prepare e-mail D Smith regarding availability in response to his e-mail regarding surgery center information	0.1
08/17/10	WJB	Prepare reply e-mail to M Byrd on Sonitrol access card for building maintenance worker	0.1
08/17/10	WJB	Prepare e-mail J Carr regarding Capital City Center and Fein information	0.2
08/17/10	WJB	Prepare e-mail R Neelis at Whitney Bank regarding \$31,500 wire transfer to cover M&T Benchmark check request	0.2
08/17/10	WJB	Telephone conference with B Shea and M&T officers regarding electronic access, response to questions concerning limiting access and providing data information	0.5
08/17/10	WJB	Conference with D Keenholts regarding router users and possible router failure	0.1
08/17/10	WJB	Prepare e-mail to R Haldeman regarding CMS and review correspondence	0.2
08/17/10	WJB	Prepare e-mail M&T regarding data access and IT forms and conference with B Shea	0.2
08/17/10	WJB	Conference T Welles on performance of Pine Street fund	0.1
08/17/10	WJB	Conference with T Welles regarding investor mailing list and possible overlap with investors out of Pine Street only and review same and e-mail B Shea regarding same	0.3

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/17/10	WJB	Attend to various office issues, follow-up on investor and other mail and attend to administrative detail	1.2
08/18/10	WJB	Telephone call to D Keenholts regarding status of replacement of router for e-mail traffic and investigation of back-up plan	0.1
08/18/10	WJB	Review e-mail from Mr. Rosenblatt and prepare reply and telephone call to B Shea regarding Century Hill imaging center	0.1
08/18/10	WJB	Telephone call from P Rabinovitch regarding RMR Wealth Management and answer to questions concerning Receivership and intentions	0.4
08/19/10	WJB	Benchmark: Review Benchmark check request, verify same and sign checks	0.3
08/19/10	WJB	Participate in conference call with B Shea and Chiampou representatives concerning commencement of process to prepare tax returns, retrieval of prior information from U.S. Attorney's Office and access to data	0.6
08/19/10	WJB	Review additional Benchmark checks and check requisitions, sign and approve same	0.4
08/19/10	WJB	Travel from 99 Pine Street to Buffalo (Travel time 4.0 hours)	2.0
08/19/10	WJB	Review D Keenholts bank charges analysis and conference with B Shea regarding allocation chart of expenses among receivership entities based upon Alarm Traders income	0.4
08/19/10	WJB	Prepare e-mail SEC on L Smith statements	0.1
08/19/10	WJB	Conference with B Shea regarding file boxes in front hall closet and agree on computer screens retention and disposition	0.3
08/19/10	WJB	Attend to various employee and communication issues at 99 Pine Street at Alarm Traders	0.4

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/19/10	WJB	Telephone call to D Stoelting regarding information concerning prior account statements including Mrs. Smith and referral to D McQuaid regarding same	0.2
08/19/10	WJB	Benchmark: Prepare e-mail M Guidry regarding insurance claim status and existence	0.1
08/19/10	WJB	Benchmark: Look for last Benchmark Sales Agency check requisition and payment	0.2
08/19/10	WJB	Conference with B Shea regarding various Alarm Traders and other receivership entity business details, checks and financing	0.5
08/19/10	WJB	Telephone call from L Rulisan at Times Union regarding press inquiry	0.1
08/19/10	WJB	Benchmark: Telephone call from M Guidry regarding request to replace \$13,000 Direct TV check and coordination with B Shea and telephone conference regarding same	0.2
08/19/10	WJB	Benchmark: Review M Guidry Direct TV e-mail and prepare reply regarding preferences concerning issuance of new check and other items	0.1
08/19/10	WJB	Telephone calls from K Woodruff at Times Union and M Rekucki regarding Clifton Park storage facility articles and issues	0.4
08/19/10	WJB	Telephone call from B Shea regarding Mr. Cranberry account at Mercantile Bank	0.1
08/20/10	WJB	Clifton Park Storage: Telephone call to M Rutecki regarding no lease received as promised on 8/19 concerning lease of Clifton Park facility by McGinn and request for copy of same	0.1
08/20/10	WJB	Telephone call from M Rutecki regarding Clifton Park storage regarding report of power outage and therefore unable to fax signed written agreement for lease of space	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/20/10	WJB	Clifton Park Storage: Telephone call from K Woodruff of Albany Times Union regarding inquiry whether developments on issue concerning payment for Clifton Park Storage and describe to her lack of receipt of written signed agreement as promised from M Rutecki; Telephone call to M Rutecki regarding same and report that agreement is not signed and request copy of same; Review unsigned agreement	0.7
08/20/10	WJB	Clifton Park Storage: Telephone conference with K Woodruff at Albany Times Union regarding Receiver position regarding Clifton Park Storage; Review prior e-mails on same subject; Prepare statement to Albany Times Union regarding Clifton Park Storage space	0.4
08/20/10	WJB	Prepare e-mail B Shea regarding ability to break down investor list by fund	0.1
08/20/10	WJB	E-mail Phillips Lytle Albany office regarding attention to potential receipt of fax from storage facility	0.1
08/20/10	WJB	Telephone call from R Braden regarding further inquiries concerning status of Benchmark sale on behalf of former owners with small loan to Benchmark	0.2
08/20/10	WJB	Revise B Shea draft e-mail to R Simons regarding tax information and reply	0.1
08/20/10	WJB	Telephone call from B Shea regarding analysis of Benchmark financial statements and cash position	0.2
08/20/10	WJB	Telephone call to B Shea regarding tax accountant and former accountants and electronic data making ease of filing tax returns easier	0.2
08/20/10	WJB	Telephone call to B Shea regarding database maintenance and conversation concerning how to accomplish same and updating of investor information	0.2

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/20/10	WJB	Prepare e-mail E Coombe regarding necessity for tax information, review reply and e-mail B Shea regarding Monday telephone call regarding same	0.1
08/20/10	WJB	Review L Mehraban e-mail on hard drive; E-mail B Shea regarding same concerning information requested by SEC	0.1
08/23/10	WJB	Prepare memo to file regarding storage unit history at Clifton Park	0.2
08/23/10	WJB	Prepare e-mail to D Keenholts regarding request to look for alternative storage unit pricing in sale of furniture	0.1
08/23/10	WJB	Benchmark: Prepare e-mail to Benchmark counsel regarding scheduling conference call to discuss sale and disposition alternatives	0.2
08/23/10	WJB	Telephone call from B Shea regarding scope of tax records at Asst. U.S. Attorney being limited, work papers regarding trusts	0.2
08/23/10	WJB	Telephone call from L Mehraban and M Paley regarding IRA services fees and scope of complaints and follow-up regarding same	0.2
08/23/10	WJB	Review e-mail and conference call from Benchmark counsel and prepare reply with proposed times	0.1
08/23/10	WJB	Telephone call from M Rosenberg (investor) regarding request for identification of his investments	0.2
08/23/10	WJB	Prepare e-mail Utah counsel for assignment and assumption and status of Thurston signing of preliminary injunction	0.2
08/23/10	WJB	Telephone call to T Fattorusso at IRS regarding status of tax documents; Telephone call to B Shea regarding tax record progress; E-mail Chiampou Travis regarding schedule for tax returns	0.3

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/23/10	WJB	Prepare e-mail T Fattorusso of IRS regarding 10 a.m. Thursday meeting for review and locating tax records; Telephone call to B Shea regarding same	0.2
08/23/10	WJB	Benchmark: Prepare e-mail regarding status of conference call regarding potential sale	0.1
08/23/10	WJB	Look for prior Department of Justice request for information to provide to SEC at their request and send same to B Shea for coordination of information	0.4
08/23/10	WJB	Prepare e-mail R Neelis at Whitney Bank to authorize \$68,000 wire transfer for Benchmark	0.1
08/24/10	WJB	Participate in extended call with M Guidry, B Bronston and counsel and B Shea regarding Benchmark financial performance, cash flow, investment in properties, sale prospects and valuation methodologies, intentions of Receiver regarding sale, rights and obligations of Benchmark parties and claim of secured loan, analysis and course of action	1.2
08/24/10	WJB	Benchmark: Prepare for upcoming conference call with Benchmark former owners concerning sale of business, performance of same, financial statements and course of action	0.3
08/24/10	WJB	Prepare e-mail D Keenholts on market rent for 10X13 storage spaces	0.1
08/24/10	WJB	Telephone call from J Carr, B Shea regarding report on T McGinn heart attack	0.1
08/24/10	WJB	Review D Keenholts storage estimates and prepare reply to TAR on number of furniture units	0.1
08/24/10	WJB	Telephone conference regarding various life insurance policies for involving T McGinn, premiums and policy numbers and prepare e-mail regarding same to life insurance company	0.3

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/24/10	WJB	Telephone call to C Blanco (investor) regarding various trust investments	0.2
08/24/10	WJB	Review 99 Pine Street operating agreement received from BofA agent for authority and prepare e-mail B Shea to provide card to building manager	0.2
08/24/10	WJB	Review Alarm Traders cost allocation proposal	0.1
08/24/10	WJB	Review cost allocation proposed by B Shea, review test and discuss with B Shea; Prepare e-mail on monthly \$3 fee to April 11 application date; Prepare e-mail B Shea on allocation of overhead	0.6
08/24/10	WJB	Telephone call from T Petrone regarding Hometown Cable Plus interest	0.2
08/24/10	WJB	Review and approve Alarm Traders payroll and e-mail B Shea regarding same	0.1
08/25/10	WJB	Travel from Buffalo to 99 Pine Street, Albany for meetings with real estate brokers and property managers (Travel time 4.4 hours)	2.2
08/25/10	WJB	Meeting with B Shea, Carrow representatives and owners of adjoining condo interests in Century Imaging to discuss possible settlement approaches, development uses of property, alternatives of working together or pieing out respective interests or improving property as means to disposition	1.3
08/25/10	WJB	Seton: Meet with CB Richard Ellis representatives and B Shea to discuss Seton building sale, disposition and management possibilities and interview regarding qualifications	1.3
08/25/10	WJB	Conference with B Shea regarding T McGinn heart attack status and life insurance discussion	0.1
08/25/10	WJB	Conference with B Shea regarding handling of imaging center meeting with co-building owners	0.1



<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/25/10	WJB	Seton Hall: Conference with B Shea regarding real property taxes and rent roll information for preparation of proposal	0.1
08/25/10	WJB	KeyBank: Telephone call M Kaufmann regarding KeyBank contract and need to finalize same regarding services being provided without compensation to KeyBank	0.1
08/25/10	WJB	Review and sign Alarm Traders checks and selected other entities and review back-up for same	0.7
08/25/10	WJB	Telephone call M Kaufmann on behalf of KeyBank regarding contract and refer her to J Carr for revisions and finalization of contract within timeline	0.2
08/25/10	WJB	Prepare e-mail B Shea, D Keenholts regarding KeyBank deadline and report on negotiations with KeyBank and J Carr involvement	0.1
08/25/10	WJB	Compare storage company pricing including voicemail to owner of Clifton Park facility and discuss rates with D Keenholts	0.2
08/26/10	WJB	White Glove: Review e-mail from W Shaw with request for funds for 8/31; Prepare e-mail M&T regarding two official checks for Cruise Line; Prepare e-mail Mercantile Bank with request for White Glove account transfers and wire transfer to M&T Bank	0.6
08/26/10	WJB	Telephone call from KeyBank counsel concerning Alarm Traders contract for payment of services being provided to KeyBank and need to have agreement finalized by Friday deadline	0.2
08/26/10	WJB	Travel from 99 Pine Street to Buffalo (Travel time 4.2 hours)	2.1
08/26/10	WJB	Telephone call from M Rutecki regarding Clifton Park storage facility negotiations, space and discuss facts	0.3
08/26/10	WJB	Conference with D Keenholts regarding Arizona license issues in Mesa and course of action regarding same	0.2

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/26/10	WJB	Attend to White Glove checks and wire transfer e-mail bank same; E-mail M&T regarding same	0.2
08/26/10	WJB	Telephone call from P Knob at McCarter & English regarding 99 Pine Street building and Receiver intentions	0.1
08/26/10	WJB	Benchmark: Review and sign checks and review back-up detail for Benchmark	0.5
08/26/10	WJB	Review prior inquiry from Shoma Group and prepare reply regarding ownership interest and establishing same	0.2
08/26/10	WJB	Review revisions to KeyBank contract from J Carr and approve same	0.4
08/27/10	WJB	Research British American as potential property manager and connection to CB Richard Ellis	0.1
08/27/10	WJB	Seton: Review analysis on lease and grounds, easements and access and reply to CB Richard Ellis regarding same	0.1
08/27/10	WJB	Prepare e-mail B Shea regarding status of information to potential property managers regarding Seton Building	0.1
08/27/10	WJB	Review J Carr changes and e-mail on KeyBank with Alarm Traders	0.1
08/27/10	WJB	Attend to administrative detail	0.2
08/27/10	WJB	Prepare notes on August 26 conversation with P Knob call regarding 99 Pine Street ownership	0.1
08/27/10	WJB	Review latest J Carr revisions to KeyBank proposed contract	0.2
08/27/10	WJB	Prepare e-mail J Carr regarding latest comments from KeyBank counsel on KeyBank contract	0.2
08/27/10	WJB	Telephone call to G Reville regarding Albany references for building management companies	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/29/10	WJB	Travel from Buffalo to 99 Pine Street by Amtrak including delays (Travel time 6.2 hours)	3.2
08/30/10	WJB	Prepare to-do list and open issues list for B Shea	0.1
08/30/10	WJB	Attend meeting with CB Richard Ellis and British American representatives regarding management of and disposition of and qualifications for Seton Hall building with B Shea	1.6
08/30/10	WJB	Travel from 99 Pine Street to Buffalo (Travel time including delays on Amtrak (7 hours)	3.5
08/30/10	WJB	Benchmark: Prepare e-mail to Whitney Bank regarding approval of transfers and wire transfers	0.2
08/30/10	WJB	KeyBank: Conferences with J Carr, D Keenholts regarding KeyBank request to limit indemnity regarding capital trust transaction and discussion of various alternatives to same	0.2
08/30/10	WJB	Conference with B Shea regarding IC Insurance	0.1
08/30/10	WJB	Conference with B Shea regarding accounting data issues	0.1
08/30/10	WJB	Telephone call to E Coombe regarding accounting data and located it within records seized by FBI, schedule to accomplish same	0.1
08/31/10	WJB	Review customer and billing services agreement final version for signature with KeyBank	0.3
08/31/10	WJB	Attend to White Glove 9/3 payroll request from W Shaw	0.1
08/31/10	WJB	Telephone call to Jones representative concerning references for possible management of Seton Building	0.2
08/31/10	WJB	Telephone call from R Haldeman regarding CMS and Coventry	0.1
08/31/10	WJB	Review IntraBank assessment charges received from B Shea and prepare e-mail B Shea regarding tracking; Prepare e-mail Nisch requesting same	0.3

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/31/10	WJB	Telephone call from C Malinowski on behalf of R Malinowski (deceased) regarding investor interest	0.2
09/01/10	WJB	Prepare e-mail D Keenholts regarding establishing timeline with D Roman regarding Firstline option	0.1
09/01/10	WJB	Review M Rutecki proposal regarding storage and e-mail D Keenholts to compare same with other local or capital district facilities	0.1
09/01/10	WJB	Full Circle: Telephone call from L Mejea regarding response to questions concerning report and discuss potential equity claim	0.3
09/01/10	WJB	Prepare e-mail B Shea regarding location of records at US Attorney's Office	0.1
09/01/10	WJB	Telephone call from M Manchan regarding potential interest in buying YOLO tours name	0.2
09/02/10	WJB	Prepare follow-up e-mail B Shea, D Keenholts on Profitability.net hard drive delivery and instructions on securing hard drive if received at Alarm Traders	0.1
09/03/10	WJB	Telephone conference with D Stoelting and L Mehraban regarding Fee Application process, current events, status and course of action	0.4
09/03/10	WJB	Review \$26,000 check request from Benchmark; Prepare e-mail Whitney Bank to authorize wire transfers to cover same	0.2
09/03/10	WJB	Seton: Prepare e-mail B Shea regarding result of CB Richard Ellis meeting and whether proposal is forthcoming; Prepare e-mail B Shea regarding call to BBL	0.1
09/03/10	WJB	Benchmark: Sign checks and review backup data; Prepare cover letter to M Guidry regarding same	0.3
09/03/10	WJB	Check on Profitability.net shipment on web respecting UPS shipment	0.1

33474 Brown, William J. as Receiver of McGinn,  
Smith & Co., Inc., et al  
00017 W.J. Brown, as Receiver Function  
November 7, 2011

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<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
09/03/10	WJB	Review B Shea e-mail on stop payment regarding White Glove check; Prepare e-mail Nisch at M&T authorizing stop payment	0.1
09/03/10	WJB	Seton: Prepare e-mail B Shea on status of meeting with CB Richard Ellis and e-mail Mr. Slezman regarding same	0.1
09/03/10	WJB	Review Full Circle analysis concerning transaction	0.1
09/07/10	WJB	Review e-mail from J Carr on Finra arbitration regarding DeSimeone rescheduling and prepare e-mail ALH1 regarding same and handling of same	0.1
09/07/10	WJB	Telephone call from Mike at Dream Pleasure cruises regarding potential purchase of YOLO assets	0.1
09/08/10	WJB	Telephone conference with JAL, B Shea, M Horbachewski in connection with 2009 McGinn Smith tax return, 74 State tax return, issues regarding income, questions concerning whether income or loan and treatment on tax returns, analysis and course of action	0.6
09/08/10	WJB	Communications with HBO Communications concerning sale process regarding Benchmark; Review and consider sale process	0.4
09/08/10	WJB	Prepare for telephone conference with D Orshan regarding potential Benchmark sale	0.3
09/08/10	WJB	Telephone conference with D Orshan, Larry regarding letter of intent and interest in Benchmark, potential sale terms and process, ability to close on transaction	0.5
09/09/10	WJB	Review Alarm Traders payroll received from B Shea and approve same	0.1
09/10/10	WJB	Telephone conference with B Shea and Mary at Chiampou regarding fees paid at McGinn Smith by funds in connection with preparation of tax returns	0.6

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
09/10/10	WJB	Review e-mail from Mary at Chiampou regarding issue concerning fees concerning funds in preparation of tax returns	0.3
09/10/10	WJB	Review e-mail from B Shea regarding T McGinn postal order and prepare reply regarding contacting United States Post Office concerning direction of mail	0.2
09/10/10	WJB	Prepare memo to file regarding Clifton Park storage discussions and settlement	0.2
09/10/10	WJB	Prepare e-mail to IRS agent regarding locating 2006 and 2007 tax returns at U.S. Attorney's office and status of same	0.2
09/10/10	WJB	Analyze storage situation and costs at various facilities; Telephone call to TAR regarding storage removal and options; Telephone call to M Rutecki regarding negotiations concerning pricing of storage space	0.5
09/10/10	WJB	Review e-mail from B Shea regarding M&T service fees causing overdraft and need to fund same, identify excessive amounts and consider course of action with M&T regarding same	0.2
09/10/10	WJB	Prepare e-mail M&T officers regarding need to consider alternative bank analysis charges in light of relationship and other matters	0.1
09/10/10	WJB	Telephone conference with B Shea and David at M&T regarding analysis charges, Receiver position regarding same and course of action	0.2
09/10/10	WJB	Telephone call to B Shea regarding decision on storage with M Rutecki and reasons for same	0.1
09/10/10	WJB	Telephone call to D Power at IT consultant regarding transportation of McGinn Smith e-mail hard drive in connection with protection of same following delivery from Profitability.net	0.2

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<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
09/13/10	WJB	White Glove: Telephone call from E Castanon, W Shaw regarding Mercantile Bank accounts and automatic sweep to pay \$5 charge to IATA, precautions and issues regarding same	0.3
09/13/10	WJB	Prepare e-mail B Shea regarding schedule of meetings for Tuesday, 9/14 and status of building manager interview for Seton	0.1
09/13/10	WJB	Review e-mail from B Shea on M&T Bank charges; Prepare reply recommending negotiation with P Mack regarding same	0.1
09/13/10	WJB	White Glove: Review B Shea request for four bank checks and prepare e-mail Nisch at M&T regarding same for White Glove	0.2
09/13/10	WJB	White Glove: Review e-mail from E Castanon regarding ARC and prepare reply regarding same	0.1
09/13/10	WJB	Review M Guidry request regarding checks and payroll	0.2
09/13/10	WJB	Review E Castanon e-mail regarding White Glove relationship with IATA	0.1
09/13/10	WJB	White Glove: Telephone call to E Castanon regarding discussion of zero balance account for \$5 ARC charge	0.1
09/14/10	WJB	No Charge: Unbillable time for travel to Albany	1.5
09/14/10	WJB	Travel from NYC office to 99 Pine Street for various meetings and administrative matters (Travel time 3.0)	1.5
09/14/10	WJB	Review and sign various Alarm Traders and related company checks including review of backup information	0.3
09/14/10	WJB	Attend meeting with B Shea and R Haldeman regarding CMS Financial concerning governance matters, stock interests, insurance regulators and various other matters	1.3
09/14/10	WJB	Travel from 99 Pine Street to NYC Office (Travel time 3.8)	1.9

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<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
09/14/10	WJB	No Charge: Unbillable travel time from 99 Pine Street to NYC office	1.9
09/14/10	WJB	Benchmark: Prepare e-mail approval of Benchmark payroll and prepare e-mail Whitney Bank regarding same concerning payment	0.1
09/14/10	WJB	Review and approve White Glove payroll and prepare e-mail Mercantile Bank regarding payment of same	0.1
09/14/10	WJB	Conference with B Shea regarding where to allocate money to pay McGinn Smith tax liability as a result of filing of tax return	0.2
09/14/10	WJB	Prepare e-mail Nisch at M&T for McGinn Smith & Co. official check for \$3,158 for payment of taxes	0.2
09/14/10	WJB	Review and sign White Glove checks	0.2
09/14/10	WJB	Conference B Shea regarding tax returns, checks, life insurance assets	0.3
09/14/10	WJB	Firstline: Conference D Keenholts regarding D Roman due diligence status	0.1
09/15/10	WJB	Review tax returns received from Chiampou in preparation for filing and review same	0.3
09/15/10	WJB	Telephone call to Mary at Chiampou regarding McGinn Wake Robbin tax return and legal status; E-mail J Carr regarding same since Wake Robbin not receivership entity and requesting information on background	0.2
09/15/10	WJB	Review and sign checks including supporting documentation	0.4
09/16/10	WJB	Review e-mail from Nisch at M&T regarding two City of Seattle checks presented for payment, question on authenticity of same, review images and provide response concerning negotiation of checks	0.3



<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
09/16/10	WJB	Review and organize filed tax returns prepared by Chiampou	0.3
09/16/10	WJB	Prepare memo to file regarding McGinn-Wake Robbins Associates tax return and no basis to file same	0.2
09/16/10	WJB	Prepare e-mail D Keenholts whether KeyBank has paid invoice as billed	0.1
09/16/10	WJB	Prepare e-mail A Guzzetti regarding meeting with brokers in response to inquiry from A Guzzetti	0.1
09/16/10	WJB	Review e-mail from J Carr regarding vacation time and prepare reply regarding same	0.1
09/16/10	WJB	Attend to administrative detail	0.1
09/17/10	WJB	Review L Mehraban e-mail regarding CMS issues; Prepare reply regarding CMS Board seat and fees	0.1
09/17/10	WJB	Prepare e-mail M Guidry regarding letter concerning Crescent Affiliates payment and reservation of rights	0.1
09/20/10	WJB	Benchmark: E-mail Whitney Bank to approve \$112,000 wire transfer per M Guidry request	0.2
09/20/10	WJB	White Glove: E-mail Mercantile Bank approving \$5 ACH from blocked account	0.2
09/20/10	WJB	White Glove: E-mail to Mercantile Bank regarding transfers	0.1
09/20/10	WJB	Travel from Buffalo to NYC office to retrieve hard drive from secure storage at Phillips Lytle for delivery to U.S. Attorney (Travel time 3.4)	1.7
09/20/10	WJB	No Charge: Travel from Buffalo to NYC office to retrieve hard drive from secure storage at Phillips Lytle for delivery to U.S. Attorney	1.7
09/20/10	WJB	Review insurance proposal for Crescent Hill and prepare reply	0.2

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
09/20/10	WJB	Travel from NYC office to 99 Pine Street for delivery of hard drive to U.S. Attorney and for administrative matters (Travel time 2.8 hours)	1.4
09/20/10	WJB	No Charge: Travel from NYC office to 99 Pine Street for delivery of hard drive to U.S. Attorney and for administrative matters	1.4
09/20/10	WJB	Review SEC motion for modification of preliminary injunction regarding credit card use	0.2
09/20/10	WJB	Telephone call from B Hague at IRS regarding fixing of time to review other records at McGinn Smith premises	0.1
09/21/10	WJB	Interview J Renzi for part-time position as student with Alarm Traders	0.6
09/21/10	WJB	Conference with B Shea regarding review of results of interview of J Renzi; Conference with D Keenholts regarding same	0.1
09/21/10	WJB	Seton: Interview BBL representatives for possible management position at Seton Building, issue of potential conflict and discussion of same	0.6
09/21/10	WJB	Conference with B Shea regarding Century Hill issues relating to management and insurance for building and course of action regarding brokers and management companies	0.3
09/21/10	WJB	Telephone conference with J Nicola of BBL with B Shea and other BBL representatives concerning interest of BBL respecting Seton, potential competition and benefits of BBL relationship	0.4
09/21/10	WJB	Extended conference with B Shea regarding management issues, M&T Bank charges, analysis charges, Livingston life insurance, Century Hill insurance; Telephone call to Nisch at M&T on bank charges and request for review by him of same	0.6

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
09/21/10	WJB	Conference with M Lasch regarding Pine Street distribution and Sonitrol access hours	0.1
09/21/10	WJB	Revise letter to D Smith regarding Century Same Day Surgery responsibility	0.1
09/21/10	WJB	Conference with B Shea, J Carr regarding contact list for SEC as requested by K McGrath	0.1
09/21/10	WJB	Conference with D Keenholts regarding analysis and calculation of proposed salary for part-time student employee	0.2
09/21/10	WJB	Review contact list prepared for K McGrath and prepare e-mail regarding same	0.2
09/21/10	WJB	Telephone call to J Renzi regarding part-time job offer and prepare e-mail confirming terms of same	0.4
09/22/10	WJB	Review McGinn Smith & Co. Incentive Savings Plan form IRS 5330, sign same for 2009 and 2010	0.2
09/22/10	WJB	Conference with B Shea regarding activities for 9/22 and outline of items to be accomplished	0.1
09/22/10	WJB	Begin to organize due diligence for Benchmark sale	0.1
09/22/10	WJB	Benchmark: Consider due diligence materials, organize same and prepare e-mail to Benchmark parties regarding request for copy of prior due diligence materials received	0.4
09/22/10	WJB	Extended conference with B Shea regarding 401K issues; E-mail GFK regarding same; Telephone call to R Kiernan regarding insurance cancellation for Fidelity Bond and reasons for same and contact information for insurance carrier; Telephone call regarding L Smith COBRA check and follow-up regarding same, attend to various other issues with B Shea	1.1
09/22/10	WJB	Travel from 99 Pine Street to Buffalo (Travel time 5.6 hours)	2.8

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
09/22/10	WJB	No Charge: Travel from 99 Pine Street to Buffalo	2.8
09/22/10	WJB	Seton: Review B Shea e-mail on Seton fire alarm inspection	0.1
09/22/10	WJB	Review B Shea e-mail on proposed rent for new tenant and prepare reply regarding approval of same	0.1
09/23/10	WJB	Telephone call to D Miller from IRS regarding questions concerning hard drive with e-mails and ability to copy same for use by Receiver; Telephone call to MEY at Phillips Lytle IT Department regarding procuring hard drive for IRS to copy e-mails onto; Telephone call to D Miller regarding successful conclusion regarding same and arrangements for pick-up of hard drive on 9/24	0.4
09/23/10	WJB	Prepare memo to file regarding turnover of hard drive to IRS and U.S. Attorney's office, purchasing and copying of e-mails onto new hard drive	0.1
09/23/10	WJB	Pine Street: Review e-mail on how checks paid by Pine Street and prepare reply with instructions correcting same concerning amounts to be paid to Receiver	0.2
09/23/10	WJB	Alarm Traders: Prepare e-mail to staff regarding hiring of J Renzi as part-time employee and responsibilities regarding same	0.1
09/24/10	WJB	M&T: Review service charges and overdraft relating to same; E-mail and telephone call to P Cleveland at M&T regarding need for M&T to resolve and appropriately charge analysis charges at level which is acceptable including not charging charges on closed accounts	0.3
09/24/10	WJB	Attend to signing of Alarm Traders and related company checks and reviewing proofs regarding same	0.5
09/24/10	WJB	White Glove: Sign checks, review back-up and prepare letter W Shaw regarding same	0.2
09/24/10	WJB	Sign further Alarm Traders checks and prepare letter B Shea regarding same and enclose security card for J Renzi	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
09/24/10	WJB	M&T: Telephone call to M Warren at M&T to explain Receiver reason concerning challenge to M&T Bank analysis charges, excessiveness of same; Prepare reply e-mail to M&T officer regarding same	0.1
09/24/10	WJB	Telephone call to IT Department in Rochester office and IRS agent concerning pick-up of hard drive for copying of e-mails and arrangements regarding same	0.2
09/25/10	WJB	Prepare e-mail B Shea, D Keenholts regarding status of KeyBank payment for services rendered and prepare reply regarding preparation of demand letter and termination of service for non-payment	0.1
09/27/10	WJB	Meet with D Miller from IRS concerning delivery of copy of hard drive with e-mails for McGinn Smith	0.4
09/27/10	WJB	Activate Sonitrol access card for J Renzi and modify access times for Pine Street employees per their request	0.4
09/27/10	WJB	Telephone call from D Miller regarding arrangements and timing of delivery of hard drive and formatting of same	0.2
09/27/10	WJB	M&T: Telephone call from B Shea regarding how to deal with M&T Bank charges and request for him to proceed to arrange for reduction of same	0.1
09/27/10	WJB	Attend to administrative issues concerning SEC vs. McGinn Smith and Receiver vs. Livingston actions in Federal District Court	0.1
09/27/10	WJB	Outline of goal for hard drive use and access by Receiver and staff employees	0.2
09/27/10	WJB	White Glove: E-mail Mercantile Bank regarding wire transfers for rent and vendor checks; E-mail M&T regarding request five official checks for Cruse line payments	0.2

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
09/27/10	WJB	Conference MEY at Phillips Lytle IT Department regarding dealing with profitability.net e-mails, copying same onto hard drive and system so as to be able to be used following delivery by IRS	0.2
09/27/10	WJB	Telephone call to B Shea regarding D Smith responsibility for Surgery Center savings plan and course of action regarding same	0.1
09/27/10	WJB	White Glove: Prepare e-mail E Castanon, W Shaw inquiring as to balance in frozen account to deal with ACH charge and status of same	0.1
09/28/10	WJB	KeyBank: Prepare e-mail B Shea, D Keenholts on status of KeyBank Capital Trust payment and preparation of default and termination letter for non-payment	0.1
09/28/10	WJB	White Glove: Review payroll request for 10/1 received from W Shaw; Prepare e-mail Mercantile Bank authorizing wire transfer to ADP for payroll	0.2
09/28/10	WJB	Benchmark: Review payroll request and e-mail Whitney Bank approving ACH for same	0.2
09/29/10	WJB	Telephone message from J Chapman in Cleveland regarding McGinn investor claims; Identify information on Chapman & Associates; Telephone message to J Chapman returning his call	0.1
09/29/10	WJB	Review, authorize and sign Alarm Traders checks and return to B Shea	0.2
09/29/10	WJB	Review and sign Benchmark checks received from B Shea and review back-up detail received by e-mail from M Guidry, sign same and return to M Guidry	0.4
09/30/10	WJB	Attend to administrative detail in dealing with establishment of matters for SEC v. McGinn Smith and Livingston	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
09/30/10	WJB	Telephone call from K Baer regarding Crescent Hill and proposal concerning K Bette and First Columbia involvement, discussion of option, need for Receiver to receive cash payment, not long term proposition and concept of insurance, decision to consider and reflect and revert after consideration	0.5
09/30/10	WJB	M&T: Review B Shea e-mail on reduced M&T analysis fees and prepare reply regarding acceptance of same	0.1
09/30/10	WJB	Review B Shea e-mail on needed inter-account transfers and prepare e-mail Nisch at M&T authorizing same	0.1
10/04/10	WJB	Benchmark: Review M Guidry e-mail on credit card and ACH charges and prepare e-mail Whitney Bank authorizing same	0.2
10/04/10	WJB	Century Hill: Telephone call from T Curley of Caldwell Banker Commercial in Albany regarding 7 Century Hill Drive and potential interest by law firm tenant, intent to visit site and discussion of Receiver intentions	0.3
10/04/10	WJB	Telephone call from A Guzzetti regarding IRA services, B Shea and CMS	0.2
10/05/10	WJB	Telephone conference with D Stoelting, L Mehraban at SEC regarding imaging center, lack of insurance, relationship to surgery center, status of Seton Building, tax returns and privilege issues, Benchmark insiders, SIPC, incentive savings plan, Albany law school professor mediation and E&O Insurance claim possibly being pursued by contingent fee counsel	0.7
10/05/10	WJB	Review and sign Alarm Traders and related checks	0.4
10/05/10	WJB	74 State Street: Telephone call from J Schultz regarding potential foreclosure by CIT of 74 State Street	0.2
10/05/10	WJB	Prepare for 10 am call with SEC on fact updates	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
10/05/10	WJB	Review and approve Alarm Traders payroll and e-mail B Shea regarding same	0.1
10/05/10	WJB	Telephone call to B Hill at CIT counsel's office regarding 74 State Street foreclosure following communication to L Mehraban at SEC	0.2
10/07/10	WJB	Benchmark: Review and sign checks and review support regarding same	0.4
10/08/10	WJB	Benchmark: Telephone call to R Kleban at Secure Vision regarding possible acquisition and prepare e-mail to him regarding same	0.3
10/08/10	WJB	Allentown Metalworks: E-mail J Carr regarding identification of loan and track down documents and facts	0.1
10/08/10	WJB	74 State Street: Voicemail message to J Schultz regarding State Street operating results and e-mail SEC regarding status	0.1
10/08/10	WJB	Benchmark: Review wire request from M Guidry and prepare instructions to Whitney Bank regarding same	0.2
10/08/10	WJB	Telephone call to B Shea regarding open items list regarding various matters including pension accounts, tax returns, payments and other matters	0.3
10/09/10	WJB	Extended telephone conference with G Shannon regarding 74 State Street operation, occupancy and cash flow including capital structure including review of documents available to Receiver regarding same and analysis	1.0
10/09/10	WJB	Prepare e-mail G Shannon regarding Star report for 74 State Street and financials	0.1
10/09/10	WJB	Begin review of archived McGinn Smith e-mails for information and data	0.5



<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
10/11/10	WJB	Review, approve and sign White Glove checks; Prepare e-mail W Shaw with questions on air conditioning vendor check; Review and approve payroll and request for wire transfers and official check from bank	0.5
10/11/10	WJB	Benchmark: Review \$48,000 wire transfer request and compare to prior issued checks; Prepare e-mail Whitney Bank regarding processing same	0.1
10/11/10	WJB	Prepare e-mail to B Shea regarding whereabouts and schedule of Receiver for week of 10/11	0.1
10/11/10	WJB	E-mail B Shea regarding identification of incentive savings plan for D Smith beyond Hancock	0.1
10/11/10	WJB	Telephone call from B Shea regarding explanation on D Smith investment accounts	0.1
10/11/10	WJB	Review Chiampou letter on additional NYS tax refund and send e-mail authorizing application of same	0.2
10/11/10	WJB	Prepare letter B Shea regard hard drive with e-mails from Profitability.net	0.1
10/11/10	WJB	Prepare e-mail SEC regarding D Smith retirement plans	0.1
10/11/10	WJB	E-mail from B Shea regarding hard drive and forwarding same to eSozo rather than to B Shea and prepare letter regarding same	0.1
10/11/10	WJB	Review support and sign checks for Seton Hall and related entities and prepare letter B Shea regarding same	0.2
10/11/10	WJB	White Glove: Prepare e-mail Mercantile Bank regarding ADP payroll wire and deal with bounceback e-mail regarding same	0.2
10/11/10	WJB	Prepare e-mail M&T Bank regarding request for \$50 Viking official check for White Glove	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
10/11/10	WJB	Telephone call to B Hoover regarding status of Benchmark sale efforts and scheduling conference call with business people for next Tuesday	0.1
10/11/10	WJB	Review B Shea 10/4 list of issues and prepare reply confirming prior discussions on each issue	0.1
10/11/10	WJB	Prepare e-mail T Fattarosso at IRS regarding status of continuing missing tax documentation and request for same	0.1
10/12/10	WJB	Review B Shea e-mail on McGinn incentive savings plan issues and forward to GFK regarding same	0.1
10/12/10	WJB	Benchmark: Consider due diligence issues at Benchmark and discuss same with D Boland	0.2
10/12/10	WJB	Prepare for call with counsel for 74 State Street lender (CIT) regarding financial reports and occupancy reports	0.3
10/12/10	WJB	Telephone call to J Schultz on behalf of CIT regarding 74 State Street hotel property, performance, alternatives and request to dialogue directly with CIT representative	0.3
10/13/10	WJB	Telephone call to D Boland regarding Benchmark due diligence	0.1
10/13/10	WJB	Benchmark: Prepare e-mail Whitney Bank regarding approval of payroll	0.1
10/13/10	WJB	Benchmark: Telephone call to D Boland regarding scope of due diligence request, background facts and explanation of role and process in preparation for sale	0.4
10/13/10	WJB	Telephone call from potential repairman for property and discussion of work which could be done	0.3
10/14/10	WJB	74 State Street: Voicemail message from manager regarding status of communications with CIT; Telephone call to YKH regarding request on follow-up regarding same	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
10/15/10	WJB	Benchmark: Visit Benchmark offices in Metairie, LA and meet M Guidry to review office, office and business records, equipment and setup in anticipation of sale	2.7
10/15/10	WJB	Review e-mails from B Shea regarding request for authority to fund McGinn Smith incentive savings plan, 401K match funding and for authority to file required report	0.3
10/18/10	WJB	Telephone conference B Shea, M Horbachewski regarding pending tax issues, discussion of alternatives including Powers of Attorney, obtaining tax transcripts and missing documents from U.S. Attorney's office and course of action regarding same	0.9
10/18/10	WJB	White Glove: Review White Glove checks and support and prepare letter W Shaw regarding same	0.3
10/18/10	WJB	Benchmark: Review Benchmark checks and support and sign same	0.3
10/18/10	WJB	Review Alarm Traders and related checks in support and prepare letter B Shea regarding same	0.3
10/18/10	WJB	Prepare e-mail to B Shea regarding forms for IRS tax copies	0.1
10/19/10	WJB	Benchmark: Locate and forward e-mails to D Boland to provide information for due diligence on visit to Benchmark regarding financial statements and business practices	0.4
10/19/10	WJB	Benchmark: Telephone call to D Boland regarding preliminary analysis of financials	0.1
10/19/10	WJB	Prepare for and participate in conference call with Benchmark stakeholders and management and counsel regarding process of sale, due diligence by BDO and follow-up regarding same	0.4
10/19/10	WJB	Telephone call from B Hague at IRS regarding request for turnover of additional documents	0.2

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
10/19/10	WJB	74 State Street: Telephone call to D Davis, J Schultz on behalf of CIT regarding concept of settlement of first lien debt and issues of performance and operations at hotel and attempt to protect second lien position	0.4
10/19/10	WJB	Telephone call from J Seery regarding counsel for Full Circle for request for meeting to discuss disposition and status	0.3
10/19/10	WJB	Review e-mail from K McGrath regarding investor contact and request to contact investor regarding parents' investment, review prior contacts for same	0.2
10/19/10	WJB	Telephone call investor regarding status of claim, Receivership duties and activities	0.2
10/20/10	WJB	Benchmark: Telephone call to D Boland regarding result of visit to Benchmark and preliminary analysis concerning due diligence efforts	0.3
10/20/10	WJB	Travel from Buffalo to 99 Pine Street (Total travel time 5.4 hours)	2.7
10/20/10	WJB	No Charge: Travel from Buffalo to 99 Pine Street (Total travel time 5.4 hours)	2.7
10/20/10	WJB	Benchmark: Review wire transfer request from M Guidry and prepare e-mail R Neelis regarding initiating \$88,000 wire transfer	0.1
10/20/10	WJB	Alarm Traders: Review payroll request and prepare e-mail B Shea with approval	0.1
10/21/10	WJB	Conference with B Hague and Pavel Prilutsky from IRS regarding additional documents requested for turnover and conference B Shea and arrange for same	0.2
10/21/10	WJB	Review Alarm Traders and Seton checks and support for payment and sign same	0.8

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
10/21/10	WJB	Conference with B Shea regarding various matters including Livingston automobile registration and account statement combination at M&T	0.3
10/21/10	WJB	Conference with B Shea regarding Firstline solvency at time of transaction and analysis regarding same	0.2
10/21/10	WJB	Travel from 99 Pine Street to NYC office (Total travel time 2.6)	1.3
10/21/10	WJB	No Charge: Travel from 99 Pine Street to NYC office (Total travel time 2.6)	1.3
10/22/10	WJB	Full Circle: Attend meeting with Full Circle representatives concerning existence of debt, intentions concerning alarm contract portfolio, background history, Firstline portfolio and related portfolios including those managed by third parties	1.2
10/22/10	WJB	Review B Shea e-mail on Verifier payments and alleged default; Telephone call to B Shea regarding explanation of same	0.2
10/22/10	WJB	Review D Keenholts e-mail on security consultants and prepare reply e-mail to J Carr to track down	0.2
10/25/10	WJB	Prepare e-mail B Shea regarding implications of C Gracey role in new venture with Messrs. McGinn and Smith	0.1
10/25/10	WJB	Telephone call from D Merritt regarding interest in being employed to maintain Century Hill property	0.1
10/25/10	WJB	Benchmark: Telephone call from D Boland regarding summary conclusions following morning visit at Benchmark regarding depreciation not taken for prior year and failure to undertake certain equipment write-offs with final conclusions to come later	0.2
10/25/10	WJB	Review and sign Powers of Attorney for McGinn Smith & Co. and McGinn Smith Holdings for NYS Department of Taxation and Finance and prepare letter to M Horbachewski regarding same	0.2

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
10/26/10	WJB	Review T Fatteroso e-mail confirming finding of 2000 tax return box at IRS offices; Prepare e-mail B Shea regarding need to follow-up to review box and identify if it has needed documents	0.1
10/26/10	WJB	Review and sign IRS Transcript Requests and send same to M Horbachewski at Chiampon Travis for filing with IRS	0.3
10/26/10	WJB	Prepare e-mail M Horbachewski regarding Powers of Attorney for NYS Department of Taxation and Finance	0.1
10/26/10	WJB	Telephone call from N Manasse regarding investor claim, website, claim process and potential recovery	0.2
10/26/10	WJB	White Glove: Review and sign checks and check proof of same and prepare letter W Shaw regarding same	0.4
10/26/10	WJB	White Glove: Review request for account transfer and wire request; Prepare e-mail Mercantile Bank regarding instructions for same and deal with e-mail issues to Mercantile Bank	0.3
10/26/10	WJB	Benchmark: Review and sign Benchmark checks and prepare e-mail M Guidry for explanation on \$1,900 CPU check since software is located at third party billing center	0.3
10/26/10	WJB	Review M Guidry e-mail on CPU response and prepare reply and further inquiry on ownership of software and equipment	0.1
10/26/10	WJB	White Glove: Review payroll request and prepare e-mail Mercantile Bank authorizing same; Prepare e-mail E Castanon regarding bouncebacks on e-mail from Mercantile Bank and communications with R Antequera at Mercantile regarding same	0.4
10/26/10	WJB	Prepare e-mail M Guidry regarding ACH privileges	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
10/26/10	WJB	Telephone call from J Forgee regarding parents' investment and interest in Times Union article about Messrs. McGinn and Smith engaging in new business and referral to SEC regarding same	0.2
10/27/10	WJB	Telephone call to G Shannon regarding further discussions of CIT intention to foreclose and possible purchase of CIT debt at reduced level, options regarding same and performance levels of hotel	0.3
10/27/10	WJB	Prepare e-mail to CIT counsel regarding 74 State Street regarding motion to lift stay, prior Receiver position regarding same and requesting response	0.1
10/27/10	WJB	Benchmark: Telephone conference with D Boland to review notes from due diligence visit to Benchmark, discussion of issues and potential impact upon financial statements and how to handle same	0.8
10/27/10	WJB	Telephone call from G Shannon regarding response to call regarding potential impact of foreclosure by CIT and settlement offer to CIT	0.2
10/27/10	WJB	74 State Street: Telephone call to J Schultz in effort to communicate borrower offer and requesting response to prior Receiver proposal	0.1
10/28/10	WJB	Benchmark: Review check requests and sign same and prep cover letter M Guidry regarding same	0.2
10/29/10	WJB	74 State Street: Telephone call loan officer CIT regarding proposal to settle first lien debt based upon communications with manager of 74 State Street and process for approval of same	0.2
10/29/10	WJB	White Glove: Telephone call from W Shaw regarding potential cancellation of \$20,000 insurance bond for customer tickets; Telephone call from E Castanon regarding same and steps to deal with same and possible purchase of travel agency	0.4

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
11/01/10	WJB	Review investor letter and other docket postings	0.1
11/01/10	WJB	Telephone call from E Castanon regarding interest in potential purchase, terms of same and reaction to same, discussion	0.4
11/02/10	WJB	Travel from Buffalo to 99 Pine Street (Total travel time 4.4 hours)	2.2
11/02/10	WJB	No Charge: Travel from Buffalo to 99 Pine Street	2.2
11/02/10	WJB	Prepare e-mail B Shea, D Keenholts regarding status of interest in purchase of alarm contract portfolio	0.1
11/02/10	WJB	Allentown Metal Works: Prepare e-mail J Carr regarding status of objection to taking of collateral in satisfaction of claim by secured party	0.1
11/02/10	WJB	Conference with B Shea regarding M&S Partners taxes and treatment of debt as income and effect of same, sale of partnership interests and idea on compromising same	0.5
11/02/10	WJB	Review and approve Alarm Traders payroll	0.2
11/02/10	WJB	Alarm Traders: Conference B Shea, D Keenholts regarding potential purchase of alarm contract portfolio, format of same and issues surrounding same	0.6
11/02/10	WJB	Pine Street: Review T Welles e-mail regarding D Wojeski information request	0.1
11/02/10	WJB	Alarm Traders: Review checks and backup to same and sign checks	0.3
11/03/10	WJB	Alarm Traders: Review and sign checks including support for checks and sign tax return transcript requests	1.0
11/03/10	WJB	Benchmark: Review checks and support for same and sign same	0.2



<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
11/03/10	WJB	Benchmark: Review e-mail from R Neelis at Whitney Bank regarding ACH presentation and prepare reply	0.2
11/03/10	WJB	Review M Horbachewski agenda for meeting including Mr. Cranberry issues and other items and prepare reply regarding proposed agenda	0.2
11/03/10	WJB	Conference with B Shea regarding Mr. Cranberry financials and issues regarding pre-Receivership activities	0.2
11/03/10	WJB	Extended conference with B Shea, D Keenholts regarding American Express points and benefits of redeeming same, 2010 termination of medical expense account issues, entities identified for potential dissolution in relation to filing of tax returns, follow-up on T McGinn life insurance policies and ADP clearinghouse disbursements	1.1
11/03/10	WJB	Telephone conference with B Shea, M Horbachewski regarding review of tax issue agenda, discussion and resolution of same	0.8
11/03/10	WJB	Travel from 99 Pine Street to Buffalo (Total travel time 4.8 hours)	2.4
11/03/10	WJB	No Charge: Travel from 99 Pine Street to Buffalo	2.4
11/03/10	WJB	Firstline: Telephone call to C Perschon reiterating Receiver position that no indemnity or hold harmless agreement can be provided and reasons for same and need for escrow agent to revise agreements	0.1
11/04/10	WJB	Cruse Charter Ventures: Review HSBC bank statement and e-mail same to B Shea	0.1
11/04/10	WJB	Conference with JLS regarding investor inquiry on claims process and timing of SEC trial	0.1
11/04/10	WJB	Firstline: Telephone call to D Roman regarding status of option exercise and concerns of Receiver regarding clawback on two-year testing	0.2

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
11/08/10	WJB	White Glove: Telephone call to M Hurley for recommendation on travel agent consultant	0.1
11/08/10	WJB	White Glove: Telephone call to J Coveli regarding preliminary information on valuing White Glove travel agency and recommendations on sale efforts	0.1
11/08/10	WJB	Shoma Group: Telephone call from C Norman regarding inquiry concerning follow-up concerning Shoma Group and request by Receiver for Mr. Norman to provide list of items Shoma Group would like to address	0.2
11/08/10	WJB	White Glove: Extended telephone call to J Coveli regarding travel agency prospects, status of industry, valuation possibilities and general suggestions on sale	0.3
11/09/10	WJB	Allentown Metal Works: Review J Carr reply regarding lack of e-mail access and e-mail B Shea; Telephone call to Aaron at eSozo regarding hard drive coordination with Alarm Traders	0.2
11/09/10	WJB	White Glove: Review E Castanon e-mail on status of surety bond, state of Florida and sale	0.1
11/09/10	WJB	Review and approve White Glove payroll and wire transfer request; Prepare e-mail Mercantile Bank regarding same	0.3
11/09/10	WJB	White Glove: Telephone call to E Castanon regarding sale of business and status of surety bond with state of Florida	0.3
11/10/10	WJB	Review e-mail from B Shea regarding question on ability to redact portion of document number 176 and prepare reply why same cannot be accomplished	0.2
11/10/10	WJB	White Glove: Telephone call from E Castanon regarding need for line of credit and purchase price regarding potential acquisition	0.3
11/10/10	WJB	White Glove: Voicemail message to D Boland and e-mail to D Boland regarding request for assistance on White Glove potential acquisition and reasons for same	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
11/11/10	WJB	Review and sign Seton and Alarm Traders checks and review proof supporting checks	0.6
11/11/10	WJB	Benchmark: Review and sign checks and proof supporting same	0.2
11/11/10	WJB	Continue review of Benchmark checks and verify same and prepare letter M Guidry forwarding same	0.5
11/11/10	WJB	White Glove: Review and sign checks including proof regarding same and prepare cover letter W Shaw distributing same	0.3
11/11/10	WJB	Telephone call to H Ketchum regarding potential role as broker or consultant on Alarm Traders portfolio	0.3
11/11/10	WJB	Telephone call from B Shea, D Keenholts regarding proposal concerning portfolio, explanation of same and dialogue concerning same; Review proposal	0.6
11/11/10	WJB	Prepare e-mail to H Ketchum regarding broker role potential and request for information	0.2
11/11/10	WJB	Telephone call to D Boland regarding White Glove pro forma cash flow projections and preparation of same, considerations regarding same	0.2
11/12/10	WJB	Telephone message from and voicemail message to D Roman regarding option agreement	0.1
11/12/10	WJB	White Glove: Review D Boland e-mail and prepare information request to W Shaw for financial data for review by D Boland	0.2
11/12/10	WJB	White Glove: Revise and send e-mail for financial information to W Shaw per D Boland request	0.1
11/12/10	WJB	Conference with JLS regarding TD Cable Trust investor inquiry on maturity date and likelihood of payment at that time	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
11/12/10	WJB	Review B Shea e-mail regarding 2011 holiday schedule and prepare e-mail approving same including conditions to same on floating holidays	0.2
11/12/10	WJB	Telephone call from Sonitrol regarding billing credit to which Alarm Traders is entitled and send e-mail to Sonitrol regarding same	0.2
11/12/10	WJB	Telephone call to T Smith regarding interview as possible broker for alarm contract portfolio, discussion of experience and qualifications	0.4
11/13/10	WJB	Prepare e-mail B Shea, D Keenholts inquiring regarding extent of knowledge of T Smith or H Ketchem for sale of Alarm Traders contracts	0.1
11/15/10	WJB	Telephone call from D Boland regarding scope of White Glove examination, both of financials and business practices and possible preparation for sale	0.3
11/15/10	WJB	Telephone call to D Boland regarding sign-off on proceeding with White Glove process and determination of value	0.3
11/15/10	WJB	Travel from Buffalo to 99 Pine Street for administrative matters and November 16-17 court hearings (Total travel time 4.4 hours)	2.2
11/15/10	WJB	No Charge: Unbillable travel time to 99 Pine Street	2.2
11/15/10	WJB	Prepare reply e-mail to D Keenholts regarding approval on recycling old and used computer monitors while maintaining inventory of same	0.1
11/15/10	WJB	White Glove: Review W Shaw e-mail on overdraft and e-mail Mercantile Bank regarding funding error and correction of same	0.4
11/16/10	WJB	Alarm Traders: Review B Shea request for \$200 check for ADP and e-mail response to same	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
11/16/10	WJB	White Glove: Prepare e-mail M&T regarding bank check request and prepare e-mail W Shaw regarding same	0.2
11/16/10	WJB	Alarm Traders: Review payroll and approve e-mail to B Shea regarding same	0.2
11/16/10	WJB	White Glove: Telephone call to D Boland regarding request for preparation of cash flow in preparation for sale	0.1
11/17/10	WJB	Travel from 99 Pine Street to Buffalo (Total travel time 4.8 hours)	2.4
11/17/10	WJB	No Charge: Unbillable travel time from 99 Pine Street to Buffalo	2.4
11/17/10	WJB	White Glove: Telephone call with S Leone in Jacksonville, FL on behalf of surety regarding discussions regarding extension of surety in exchange for acknowledgment of administrative claim for post-Receivership claims	0.2
11/17/10	WJB	Alarm Traders: Telephone call to T Smith at Security Finance Associates regarding potential engagement and follow-up issues	0.1
11/17/10	WJB	White Glove: Prepare e-mail E Castanon regarding extension of surety bond and telephone call to W Shaw to advise of same	0.1
11/17/10	WJB	99 Pine Street: Review e-mail from building manager regarding building technician need to access premises for alarm check and verify Sonitrol status regarding same	0.2
11/17/10	WJB	Review various check requests for Alarm Traders and related companies, review proof and sign same	0.7
11/18/10	WJB	Revise website to provide for new announcements, revise and edit same and check docket	0.3
11/18/10	WJB	Review and sign Alarm Traders checks and review proof for same	0.3

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
11/18/10	WJB	Review and proof Benchmark checks and sign same and distribute to M Guidry	0.3
11/18/10	WJB	Benchmark: Telephone call with K Coyle regarding interest of Charter in Benchmark sites; Send e-mail to same; Reply to e-mail and questioning K Coyle's capacity to act for Charter	0.3
11/18/10	WJB	Benchmark: Prepare reply e-mail to B Hoover regarding participating in conference call	0.1
11/19/10	WJB	Benchmark: Prepare e-mail K Cotter at Charter regarding Benchmark level of interest	0.1
11/19/10	WJB	Benchmark: Prepare reply e-mail to B Hoover on allegations regarding sale of Benchmark	0.2
11/19/10	WJB	Benchmark: Review Benchmark data concerning financial performance and potential buyers prepared by BDO, download data	0.3
11/19/10	WJB	Benchmark: Participate in conference call with M Guidry, B Bronston, B Hoover and counsel regarding Receiver position on sale, reservation of rights, intent to substantially move forward on sale process by year-end, initial contacts with buyers, B Bronston identification of brokers and recommendations and related matters	0.5
11/19/10	WJB	Benchmark: Prepare follow-up notes on Benchmark call with M Guidry, B Bronston and others; Consider course of action	0.2
11/19/10	WJB	CMS: Prepare e-mail to YKH on response to R Haldeman on meeting dates and subjects	0.1
11/19/10	WJB	Benchmark: Prepare e-mail to K Coyle regarding Benchmark site zip codes for identification of level of interest by Charter	0.2
11/19/10	WJB	Prepare e-mail to B Shea for McGinn Smith Firstline balance sheet; Review D Roman contract	0.2

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
11/19/10	WJB	White Glove: Telephone call from D Boland regarding surety bond coverage and status of preparation by White Glove of cash flow projections and timing of same	0.1
11/19/10	WJB	Firstline: Review Firstline financial statements received from B Shea	0.1
11/19/10	WJB	White Glove: Prepare e-mail W Shaw on status and timing of delivery of projections	0.1
11/19/10	WJB	Alarm Traders: Telephone call from T Smith regarding arrangements for due diligence inspection dates, terms and fee concerning same	0.2
11/19/10	WJB	Work on Benchmark due diligence site concerning data, status and downloading	0.3
11/22/10	WJB	White Glove: Review surety bond renewal; E-mail W Shaw regarding same; Review e-mail from W Shaw on mistake in policy number; Telephone call to D Miller at surety regarding same and arrange for corrected notice to state of Florida	0.3
11/22/10	WJB	Prepare additional notice on website regarding reimposition of Smith Trust freeze based upon Judge Homer decision	0.2
11/22/10	WJB	Alarm Traders: Prepare e-mail B Shea, D Keenholts, J Carr regarding confidentiality agreement with T Smith and planned visit by T Smith for due diligence	0.1
11/22/10	WJB	Alarm Traders: Review e-mail from B Shea regarding holiday employee schedule and related matters and prepare reply regarding authorization	0.1
11/22/10	WJB	Alarm Traders: Prepare e-mail B Shea, D Keenholts regarding due diligence data for T Smith and side visit arrangements	0.2
11/23/10	WJB	Alarm Traders: Prepare e-mail D Keenholts, B Shea regarding T Smith evaluation status and course of action	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
11/23/10	WJB	White Glove: Request wire transfer for payment of payroll and send to Mercantile Bank following review of payroll request	0.2
11/23/10	WJB	Alarm Traders: Prepare e-mail to T Smith regarding travel arrangements, on-site due diligence facilities and hotel arrangements	0.2
11/23/10	WJB	Telephone call to Ash Asensio regarding checking references on T Smith	0.3
11/23/10	WJB	Alarm Traders: Telephone call to B Hill regarding T Smith references	0.2
11/23/10	WJB	Alarm Traders: Telephone call to T Smith regarding further discussion of process for due diligence, Receiver's intention, how to deal with current offer and D Roman option	0.1
11/24/10	WJB	Alarm Traders: Prepare e-mail B Shea, D Keenholts for their input regarding T Smith visit	0.2
11/24/10	WJB	Telephone call from L Rulison at Albany Times Union requesting comments regarding H Ellis and Aquatic Development letter filed with Court; Prepare e-mail reply with facts concerning H Ellis attempts to compromise debt in wrongful way; Prepare e-mail SEC regarding same	0.6
11/26/10	WJB	Telephone call to D Keenholts regarding preparation for broker visit and handling of internal offers	0.2
11/29/10	WJB	74 State Street: Telephone call to G Shannon regarding discussion of communications with CIT, borrower effort to raise money to pay off CIT and status of compromise and operations	0.2
11/29/10	WJB	Telephone call from investor C Penchina with Morgan Stanley agent regarding IRA services and request for assistance regarding rollover and request for e-mail from him regarding same	0.1



<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
11/30/10	WJB	Make arrangements for meeting with T Smith and arrangements for conference call with B Haldeman of CMS on Thursday	0.1
11/30/10	WJB	Alarm Traders: Prepare e-mail T Smith regarding scheduled meeting and agenda	0.1
11/30/10	WJB	74 State Street: Telephone call from G Shannon regarding further thoughts on negotiations with CIT; Prepare e-mail CIT regarding request for communications	0.2
11/30/10	WJB	Alarm Traders: Telephone call with T Smith regarding initial impressions of due diligence materials since being on site and scheduling meeting and agenda for same	0.2
11/30/10	WJB	CMS: Review R Haldeman e-mail concerning request concerning Receiver sign-off on financial statements and release of Receivership property; Prepare reply regarding meeting arrangements and Receiver's viewpoint that agenda needs to be reversed to focus on sale or disposition of assets	0.5
11/30/10	WJB	CMS: Review B Shea e-mail concerning March 2000 \$100,000 McGinn Smith Capital Holding Corp. investment in Coventry Carelink Special Interest and requesting R Haldeman for explanation of same	0.2
11/30/10	WJB	Telephone call to Morgan Stanley in San Diego regarding C Penchina IRA Services account	0.1
11/30/10	WJB	CMS: Review e-mail from R Haldeman regarding 8:30 am Thursday conference call and prepare reply with contact information	0.1
11/30/10	WJB	Benchmark: Review R Neelis request for acknowledgment on ACH authorization; Prepare e-mail okay to same to Whitney Bank for payment of payroll; Prepare e-mail M Guidry regarding follow-up	0.2
11/30/10	WJB	White Glove: Review e-mail from W Shaw regarding wires for payables; Forward e-mail to Mercantile Bank regarding approving same	0.2

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
11/30/10	WJB	White Glove: E-mail W Shaw to check on state of Florida surety bond extension	0.1
11/30/10	WJB	Alarm Traders: Telephone call to T Smith regarding arranging for exit interview on Thursday at 9 a.m.	0.1
11/30/10	WJB	74 State Street: Telephone message to CIT officer requesting communications and discussion with borrower and receiver and fact of serving subpoena since non-response from counsel for CIT	0.1
11/30/10	WJB	Alarm Traders: Prepare e-mail B Shea, D Keenholts regarding planned meeting with T Smith on Thursday to be followed by meeting with B Shea, D Keenholts	0.1
11/30/10	WJB	Prepare e-mail B Shea regarding request to attend conference call with R Haldeman on Thursday at 8:30 and subject matter for same	0.1
11/30/10	WJB	Telephone call to B Shea regarding IRA services, form of certificate and review and approval of 12/3 payroll	0.5
11/30/10	WJB	74 State Street; Telephone call from D Davis in response to message regarding report on sale of loan by CIT and prepare e-mail D Davis requesting buyer information	0.2
11/30/10	WJB	Further telephone conference with B Shea regarding IRA Services	0.2
11/30/10	WJB	Conference with GFK regarding IRA Services and certificate issuance to rollover IRAs	0.2
11/30/10	WJB	74 State Street: Telephone call from G Shannon regarding interpretation of purchase of CIT debt by hedge fund buyer and implications for hotel owners and investors	0.1
12/01/10	WJB	Prepare for 12/2 meeting with R Haldeman regarding CMS and positions taken by CMS regarding various matters	0.3

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/01/10	WJB	Travel from Buffalo to 99 Pine Street in anticipation of meeting with R Haldeman and T Smith regarding cable contracts (Travel time 6.6 hours)	3.3
12/01/10	WJB	No charge: Travel from Buffalo to 99 Pine Street in anticipation of meeting with R Haldeman and T Smith regarding cable contracts (Travel time 6.6)	3.3
12/02/10	WJB	Review Alarm Traders checks and support for same, sign same	0.5
12/02/10	WJB	Conference with J Carr regarding recent court developments in SEC case	0.1
12/02/10	WJB	CMS: Prepare for and participate in conference call with R Haldeman, B Shea regarding issues of how to monetize CMS interests held by McGinn Smith estate, accounting and financial issues, public disclosures and extent of Receiver's interest	0.7
12/02/10	WJB	Conference with T Smith regarding report on due diligence examination over past several days regarding alarm contracts, status and recommendations, next steps	1.0
12/02/10	WJB	Conference with B Shea regarding status of alarm contract due diligence and various office matters	0.1
12/02/10	WJB	Conference with D Keenholts regarding alarm contracts due diligence by T Smith and follow-up	0.1
12/02/10	WJB	Conference with B Shea, D Keenholts regarding terms of possible acquisition, next steps, need for financing and timeline for ultimate decision and commitment for same	0.6
12/02/10	WJB	Travel from 99 Pine Street to NYC office (Travel time 3.9)	2.0
12/02/10	WJB	No Charge: Travel from 99 Pine Street to NYC office (Travel time 3.9)	1.9
12/02/10	WJB	White Glove: Telephone conference with D Boland regarding conclusions on W Shaw cash flow presentations	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/03/10	WJB	Review C Penchina e-mails concerning IRA valuation	0.1
12/03/10	WJB	Review real estate websites regarding Smith Vero Beach home value estimate and prepare estimate of time likely necessary to oversee sale of home at request of SEC	0.4
12/03/10	WJB	Vero Beach: Telephone conference with D Stoelting and L Mehraban regarding cost estimate for sale of Vero Beach home and questions regarding same	0.3
12/03/10	WJB	Vero Beach home: Participate in aborted conference call with SEC and certain other parties but not J Featherstonhaugh concerning sale oversight process	0.2
12/03/10	WJB	74 State Street: Telephone call from C Formichella of Garrison requesting meeting regarding capacity as new owner of mortgage for Itleson Trust and arrangements for same	0.2
12/03/10	WJB	Conference with C Formichella and G Chiota of Garrison regarding ownership of Note and Mortgage to 74 State Street as successor to CIT, background on motion to lift stay, settlement proposals and concepts regarding going forward	0.7
12/03/10	WJB	White Glove: Telephone call from D Boland regarding W Shaw revised cash flows and effect of same on ultimate result	0.1
12/03/10	WJB	Alarm Traders: Prepare e-mail B Shea, D Keenholts following T Smith due diligence and requesting commitment as to whether to proceed with offer and need for financing and timing of same	0.2
12/03/10	WJB	Aquatic Development Group: Telephone call from and to H Ellis regarding follow-up on amounts owed to Receiver estates and messages regarding same	0.1
12/06/10	WJB	White Glove: Telephone call from D Boland regarding ability to finance new accounts receivable and potential structure of purchase offer, need for review of same	0.4

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/06/10	WJB	74 State Street: Telephone message to G Shannon regarding deed in lieu concept	0.1
12/06/10	WJB	White Glove: Telephone call from D Boland regarding White Glove payout analysis based upon limiting factors	0.3
12/06/10	WJB	74 State Street: Telephone call from G Shannon regarding discussion of potential deed in lieu concept	0.3
12/06/10	WJB	74 State Street: Telephone call to C Formichella at Garrison regarding 74 State Street	0.1
12/07/10	WJB	74 State Street: Telephone call to G Shannon regarding need for counsel to free up to have discussion about deed in lieu of foreclosure; Telephone message to C Formichella regarding delay as result of same; Telephone message to J Schultz regarding necessary extension to respond to Judge Homer; Prepare e-mail J Schultz regarding report to Court	0.4
12/07/10	WJB	Livingston: Review e-mail from TAR regarding personal financial statement and confidential treatment of same under Rule 408	0.1
12/07/10	WJB	White Glove: Review payroll and approve same; Prepare e-mail Mercantile Bank to process same and prepare e-mail E Castanon regarding difficulty in getting e-mails through to Mercantile Bank	0.3
12/07/10	WJB	74 State Street: Telephone call from J Howard regarding relaying facts concerning discussions with CIT and Garrison, role of Receiver and request by Garrison for proposal from equity	0.2
12/07/10	WJB	Telephone call from R Blazine regarding IRA conversion, value, status of investment	0.3
12/07/10	WJB	Telephone call from T Alberts regarding inability to use Internet to check website and suggestion of referral to a friend to do same	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/08/10	WJB	74 State Street: Review two letters from J Howard at Couch White regarding equity position regarding any settlement with Garrison	0.1
12/08/10	WJB	74 State Street: Prepare response to J Howard on two letters he sent regarding Garrison and 74 State Street settlement and reasons why same are problematic	0.3
12/08/10	WJB	CMS: Prepare for and participate in conference call with B Shea and R Haldeman regarding issues outlined in R Haldeman memorandum on 12/7 and Receiver e-mail prior to that regarding investment, stay regulators and related matters	1.5
12/08/10	WJB	Conference with B Shea regarding eSozo files; E-mail Aaron at eSozo regarding follow-up on computer hard drives regarding prior e-mails and providing access to B Shea, J Carr	0.1
12/08/10	WJB	74 State Street: Telephone call to Chris at Garrison regarding two letters from J Howard and e-mail letters to him for reference	0.1
12/08/10	WJB	74 State Street: Telephone call to J Howard, G Shannon for explanation of tax payment and recycling of same as tax credit to investors and reasons why same would trouble Garrison or any secured lender and other issues with J Howard proposal; Telephone call to C Formichella to explain recycling of tax payment proceeds concept	0.3
12/08/10	WJB	Participate in call with Pine Street management regarding resolution to remove D Smith from management, basis for same, confirmation of no economic consequences and agreement to review documents	0.3
12/08/10	WJB	Prepare e-mail to R Haldeman confirming substance of 10 a.m. call and agreement on next steps	0.4
12/08/10	WJB	CMS: Locate and forward CMS organizational chart to B Shea	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/08/10	WJB	Aquatic Development Group: Telephone conference with H Ellis regarding reasons for not setoff ability, offer alternative for decision by Judge and prepare notes regarding conversation	0.2
12/09/10	WJB	Alarm Traders: Prepare e-mail T Smith regarding reimbursement and advance retainer	0.1
12/09/10	WJB	Pine Street: Prepare e-mail T Welles regarding timeframe for response on D Smith removal from management of Pine Street	0.1
12/09/10	WJB	74 State Street: Prepare e-mail to Garrison and J Howard and principal regarding settlement proposal	0.2
12/09/10	WJB	Alarm Traders: Send T Smith expense reimbursement to B Shea for processing	0.1
12/09/10	WJB	Alarm Traders: Review bank balances received from D Keenholts	0.1
12/09/10	WJB	Vero Beach Home: Participate in conference call with Judge Homer and parties regarding SEC request for sale of Vero Beach home; Follow-up telephone conference with D Stoelting, L Mehraban regarding next steps in light of conference call	0.6
12/09/10	WJB	74 State Street: Telephone calls to Garrison regarding position on equity settlement proposal; Telephone call to J Howard and client regarding settlement offers and prospects of achieving same and explanation why in light of recycling of tax money back to investors when paid by Garrison	0.5
12/10/10	WJB	Review and approve Seton Hall checks received from Brian Shea	0.1
12/10/10	WJB	Claude Penchina: Telephone call from C Penchina broker regarding valuation of IRA	0.2
12/10/10	WJB	Review Benchmark checks and proof for same, sign and forward to M Guidry	0.4

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/10/10	WJB	Review Alarm Traders checks and support for same, sign and return to B Shea	0.3
12/14/10	WJB	White Glove: E-mail B Shea on checks for White Glove and e-mail M&T requesting bank checks as requested by W Shaw	0.1
12/14/10	WJB	74 State Street: Telephone conference with G Shannon regarding status of no report from Garrison	0.1
12/14/10	WJB	74 State Street: Telephone call Garrison regarding settlement proposal concerning purchase of second mortgage lien held by Receiver	0.2
12/14/10	WJB	Benchmark: Two telephone calls to M Guidry regarding Charter Communications and nature of interest as being limited to certain properties and value of same to Benchmark sale as a whole	0.2
12/15/10	WJB	74 State Street: Prepare e-mail G Shannon regarding his offer to purchase note and consider response	0.1
12/15/10	WJB	Alarm Traders: Telephone call to H Ketcher regarding selection process for broker and discussion of outcome; E-mail T Smith regarding possible contact by Ketcher	0.3
12/15/10	WJB	74 State Street: Prepare thoughts on go-forward process with owners of property; Telephone message to G Shannon on suggestions on how to proceed	0.3
12/15/10	WJB	Consider request for contact to Full Circle by B Shea, D Keenholts; Telephone call to Full Circle lenders regarding introduction of Shea and Keenholts regarding potential funding and status of Receivership and reasons for same; Notify Shea to contact Full Circle	0.6
12/15/10	WJB	White Glove: Review check requests, backup and sign checks and prepare letter W Shaw distributing same	0.3



<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/15/10	WJB	74 State Street: Prepare e-mail to Garrison requesting response to G Shannon; Telephone message J Howard; Review reply and prepare reply regarding nature of answer	0.2
12/15/10	WJB	Alarm Traders: Review and approve payroll and e-mail B Shea regarding same	0.2
12/15/10	WJB	74 State Street: Telephone conference with J Carr regarding Class A and exercising warrants regarding 74 State Street; Review Operating Agreement	0.2
12/15/10	WJB	Telephone call to B Shea regarding discussion of quarterly allocations among entities to pay administrative claims, reasons for any differentiations in comparison to prior procedure; Prepare e-mail B Shea authorizing same based upon explanation provided	0.4
12/15/10	WJB	Alarm Traders: Telephone conference with D Keenholts, B Shea on communications with Full Circle regarding possible acquisition	0.2
12/15/10	WJB	74 State Street: Prepare e-mail D Smith, T McGinn regarding possible settlement of 74 State Street given financial and legal structure and requesting any input they may wish to give	0.2
12/15/10	WJB	74 State Street: Revise e-mail to D Smith, T McGinn on 74 State Street feedback	0.2
12/15/10	WJB	74 State Street: Prepare reply to D Smith regarding settlement proposal and communications	0.1
12/16/10	WJB	74 State Street: Extended telephone call from G Shannon regarding possibilities and opportunities regarding disposition of investor interests and Receiver settlement on second mortgage lien	0.3
12/16/10	WJB	74 State Street: Telephone conference with J Howard regarding deed in lieu concept	0.2

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/16/10	WJB	74 State Street: Telephone call from J Howard and e-mail Garrison regarding status	0.1
12/16/10	WJB	74 State Street: Telephone conference with G Shannon, J Howard regarding options available to them in light of Garrison position concerning taxes and non-release of guaranty	0.4
12/16/10	WJB	74 State Street: Telephone call to Greg at Garrison regarding proposals from G Shannon and J Howard and Garrison reaction to same	0.2
12/16/10	WJB	74 State Street: Prepare e-mail G Shannon, J Howard on Garrison communications regarding guarantor and investor position	0.2
12/16/10	WJB	74 State Steet: Telephone call to G Chiota at Garrison regarding discussion concerning proposal from equity regarding forbearance and interest payment and release of guarantors in exchange for certain consideration and terms of agreement on second mortgage and lifting of stay; Review same with B Shea	0.4
12/16/10	WJB	74 State Street: Telephone conference with G Shannon, J Howard regarding Garrison response to their proposal concerning release of guaranties and course of action	0.3
12/16/10	WJB	Travel from Buffalo to 99 Pine Street (Total travel time 4.4 hours)	2.2
12/16/10	WJB	No Charge: Travel from Buffalo to 99 Pine Street (Total travel time 4.4 hours)	2.2
12/17/10	WJB	Review significant amount of Alarm Traders checks and back-up, review and approve same and mortgage lien	0.5
12/17/10	WJB	Conference with B Shea regarding staff annual reviews, payroll issues, questions regarding repayment of Seton debt by Alarm Traders in comparison to other intercompany transfers, declining to do same, discussion of 74 State Street real property tax payments and consequences of payment	0.5

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/17/10	WJB	Conference with D Keenholtz regarding proposed response to California customer complaint regarding auto renewal provision	0.1
12/17/10	WJB	Review M Guidry e-mail on insurance for satellite dishes and prepare reply with questions concerning Benchmark insurance	0.2
12/17/10	WJB	Follow-up conversation with D Keenholtz regarding California contract auto extension and website report and scope of language to reply to same	0.1
12/17/10	WJB	Benchmark: Prepare e-mail Whitney Bank providing instructions on wire transfer for Benchmark	0.2
12/17/10	WJB	Participate in staff luncheon meeting in Albany and update staff on developments in Receivership, current status of offering Alarm Traders for sale and other Receivership developments	1.2
12/17/10	WJB	Conference with J Featherstonhaugh regarding SEC action and sale of Vero Beach house and related matters and approaches to same	0.2
12/17/10	WJB	Review and authorize D Smith medical insurance form	0.1
12/17/10	WJB	Telephone call to L Mehraban confirming 11 a.m. Monday call regarding discovery issues	0.1
12/17/10	WJB	Travel from 99 Pine Street to Buffalo (Total travel time 4.5 hours)	2.3
12/17/10	WJB	No Charge: Travel from 99 Pine Street to Buffalo (Total travel time 4.5 hours)	2.2
12/19/10	WJB	Review e-mail from L Rulison at Times Union regarding inquiry concerning Alarm Traders consumer report in California; Prepare reply regarding background and operating status under Receivership Order	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/20/10	WJB	Vero Beach: Review amended motion filed by SEC with revised form of order	0.1
12/20/10	WJB	Review e-mail from J Carr on T McGinn Niskyauna home for sale and prepare e-mail SEC regarding same	0.1
12/20/10	WJB	Prepare e-mail SEC with California consumer complaint rebuttal as prepared by D Keenholts	0.1
12/20/10	WJB	Conference call L Mehraban and colleague regarding proposed discovery interviews and request for contact information with parties and scope of role and information based upon Receiver exposure to them	0.6
12/20/10	WJB	White Glove: Review payroll and e-mail Mercantile Bank regarding request to initiate wire transfers	0.3
12/20/10	WJB	Benchmark: Prepare e-mail M&T to stop payment on Benchmark check to Dish Network because check is lost	0.1
12/21/10	WJB	White Glove: Telephone call to D Boland regarding White Glove numbers for asset acquisition	0.1
12/21/10	WJB	74 State Street: Telephone call from P Snyder regarding potential Hyatt interest in property under certain circumstances	0.1
12/21/10	WJB	White Glove: Telephone call from P Snyder regarding possible contact for purchase and sale of agency	0.1
12/21/10	WJB	Telephone conference with B Shea, GFK on whether National Financial Services sent assignment separate from certificate to IRA holders because same is needed for transfer, necessary follow-up on same	0.2
12/21/10	WJB	Clifton Park Storage: Review and revise storage contract to match terms of actual storage agreement; Prepare letter M Rekucki regarding same enclosing payment	0.4

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/21/10	WJB	Review National Financial Services letter from GFK regarding assignment separate from certificate and prepare reply to B Shea on Receiver's willingness to sign assignment separate from certificate but not to issue new securities regarding IRAs	0.1
12/21/10	WJB	White Glove: Telephone call to E Castanon regarding potential purchase offer and structure and explanation of same	0.2
12/21/10	WJB	Telephone call from C Penchina regarding rollover, custodian and value of 401K	0.2
12/21/10	WJB	Telephone call to GFK regarding IRA rollover for C Penchina and issues regarding same	0.1
12/21/10	WJB	Telephone call to B Shea regarding IRA Services question	0.1
12/22/10	WJB	74 State Street: Telephone call to G Shannon regarding next steps in light of settlement on second mortgage lien	0.2
12/22/10	WJB	Telephone call from J Pearl at HSBC regarding new TAIN bank account for 74 State Street proceeds	0.2
12/23/10	WJB	Telephone call from J Burden at HSBC regarding opening of TAIN bank account for 74 State Street settlement proceeds	0.2
12/23/10	WJB	Benchmark: Review checks and proof regarding same; Prepare letter M Guidry forwarding checks	0.3
12/23/10	WJB	Benchmark: Prepare e-mail M Guidry regarding missing Nowalsky invoice and requesting same	0.1
12/23/10	WJB	White Glove: Review requested checks and backup for same, sign same and forward to W Shaw	0.3
12/23/10	WJB	Telephone call from J Howard regarding status of discussions with Garrison on behalf of equity pending receipt of \$50,000 settlement payment from Garrison pursuant to second mortgage lien stipulation	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/27/10	WJB	74 State Street: Prepare website description for 74 State Street settlement and post same	0.3
12/27/10	WJB	Prepare website description for IRA valuation statement and revise same	0.4
12/27/10	WJB	Conference with GFK regarding review and comments to IRS statement for website regarding IRA valuation; Revise website statement based upon same and post to website	0.4
12/27/10	WJB	Telephone call from C Penchina regarding discussion of Receiver position on inability to value investments and ability of C Penchina to proceed based upon common sense approach	0.2
12/27/10	WJB	74 State Street: Telephone call from B Pinckney at Albany Business Review with questions concerning 74 State Street settlement	0.1
12/27/10	WJB	Prepare e-mail SEC with posted valuation statement on IRA to website and reasons for same	0.1
12/27/10	WJB	Review C Penchina 12/23 e-mail and prepare reply including summary of 12/27 call concerning IRA valuation and rollover request	0.3
12/27/10	WJB	Revise e-mail to C Penchina regarding IRA value and prior communications	0.1
12/27/10	WJB	Review request to send August investor letter to Mr. Mackin, resend same with cover letter at broker's request	0.1
12/27/10	WJB	Telephone call from Garrison regarding ABA number for wire transfer for settlement proceeds	0.1
12/28/10	WJB	74 State Street: Telephone calls to BHE and e-mail D Davis regarding receipt of wire transfer from Garrison; E-mail J Schultz regarding same	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/28/10	WJB	Review and modify chart of filed tax returns for Receiver estates; E-mail same to M Horbachewski and B Shea for verification	0.1
12/28/10	WJB	Prepare e-mail A Guzzetti regarding IRA valuations and assignment separate from certificate	0.1
12/28/10	WJB	Prepare e-mail to Mercantile Bank requesting October and November 2009 statements for Cruise Charter Ventures in order to prepare tax returns	0.1
12/28/10	WJB	Benchmark: Review M Guidry check request; E-mail B Shea regarding providing checks for Thursday per Guidry request	0.1
12/28/10	WJB	Prepare e-mail B Shea requesting review of Chiampou statements for tax services for appropriateness and amounts	0.1
12/28/10	WJB	74 State Street: Telephone call from J George on behalf of Gordon Development regarding interest in 74 State Street; Consider how to handle; E-mail J Carr as to who is in control of real property sale	0.2
12/28/10	WJB	Benchmark: Telephone call from R Neumann of Access Media 3 in response to confidentiality agreement and discussion of Benchmark locations and zip codes level of interest	0.3
12/28/10	WJB	Review e-mail from A Guzzetti regarding his follow-up with National Financial Services and others regarding IRA assignments separate from certificates	0.1
12/28/10	WJB	Benchmark: Locate prior R Neumann Access Media 3 contact point and prepare e-mail to him regarding same on 11/3 e-mail from him to M Guidry; Review response	0.2
12/28/10	WJB	White Glove: Follow-up e-mail to E Castanon regarding level of interest in purchase based upon economic model previously provided by Receiver	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/28/10	WJB	Telephone call to B Shea regarding Stewart Jones representation and disclosure of prior representation of Mr/Mrs Shea, Chiampou fee application and potential redaction of certain issues and request to contact W Dake regarding potential financing	0.3
12/28/10	WJB	Review e-mail from B Shea on Shannon access card; Check website access regarding same and telephone call to B Shea regarding replacement card	0.2
12/28/10	WJB	Benchmark: Prepare e-mail M Guidry on delivery of checks and responsibility for overseeing operations while on vacation	0.2
12/28/10	WJB	Telephone call to M Guidry regarding status of various purchase contacts and due diligence by D Orshan, Charter, geographical levels of interest, Birmingham property compared to Huntington and Alexandria	0.5
12/28/10	WJB	Benchnmark: Consider due diligence issues and follow-up with parties concerning same and organize notes on subject	0.2
12/29/10	WJB	74 State Street: Telephone call from G Shannon regarding follow-up on status and next steps	0.1
12/29/10	WJB	Benchmark: Review payroll request from M Guidry and e-mail Whitney Bank regarding approval of same; Send e-mail to Whitney Bank to allow ACH	0.2
12/29/10	WJB	Prepare e-mail B Shea regarding contacting W Dake regarding Firstline investment and possible alarm contract sale	0.2
12/29/10	WJB	Activate Sonitrol card 7016 and e-mail B Shea regarding same	0.2
12/29/10	WJB	Review Alarm Traders payroll, approve same and prepare reply e-mail to B Shea	0.2
12/29/10	WJB	Telephone call from J Suresky regarding interest of Sunrise Management Consulting to manage 74 State Street	0.1



<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/29/10	WJB	Benchmark: Review and sign Benchmark checks and proof for same and prepare letter M Guidry regarding same	0.2
12/29/10	WJB	Revise letter to M Guidry on checks including payment to Crescent Affiliates which was previously to be deferred	0.3
12/29/10	WJB	Review Alarm Traders checks requests including proof for same and prepare e-mail D Keenholts returning same	0.5
12/29/10	WJB	Revise letter to M Guidry regarding Crescent Affiliates check and conditions for tender of same	0.4
12/29/10	WJB	Revise letter and checks to D Keenholts regarding Alarm Traders checks	0.2
12/29/10	WJB	White Glove: Prepare e-mail to E Castanon on offer terms providing clarifications to his questions	0.2
12/30/10	WJB	Review rejected e-mail for size from D Orshan and arrange for posting of data on Phillips Lytle secure website	0.2
12/30/10	WJB	Benchmark: Review e-mail from R Neumann regarding scope of Benchmark interest and referral to third party director	0.1
12/30/10	WJB	74 State Street: Try to reach Garrison and prepare status reply to G Shannon regarding same	0.1
12/30/10	WJB	Telephone call from D Davis at Garrison regarding potential note purchase and amount to achieve same	0.2
12/30/10	WJB	Telephone calls to MEY and JLH regarding setup of extranet for Benchmark data	0.1
12/30/10	WJB	Benchmark: Forward extranet access information to D Orshan with instructions	0.2
12/31/10	WJB	Prepare e-mail to SEC with D Roman settlement offer letter and reasons for same	0.2

CURRENT FEES

\$98,132.50

FOR COSTS ADVANCED AND EXPENSES INCURRED:

Travel Expense Brown, William J; WJB 08/02-08/04/10 Trip to 99 Pine Street; 08/24/10	862.42
Travel Meals Brown, William J; WJB 08/02-08/04/10 Trip to 99 Pine Street; 08/24/10	257.57
Travel Expense Brown, William J; WJB 08/11-08/12/10 Trip to Albany, NY 99 Pine street for meetings with staff and real estate brokers; 08/26/10	467.45
Travel Meals Brown, William J; WJB 08/11-08/12/10 Trip to Albany, NY 99 Pine street for meetings with staff and real estate brokers; 08/26/10	33.32
Travel Expense Brown, William J; WJB 08/16-08/19/10 Trip to Albany, NY 99 Pine street; 08/26/10	821.57
Travel Meals Brown, William J; WJB 08/16-08/19/10 Trip to Albany, NY 99 Pine street; 08/26/10	49.33
Travel Expense Brown, William J; WJB 08/29-08/30/10 Trip to Albany, NY for meeting with potential real estate brokers and property manager; 09/02/10	366.41
Travel Meals Brown, William J; WJB 08/29-08/30/10 Trip to Albany, NY for meeting with potential real estate brokers and property manager; 09/02/10	9.25
Outside Printing Copy Pacer 8/1/2010 - 8/31/2010	9.52
Travel Expense Brown, William J; WJB 09/14/10 Trip to Albany, NY 99 Pine street for meeting with B. Haldeman and B. Shea; 09/28/10	164.00
Travel Meals Brown, William J; WJB 09/14/10 Trip to Albany, NY 99 Pine street for meeting with B. Haldeman and B. Shea; 09/28/10	17.64
Travel Expense Brown, William J; WJB 09/20-09/22/10 Trip to Albany, NY 99 Pine street to meet with IRS agents and proposed property managers; 09/28/10	665.12

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Travel Meals Brown, William J; WJB 09/20-09/22/10 Trip to Albany, NY 99 Pine street to meet with IRS agents and proposed property managers; 09/28/10	114.85
Travel Expense Brown, William J; WJB 10/15/10 Taxi charge to visit Benchmark offices in Metairie, LA; 10/25/10	42.00
Travel Expense Brown, William J; WJB 10/15/10 Partial airfare for visit to Brenchmark offices in Metairie, LA; 10/25/10	100.00
Travel Expense Brown, William J; WJB 10/21-10/22/10 Trip to New York City for meeting with Full Circle capital; 10/28/10	785.23
Travel Meals Brown, William J; WJB 10/21-10/22/10 Trip to New York City for meeting with Full Circle capital; 10/28/10	91.06
Travel Expense Brown, William J; WJB 10/20-10/21/10 Trip to Albany, NY for staff meeting and other responsibilities; 10/28/10	390.78
Travel Meals Brown, William J; WJB 10/20-10/21/10 Trip to Albany, NY for staff meeting and other responsibilities; 10/28/10	4.44
Travel Expense Brown, William J; WJB 11/02-11/03/10 Trip to Albany, NY to 99 Pine street for receiver matters; 11/17/10	451.05
Travel Meals Brown, William J; WJB 11/02-11/03/10 Trip to Albany, NY to 99 Pine street for receiver matters; 11/17/10	93.41
Travel Expense Brown, William J; WJB 12/01-12/02/10 Trip to Albany, NY for meeting at 99 Pine Street with T. Smith and stautus conference with judge Homer; 12/15/10	302.11
Travel Meals Brown, William J; WJB 12/01-12/02/10 Trip to Albany, NY for meeting at 99 Pine Street with T. Smith and stautus conference with judge Homer; 12/15/10	30.29
Overnight Courier WJB - UPS to Wanda Shaw, Dir Business Operations re W.J. Brown as Receiver	25.91
Travel Expense Brown, William J; WJB 12/16-12/17/10 Trip to Albany, NY to 99 Pine Street for staff meeting; 122210	473.21

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Travel Meals Brown, William J; WJB 12/16-  
12/17/10 Trip to Albany, NY to 99 Pine Street for  
staff meeting; 122210

11.75

CURRENT EXPENSES

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6,639.69

TOTAL AMOUNT OF THIS INVOICE

\$104,772.19

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

**33474.18**

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



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Invoice Number 690221  
Invoice Date 11/07/11  
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 DECEMBER 31, 2010:

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
09/02/10	WJB	Attend status conference with Judge Homer regarding action, motion practice and next steps	0.5
09/07/10	WJB	Telephone call from L Hennessey at Judge Homer's Chambers regarding arrangements for Wednesday 4:30 p.m. call regarding potential motions	0.1
09/08/10	WJB	Prepare for and participate in telephone conference with Judge Homer regarding SEC request regarding use of credit cards and reasons for same, request by other parties for cross-motions	0.8
09/08/10	WJB	Download recently filed pleadings and review same	0.2
09/08/10	WJB	Review D Stoelting letter to court on credit card motion	0.2
09/21/10	WJB	Review Rule 26 information in preparation for filing of disclosures	0.1

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
09/21/10	WJB	Prepare Rule 26(a)(1) Disclosures, revise same and attend to service of same	1.0
09/27/10	WJB	Review Rule 26 Disclosure by Featherstonhaugh for L Smith and Rule 26 Disclosure by J Dunn on behalf of her clients	0.2
10/05/10	WJB	Review L Smith motion for payment of expenses	0.1
10/07/10	WJB	Review docket for 10/21 hearing date for credit card motion; Email TAR regarding availability for same	0.1
10/07/10	WJB	Review Judge Homer Order on trust and SEC motion	0.2
10/20/10	WJB	Assemble pleadings for 10/21 hearing and review same	0.2
10/20/10	WJB	Review docket entries on rescheduling 11/4 evidentiary hearing	0.1
10/21/10	WJB	Review SEC letter to Court regarding corrections in record	0.1
10/22/10	WJB	Review pleadings and letter filed by investor in civil action	0.1
10/25/10	WJB	Review A Cohen filed letter regarding additional agenda items for 10/26 conference with Judge Homer	0.1
10/26/10	WJB	Prepare for telephonic conference with Judge Homer regarding certain defendants' request to file motion under Rajaratnam Second Circuit decision regarding documents turned over by U.S. Attorney to SEC and participate in same	1.0
11/01/10	WJB	Review Judge Homer Order extending time to answer to December 15 and post same	0.1
11/04/10	WJB	Telephone conference with Judge Homer and parties regarding SEC request for Order to Show Cause	0.5
11/05/10	WJB	Review Piaker & Lyons motion to quash as filed with Court	0.3

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
11/09/10	WJB	Review motion by McGinn and Smith to release assets including Memorandum of Law and Declaration accompanying same	0.1
11/09/10	WJB	Review case law on 401K plans and protection from creditors if proceeds were used in conjunction with fraudulent activities and identify NYS case law on same	0.3
11/09/10	WJB	Prepare e-mail JPF2 regarding research on case law concerning 401K Plan in light of alleged fraudulent activities	0.1
11/10/10	WJB	Conference with JPF2 regarding Court of Appeals decision regarding 401K Plan when proceeds derived from fraudulent arrangement	0.2
11/10/10	WJB	Telephone message to D Stoelting regarding further reports on investment accounts being joint prior to last available account statement	0.1
11/10/10	JPF2	Conference with WJB regarding case law concerning ERISA preemption of state fraudulent conveyance law; Draft and revise email to SEC regarding the same	1.0
11/22/10	K-K	Docket date for SEC to file motion for sanctions	0.2
11/29/10	WJB	Review SEC response to McGinn Smith motion to compel return of documents	0.2
11/29/10	WJB	Review initial disclosures by plaintiff, T McGinn and D Smith and Interrogatories	0.2
11/30/10	WJB	Review SEC response to McGinn and Smith motion to compel responses to interrogatories and M Paley declaration regarding same	0.2
11/30/10	WJB	Review R Iseman motion and order to show cause for withdrawal as counsel, review and tickle same	0.1
11/30/10	WJB	74 State Street: Conferences with JPF2 regarding service of subpoena on CIT for appraisals, rules for service and timing of same; Review Rule 45	0.3



<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
11/30/10	JPF2	Prepare and revise draft of Subpoena and Notice of Subpoena; Review Preliminary Injunction Order and applicable law regarding time for response of subpoena and service of subpoena; Attend to service of subpoena and notice	1.8
12/06/10	WJB	Telephone conference with D Stoelting regarding hearing in District Court on Thursday, agenda for same and discussion of need for Receiver to appear or not appear	0.3
12/07/10	WJB	Review J Dunn Declaration regarding motion	0.5
12/08/10	WJB	Read D Stoelting letter to Court on Vero Beach home papers and conference request	0.1
12/13/10	WJB	Prepare and revise WJB Declaration regarding experience to support oversight of Vero Beach home sale and forward same to D Stoelting at SEC	0.5
12/15/10	WJB	Review amended complaint and prepare answer based upon knowledge and information and belief; Discuss procedure with WJB2 and discuss alternatives in light of facts and circumstances; Revise answer and attend to filing and service of same	1.0
12/15/10	WJB	Read court decisions on Smith 401K and McGinn Florida home	0.2
12/15/10	WJB	Alarm Traders: Review e-mail from L Mehraban with publicity regarding Alarm Traders and prepare e-mail D Keenholts, B Shea regarding California consumer complaint and backgrounds facts regarding same	0.2
12/15/10	WJB	Telephone call from B Shea regarding report on Mrs. McGinn selling residence; Prepare e-mail SEC regarding same	0.2

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/15/10	WJB	Telephone call from L Mehraban to discuss answer date, adjournments granted to other parties and intention of Receiver regarding filing of answer without discussion of scope of same	0.2
12/15/10	WJB	Prepare e-mail SEC on proposed order regarding Vero Beach home versus one filed with motion and need to correct same	0.1
12/16/10	WJB	Review D Smith and T McGinn answers to SEC Complaint	0.1
12/16/10	WJB	Review J Dunn letter on withdrawal from case	0.1
12/16/10	WJB	Review SEC proposed amended order regarding Vero Beach home sale and prepare reply regarding agreement regarding same before filing an amended motion by SEC	0.1
12/23/10	WJB	Review Stewart Jones letter requesting withdrawal of answer on behalf of T McGinn	0.2
12/23/10	WJB	Prepare draft reply to S Jones letter and consider same	0.3
12/23/10	WJB	Telephone call to D Stoelting regarding outcome of FINRA hearing and discussion of S Jones letter requesting withdrawal of answer	0.2
12/23/10	WJB	Telephone call from L Mehraban regarding S Jones letter and questions regarding same	0.1
12/23/10	WJB	Conference ESB regarding S Jones letter and potential courses of action regarding request to withdraw answer; Telephone message S Jones regarding same	0.2
12/28/10	WJB	Review notice from Court regarding 11:30 a.m. conference call regarding potential conflict of new defense counsel; Consider issues and telephone call to Court regarding participation in same	0.1
12/28/10	WJB	Participate in telephone conference with Judge Homer and parties regarding W Dreyer conflict and resolution of same	0.2

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<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/28/10	WJB	Telephone call to D Stoelting regarding effect of change of counsel for individual defendants and two letters requesting withdrawal of answer to Receiver	0.2
12/28/10	WJB	Prepare e-mail D Keenholts requesting discussion of Stewart Jones representation in light of family employment	0.1
12/28/10	WJB	Review J Featherstonhaugh letter requesting withdrawal of answer	0.1

CURRENT FEES

\$6,098.50

FOR COSTS ADVANCED AND EXPENSES INCURRED:

Computerized Research Westlaw Communication	0.49
"COMMUNICATIONS" FLEURY	
Computerized Research Westlaw Connect	1.58
"HOURLY CONNECT" FLEURY	
Computerized Research Westlaw Database - Time	19.34
"STANDARD" FLEURY	
Computerized Research Westlaw Print - Line	27.29
"WESTLAW LINES" FLEURY	
Computerized Research Westlaw Transaction - Find	30.45
"TRANSACTIONAL ONLINE FINDS" FLEURY	
Outside Printing Pacer 11/01 - 11/30/2010	8.72
CURRENT EXPENSES	<hr/> 87.87

TOTAL AMOUNT OF THIS INVOICE

\$6,186.37

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

**33474.19**

**W.J. Brown, as Receiver v. Thomas E. Livingston**



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Invoice Number 690248  
Invoice Date 11/07/11  
Client Number 33474  
Matter Number 00019  
W J Brown

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**Re: W.J. BROWN, AS RECEIVER OF MCGINN SMITH & CO., INC. V THOMAS E. LIVINGSTON**

FOR PROFESSIONAL SERVICES RENDERED THROUGH DECEMBER 31, 2010:

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
06/25/10	CWF	Telephone conference with Alexander Poole re service of Summons and Complaint; Send email and reply by email to questions from Alexander Poole re service of Summons and Complaint; Continue to read and analyze SEC Complaint; Revise Complaint to add causes of action for fraudulent conveyance	2.9
08/05/10	WJB	Livingston: Work on drafting and redraft of Amended Complaint to add fraudulent conveyance claims and compare to SEC Complaint against McGinn Smith, review of applicable New York law and facts	1.4
08/05/10	WJB	Livingston: Review Livingston answer and counterclaim; Telephone call to TAR regarding same in light of notification to Livingston that Receiver was to file an Amended Complaint	0.1
08/05/10	CWF	Review Answer with counterclaims; Telephone conference with Todd A. Ritschdorff re service of Amended Complaint under Federal Rules of Evidence	0.6

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/05/10	TAR	Review and research of issues and FRCP standard re amendment to Livingston complaint; Telephone calls with P Moschetti and WJB re amending Livingston complaint	2.8
08/05/10	TAR	Revisions to amended Livingston complaint; Review of Livingston's answer to original complaint	1.7
08/05/10	TAR	Telephone conferences with the Northern District of New York Clerk's Office and Judge's Chambers re FRCP Rule 15 and issues re amended Livingston complaint	0.4
08/06/10	TAR	Follow-up telephone conferences with the Northern District of New York Clerk's Office and Judge's Chambers re FRCP Rule 15 and issues re amended Livingston complaint; Further review of FRCP Rule 15 standard	0.7
08/06/10	TAR	Finalized amended complaint; Filed same	0.6
08/10/10	TAR	Review of Livingston financial information; Correspondence with B Shea and WJB re Livingston financial information; Telephone calls with B Shea re Livingston expense amounts	1.0
08/16/10	TAR	Telephone calls with B Shea and P Moschetti re Livingston issues Review of expense amounts	0.5
08/17/10	TAR	Telephone calls with P Moschetti and B Shea re Livingston salary and expense issues; Began review of McGinn Smith expense records; Correspondence with WJB and B Shea re expense records	1.1
08/17/10	TAR	Research re reply to counterclaim	0.7
08/17/10	TAR	Preparation of draft reply to Livingston counterclaim	0.8
08/24/10	TAR	Preparation of Stipulation and Order regarding Livingston's response to Amended Complaint	0.6
08/24/10	TAR	Preparation of memorandum to WJB re effect of amended pleadings	0.6

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
08/24/10	TAR	Research re amended pleading's effect on prior pleading in Livingston case	0.7
08/25/10	TAR	Revisions to stipulation memorializing extension to respond to amended complaint	0.4
08/25/10	TAR	Telephone call with P Moschetti re extension to respond to amended complaint	0.2
08/26/10	TAR	No Charge: Correspondence and telephone calls with P Moschetti re stipulation memorializing extension to respond to amended Livingston complaint	0.4
08/27/10	K-K	Docket last day for Livingston to respond to complaint	0.2
08/30/10	TAR	Review of Livingston correspondence re affirmative defenses/counterclaims	0.9
08/30/10	TAR	Correspondence with P Moschetti re Livingston insurance issue	0.2
08/31/10	TAR	Issues re ECF notifications; Update of Northern District of New York account re notices in Livingston action	0.2
09/03/10	TAR	Correspondence with WJB re rectifying Livingston vehicle insurance problems	0.3
09/03/10	TAR	Review of correspondence from P Moschetti re Livingston vehicle insurance	0.2
09/07/10	TAR	Review of Livingston tax materials regarding salary / commission claims; Conference with MHG regarding Livingston W-2 concerns	0.5
09/08/10	TAR	Correspondence with WJB regarding litigation strategy concerning the claims against Livingston	0.9
09/08/10	TAR	Analysis of Livingston correspondence and financial information	0.5
09/09/10	K-K	Docket discovery due date	0.2

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
09/09/10	TAR	Receipt and review of amended complaint (Livingston)	0.4
09/09/10	TAR	Began research regarding motion to dismiss counterclaim (Livingston)	1.1
09/10/10	TAR	Conference with WJB re motion to dismiss Livingston counterclaim; Review of counterclaim	0.2
09/10/10	TAR	Began preparing declarations of TAR and WJB in support of motion to dismiss Livingston counterclaim	1.8
09/10/10	MHG	Consultation with TAR regarding case management order	0.1
09/10/10	MHG	Research regarding application of BCL 513 and cases avoiding stock repurchase	1.1
09/13/10	TAR	Continued preparation of WJB declaration in support of motion to dismiss Livingston counterclaim	1.8
09/13/10	TAR	Began preparation of memorandum of law in support of motion to dismiss Livingston counterclaim	3.3
09/13/10	TAR	Research re criminal liability in connection with repurchasing shares by insolvent corporation (Livingston)	0.7
09/14/10	WJB	Conference with TAR regarding comments and issues with B Shea Declaration concerning action versus Livingston and financial status	0.1
09/14/10	TAR	Telephone call with P Fagan re Livingston vehicle insure issues	0.2
09/14/10	TAR	Revisions to memorandum of law in support of motion to dismiss Livingston counterclaim	1.9
09/14/10	TAR	No Charge: Correspondence with WJB re strategy for moving to dismiss Livingston counterclaim	0.4
09/14/10	TAR	Revisions to WJB declaration in support of motion to dismiss Livingston Counterclaim	0.5



<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
09/15/10	TAR	No Charge: Continued research of insolvency standard for motion to dismiss Livingston counterclaim	0.6
09/15/10	TAR	Began preparation of B Shea declaration in support of motion to dismiss Livingston Counterclaim	0.7
09/16/10	TAR	Continued review of insolvency standards for motion to dismiss Livingston counterclaim	1.1
09/17/10	TAR	Revisions to and continued preparation of memorandum of law in support of motion to dismiss Livingston counterclaim	3.5
09/17/10	TAR	Continued research regarding applicability of Business Corporation Law Section 514 to Livingston Counterclaim	1.3
09/27/10	TAR	Telephone calls with B Shea regarding McGinn Smith financial information regarding motion to dismiss Livingston's counterclaim	0.4
09/27/10	TAR	Analysis of exhibits for motion to dismiss Livingston counterclaim	0.7
09/28/10	TAR	Meeting with B Shea regarding McGinn Smith financial condition regarding surplus analysis with respect to Livingston redemption claim	1.4
09/28/10	TAR	Continued research regarding surplus analysis regarding Livingston counterclaim	1.8
09/28/10	TAR	Revisions to declaration of B Shea in support of motion to dismiss Livingston counterclaim	1.0
09/28/10	TAR	No Charge: Correspondence with WJB regarding proceeding with motion to dismiss Livingston counterclaim and surplus analysis	0.9
09/28/10	BMF2	Discussions with T Ritschdorff regarding matters concerning stated capital of corporation and relation to insolvency; Review of materials relating to issue of stated capital of corporation	0.4

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
09/29/10	TAR	Telephone calls and correspondence with B Shea regarding McGinn Smith surplus; Issues regarding stock offerings to determine surplus	1.4
09/29/10	TAR	Continued revisions to motion to dismiss Livingston counterclaim	3.5
09/30/10	WJB	Review strategy concerning motion to dismiss for summary judgment as to counterclaim asserted by T Livingston and consider same	0.1
09/30/10	TAR	Research regarding affirmative defenses to Livingston counterclaim	1.0
09/30/10	TAR	Revisions to reply to Livingston Counterclaim	0.8
10/01/10	WJB	Review and revise reply to counterclaim and including investigation of law on applicability of Penal Law section to Livingston actions and assertions	0.5
10/01/10	WJB	Finalize revisions to reply and send to TAR	0.1
10/01/10	TAR	No Charge: Final revisions to reply to counterclaim; Conference and correspondence with WJB regarding final reply to counterclaim; Filed and served reply to counterclaim	0.9
10/04/10	TAR	Conference with WJB regarding insurance issues	0.2
10/04/10	TAR	Preparation of correspondence to P Moschetti regarding Livingston vehicle insurance	0.3
10/04/10	MHG	Reviewed DMV VIN and License Search re 2008 Honda concerning Insurance coverage 2 searches: \$14.00 disbursement	0.3
10/06/10	TAR	Telephone conference with P Moschetti re Livingston Civil Case Management Plan	0.3
10/06/10	TAR	Began preparation of Livingston Civil Case Management Plan	0.9

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
10/06/10	MHG	Consultation with TAR concerning Rule 16 case management order	0.3
10/07/10	TAR	Continued preparation of civil case management plan	2.3
10/07/10	TAR	No Charge: Research regarding federal rules with respect to civil case management plan	0.5
10/08/10	TAR	Correspondence with WJB re Rule 16 conference	0.4
10/08/10	TAR	Revisions to Livingston case management plan	0.9
10/12/10	WJB	Conference with DJM regarding strategy on Livingston summary judgment motion regarding how to handle issues of potential disputed fact	0.1
10/13/10	TAR	No Charge: Revisions to Livingston Civil Case Management Plan	0.4
10/13/10	TAR	Research re dispositive motions and court permission with respect to Livingston Civil Case Management Plan	0.5
10/15/10	TAR	Telephone call and correspondence to P Moschetti re civil case management plan	0.4
10/26/10	TAR	No Charge: Preparation for Rule 16 conference	0.9
10/27/10	TAR	Preparation of update to WJB re Rule 16 Conference	0.5
10/27/10	TAR	Attendance at Rule 16 conference	0.9
10/29/10	WJB	Review format of potential personal financial statement for Livingston for completion per court conference	0.1
11/01/10	WJB	Prepare further revisions to Personal Financial Statement to be completed by Mr. Livingston	0.2
11/01/10	WJB	Finalize personal financial statement disclosure draft and e-mail to TAR for distribution	0.3

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
11/01/10	TAR	Revisions to Livingston financial disclosure affidavit	0.4
11/04/10	TAR	Continued revisions to Livingston financial disclosure affidavit	0.9
11/05/10	TAR	No Charge: Final revisions to Livingston financial disclosure affidavit	0.4
11/16/10	WJB	Review proposed Personal Financial Statement and prepare revisions to same for TAR	0.2
11/16/10	TAR	Revisions to Livingston financial disclosure affidavit	0.8
11/16/10	TAR	No Charge: Conference with WJB re proceeding with Livingston claim	0.2
11/17/10	TAR	Research re statute of limitations for fraudulent transfer claims	0.3
11/17/10	TAR	Revisions to Livingston financial disclosure affidavit	0.3
11/17/10	TAR	Correspondence with P Moschetti re Livingston financial disclosure affidavit	0.3
12/02/10	TAR	Correspondence with P Moschetti re status of financial disclosure affidavit and Honda Odyssey insurance	0.3
12/07/10	TAR	Telephone call with P Moschetti re status of financial disclosure affidavit	0.2
12/07/10	TAR	Correspondence with WJB re Livingston confidentiality concerns	0.3
12/17/10	WJB	Prepare e-mail to TAR on status of personal financial disclosure and next steps	0.1
12/17/10	TAR	Correspondence with P Moschetti and WJB re status of Livingston financial disclosure affidavit and automobile insurance issue	0.3

33474 Brown, William J. as Receiver of McGinn,  
Smith & Co., Inc., et al  
00019 W.J. Brown, as Receiver of McGinn Smith  
November 7, 2011

Invoice Number 690248

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<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/20/10	TAR	Telephone call to P Moschetti re outstanding Livingston requests	0.2
12/21/10	TAR	Correspondence with P Moschetti re failure to provide Livingston documents	0.2
12/23/10	TAR	Correspondence with P Moschetti re status of financial disclosure affidavit	0.2
12/29/10	TAR	Correspondence with P Moschetti re outstanding Livingston financial disclosure affidavit and response re Honda Odyssey	0.2

CURRENT FEES	\$15,080.50
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FOR COSTS ADVANCED AND EXPENSES INCURRED:

Computerized Research Service: LEXIS LEGAL SERVICES; Charge Type: SEARCHES; Quantity: 3.00:	370.73
Computerized Research Service: LEXIS LEGAL SERVICES; Charge Type: SINGLE DOCUMENT RETRIEVAL; Quantity: 2.00:	25.88
Computerized Research Service: MATTHEW BENDER SERVICE; Charge Type: SINGLE DOCUMENT RETRIEVAL; Quantity: 1.00:	51.78
Computerized Research Service: LEXIS LEGAL SERVICES; Charge Type: SEARCHES; Quantity: 1.00:	78.71
Computerized Research Service: LEXIS LEGAL SERVICES; Charge Type: SINGLE DOCUMENT RETRIEVAL; Quantity: 2.00:	25.81

CURRENT EXPENSES	<hr/> 552.91
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TOTAL AMOUNT OF THIS INVOICE	\$15,633.41
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33474 Brown, William J. as Receiver of McGinn,  
Smith & Co., Inc., et al  
00019 W.J. Brown, as Receiver of McGinn Smith  
November 7, 2011

Invoice Number 690248

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

**33474.21**

**Sale of Vero Beach Property (Smith's)**



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FED I.D. #16-0505790

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3400 HSBC Center  
Buffalo, NY 14203

Invoice Number 690223  
Invoice Date 11/07/11  
Client Number 33474  
Matter Number 00021  
W J Brown

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**Re: SALE OF VERO BEACH PROPERTY (SMITH'S)**

FOR PROFESSIONAL SERVICES RENDERED THROUGH DECEMBER 31, 2010:

<u>Date</u>	<u>Tkpr</u>		<u>Hours</u>
12/12/10	WJB	Vero Beach: Review e-mail request from D Stoelting for Declaration regarding Receiver's experience in disposing of real estate and prepare reply	0.1
12/12/10	WJB	Vero Beach: Prepare draft Declaration regarding real estate disposition experience	0.3

CURRENT FEES \$170.00

TOTAL AMOUNT OF THIS INVOICE \$170.00

\*\*\*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/DRH)

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

Upon the Amended Second Interim Application of Phillips Lytle LLP (“Phillips Lytle”) and the Receiver (“Receiver”) for Allowance of Compensation and Reimbursement of Expenses dated November 12, 2011 (Docket No. \_\_\_\_\_) (“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 August 1, 2010 and December 31, 2010 ("Second Interim Period") in the amount of \$121,456.64 is allowed as an interim allowance, and (ii) reimbursement of expenses advanced by Phillips Lytle during the Second Interim Period in the amount of \$9,324.23 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: \_\_\_\_\_, 2011

\_\_\_\_\_  
HON. DAVID R. HOMER

Doc # 01-2518891.2

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF NEW YORK

-----X  
SECURITIES AND EXCHANGE COMMISSION :

*Plaintiff,*

vs.

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

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 November 12, 2011, a true and correct copy of the Notice and Amended Second Interim Application of Phillips Lytle LLP and the Receiver for Allowance of Compensation and Reimbursement of Expenses 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:

- **Alison B. Cohen** - acohen@gkblaw.com
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- **Scott J. Ely** - sje@fwc-law.com
- **James D. Featherstonhaugh** - jdf@fwc-law.com, cr@fwc-law.com, shm@fwc-law.com, sje@fwc-law.com, sbh@fwc-law.com

- **Erin K. Higgins** - EHiggins@ckrpf.com
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- **Thomas E. Peisch** - TPeisch@ckrpf.com, apower@ckrpf.com
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- **The Shoma Group** - fsilva@shomagroup.com
- **Benjamin Zelsermyer** - bzlaw@optonline.net, steincav@aol.com

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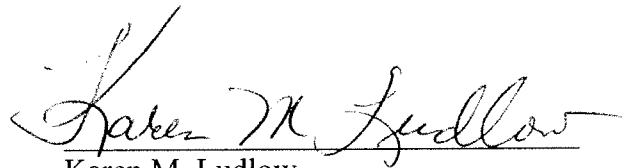
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99 Pine Street, Suite 210  
Albany, NY 12207

November 12, 2011



Karen M. Ludlow