

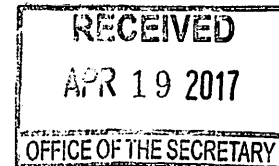
UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-17848

In the Matter of

James P. Griffin,

Respondent.



**DIVISION OF ENFORCEMENT'S MEMORANDUM OF LAW
IN SUPPORT OF ITS MOTION FOR SUMMARY DISPOSITION
AGAINST RESPONDENT JAMES P. GRIFFIN**

DIVISION OF ENFORCEMENT

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Pursuant to Rule 250 of the Securities and Exchange Commission's Rules of Practice, the Division of Enforcement ("the Division") respectfully submits this memorandum of law in support of its motion for summary disposition against respondent James P. Griffin ("Griffin") regarding the claims against him set forth in the Order Instituting Administrative Proceedings in this action (instituted on February 16, 2016). The Division seeks industry and penny-stock bars against Griffin.

PRELIMINARY STATEMENT

On July 18, 2016, Griffin was convicted on 23 counts of mail fraud, wire fraud, and money laundering in *United States v. James P. Griffin*, 15-cr-207 (N.D.N.Y.) (the "Criminal Case"). Griffin's convictions arose from a long-running scheme whereby he converted investor funds -- earmarked for so-called "charitable gift annuities" -- for his own use and the use of his companies. Griffin also fraudulently induced investors to invest in certain of his companies by withdrawing money from their tax-sheltered retirement accounts, upon the false representations that they would profit from the investments, and that their funds would be "rolled over" into another tax-sheltered retirement account (or that Griffin would be responsible for payment of any taxes or penalties due from early distribution of such funds). He further made promises about unrealistically high returns investors could expect. For his criminal conduct, Griffin was sentenced to 60 months in prison and ordered to pay over \$2.1 million in restitution. Based upon Griffin's conviction in the Criminal Case, and the other documents in the record, the Division respectfully requests that this Court bar Griffin: (1) from associating with any broker, dealer, investment advisor, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical ratings organization; and (2) from participating in the offering of any penny stock.

STATEMENT OF UNDISPUTED FACTS

The following facts are indisputable. All citations are to the Declaration of Christopher J. Dunnigan dated April 18, 2017 (and exhibits thereto), filed concurrently herewith.

I. Griffin's Criminal Conviction

On July 22, 2015, Griffin was indicted in the Criminal Case on 23 counts of money laundering, mail fraud, and wire fraud. (Dunnigan Dec. Ex. 1.) On November 25, 2015, a superseding indictment was filed against Respondent ("Superseding Indictment"). (*Id.*, Ex. 2.)

The Superseding Indictment alleges a fraudulent scheme whereby Griffin utilized a collection of corporate entities that he controlled, collectively referred to as "54 Freedom."¹ (*Id.* at ¶¶1-2.) The Superseding Indictment alleges that Griffin and his corporate entities marketed a financial product called "the 54 Freedom Charitable Gift Annuity (CGA)." (*Id.* at ¶3.) According to the Superseding Indictment, beginning in or around July 2009, and continuing through the filing of the Criminal Case, Griffin fraudulently induced individuals to purchase at least nine CGAs by making multiple false representations, including that:

- (i) "the CGAs provided 'lifetime fixed income for one or two individuals'";
- (ii) 54 Freedom "reinsures transactions through a carrier rated 'A' or higher";
- (iii) the CGAs provided payments "backed by a highly rated, state regulated insurance carriers";
- (iv) the "CGAs were annuities purchased from A rated insurers";

¹ The Superseding Indictment refers to the following Griffin corporate entities as comprising the "54Freedom Companies": 54 Freedom Group, Inc., 54 Freedom, Inc., 54 Freedom Association, 54 Freedom Tele, 54 Freedom Foundation, Inc., 54 Freedom Securities, Inc., and 54 Freedom Services, Inc. In addition, the Superseding Indictment identifies the following companies as part of Griffin's fraudulent schemes: 5 Ledyard Avenue, LLC, 5 Ledyard, LLC, and Money Ins., Inc.

- (v) the CGAs provided “security, flexibility and certainty to an audience aged 50 to 90”;
- (vi) the “annuity promise is kept by a major highly rated insurance carrier annuity giving donors confidence that they will receive annuity payments that are guaranteed”; and
- (vii) the CGAs were an “annuity product with no risk of loss of principal which will provide a tax advantaged future stream of income guaranteed for life.”

(*Id.* at ¶¶ 5-13, 16, 18, 30-31.) These representations were untrue – Griffin converted over \$1.6 million in ostensible CGA purchases for his own use and to pay the liabilities and expenses of his corporate entities. (*Id.* at ¶14.)

In addition to fraudulently selling CGAs, the Superseding Indictment alleges that Griffin fraudulently induced individuals to invest in certain of his companies by withdrawing money from tax-sheltered retirement accounts, upon false representations that they would profit from the investments and that their funds would be “rolled over” into another tax sheltered retirement account (or that Griffin would be responsible for payment of any taxes or penalties due from early distribution of such funds). (*Id.* at ¶¶ 21-29.) As part of this scheme, Griffin “promised unrealistically high returns on funds invested with him, when in fact investors received little, if any, return on their investments.” (*Id.* at ¶27.) Griffin raised at least \$370,000 in investments in his corporate entities from investors. (*Id.* at ¶29.)

On July 18, 2016, after a seven-day jury trial, Griffin was convicted on all 23 counts in the Superseding Indictment. (Dunnigan Dec. Exs. 5-7.) The Court in the Criminal Case sentenced Griffin to 60 months imprisonment, recommended that Griffin be evaluated for mental health treatment, and ordered him to pay \$2,153,530.93 in restitution (without interest). (Dunnigan Dec. Exs. 7 & 9 at 19-20.)

II. Griffin's Sentencing Hearing

Griffin's sentencing hearing in the Criminal Case was held on December 13, 2016. In anticipation of that hearing, Griffin filed a two-page written statement, and he also spoke at the hearing. (Dunnigan Dec. Exs. 8 & 9.) Despite his conviction, Griffin did not accept responsibility for his actions. To the contrary, he appeared to believe he could continue his prior business activities. For example, he stated in his written submission that:

1. "All companies are either operating or in neutral state waiting to participate in programs.
2. *Mission continues since 2007 to market current unique insurance policies underwrites by Lloyd's of London and others. Products are owned by our companies and in various stages of patent protection.*
3. Goal is to make all approximately 200 investors whole with initial principal plus gain."

(Dunnigan Dec. Ex. 8.) (emphasis added)

At his sentencing hearing, in a similar vein, Griffin stated the following:

First, I apologize to all of our investors for the lack of production to date. Apple was bankrupt in 1997. I continue to work since 2007 to produce money for investors *and I'm asking the Court to allow these efforts to continue.* We have over 200 investors in our company from over 25 states. We have lawyers, doctors, people in the disability community. We have teachers, relatives, neighbors, high school friends of mine, and other trusting people, such as ministers and nurses, as investors in our company. Again, I apologize for not producing sooner but with a reengineered team and direction, we work to produce the results that our investors expected and I want them to have. Thank you.

(Dunnigan Dec. Ex. 9 at 18.) (emphasis added)

After listening to Griffin's statement, the sentencing Judge made the following findings:

[I]t has been pointed out by some of the victims, Mr. Griffin, that you are delusional, sociopathic, and amoral - - not immoral, but amoral. You have no idea what right and wrong is about. All of these descriptions are

somewhat warranted. I do not understand how today you are still professing your innocence and that you believe you have wonderful ideas to make a lot of money.

The evidence is clear throughout the trial that you intentionally misled people, told them you'd do something you didn't do. Told them something was done when it wasn't done.

In my 25 years on the bench I have seen a number of defendants who have been accused of - - convicted of fraud. And there's been people like you that still believe they were innocent of everything, didn't understand why anybody thought they did something wrong, when the evidence was overwhelming that they did and they did it intentionally.

So there are people out there like yourself that I will never understand and society can never accept as a proper way of functioning.

(Dunnigan Dec. Ex. 9 at 18-19.)

ARGUMENT

I. Summary Disposition Standard

Rule 250 of the Commission's Rules of Practice permits a party, with leave of the Hearing Officer, to move for summary disposition on one or more claims if it can be shown that there is "no genuine issue with regard to any material fact and that the movant is entitled to a summary disposition as a matter of law." Summary disposition is particularly appropriate in a follow-on proceeding where the underlying facts at issue have already been litigated in the criminal proceedings and the sole issue for the Court in this proceeding concerns the appropriate sanction. *See, In the Matter of Toby G. Scammell*, A.P. File No. 3-15271, 2014 WL 5493265, at *3 n.17 (Comm. Op. Oct. 29, 2014) ("We have repeatedly upheld the use of summary disposition in circumstances where a respondent has been enjoined or convicted and the sole determination concerns the appropriate sanction."); *see also, In the Matter of Peter Siris*, A.P. File No. 3-15057, 2013 WL 6528874, at *11, n.68 (Comm. Op. Dec. 12, 2013) ("A 'summary proceeding was

appropriate' in a follow-on proceeding when the respondent's criminal case 'disposed of the central issue regarding the nature of his 'alleged misconduct' for administrative enforcement purposes.'"), quoting, *Kornman v. SEC*, 592 F.3d 173, 183 (D.C. Cir. 2010).

II. Griffin's Conviction Establishes the Basis for Administrative Relief

Section 15(b)(6)(A) of the Securities Exchange Act of 1934 ("Exchange Act") provides in relevant part that:

With respect to . . . any person participating , or at the time of the alleged misconduct, who was participating, in an offering of any penny stock, the Commission, by order, shall censure, place limitations on the activities or functions of such person, or suspend for a period not exceeding 12 months, or bar any such person from being associated with a broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization, or from participating in an offering of penny stock, if the Commission finds on the record after notice and opportunity for a hearing, that such censure, placing of limitations, suspension or bar is in the public interest and that such person . . .

- (ii) has been convicted of any offense specified in paragraph (B) of such paragraph (4) within 10 years of the commencement of the proceedings under this paragraph.

15 U.S.C. § 78o(b)(6)(A).

Much of the stock issued by 54Freedom Inc., Money Ins., Inc. 54Freedom Tele, Inc., 54 Freedom Securities, Inc., and 5 Ledyard Corp. (Dunnigan Dec. Ex. 3 at 1) was sold for less than \$5 per share and, thus, meets the statutory definition of "penny stock."² See, Exchange Act Section 3(a)(51) [15 U.S.C. § 78c(51)(A)] and Rule 3a51-1 thereunder [17 C.F.R § 240.3a51-1]. At his criminal trial, Griffin testified that he was the founder and CEO of the 54 Freedom companies, and

² The stock and promissory notes sold by Respondent and his entities do not fit any of the exemptions from the definition of "penny stock" found in Exchange Act Section 3(a)(51) or Rule 3a51-1 thereunder.

that those companies had 150 shareholders and 50 promissory note holders. (Dunnigan Dec. Ex. 4 at 97-98, 119-120.) A document titled “54 Freedom Group Stock and Funds Raised Summary” (the “Stock Summary”) -- which Griffin and his companies produced to the Division -- establishes that Griffin’s companies raised over \$2.6 million from stock sales at prices ranging from \$1 to \$20 per share. (Dunnigan Dec. Ex. 3.) The Stock Summary further establishes that over \$1.3 million of those stock sales were at less than \$5 per share, and that the vast majority of those sales were at \$1.25 per share. (*Id.* at 1.) Griffin thus meets the statutory definition of a “person participating in the offering of a penny stock,” which the Exchange Act defines as:

any promoter, finder, consultant, agent, or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in a penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

See, Exchange Act Sec. 15(b)(6)(C) [15 U.S.C. §78o(b)(6)(C)]; *In the Matter of Ralph W. Leblanc*, A.P. File No. 3-10065, 2003 WL 21755845, at *4 (Comm. Op. July 30, 2003) (affirming ALJ’s imposition of a penny stock bar against the president of a penny stock company under Exchange Act Section 15(b)(6)(A), pursuant to the phrase “any person” that appears in the statute).

Furthermore, Exchange Act Section 15(b)(6) authorizes the Commission to issue industry and penny stock bars against any person who, at the time of the alleged misconduct, was participating in the offering of any penny stock and was convicted of any offense specified in Section 15(b)(4)(B) [15 U.S.C. § 78o(b)(4)(B)] within ten years of the commencement of the proceedings, if such sanction is in the public interest. Among the offenses specified in Section 15(b)(4)(B) are “any felony or misdemeanor or substantially equivalent crime by a court of competent foreign jurisdiction which the Commission finds –

(i) involves the purchase or sale of any security . . . [or] . . .

(iii) involves the larceny theft, robbery, extortion, forgery, counterfeiting, fraudulent concealment, embezzlement, fraudulent conversion, or misappropriation of funds, or securities, or substantially equivalent activity, however denominated by the laws of the relevant foreign government.

15 U.S.C. § 78o(b)(4)(B)(i) and (iii).

Griffin's conviction in the Criminal Trial involved both: (1) the sale of securities; and (2) theft, fraudulent concealment, fraudulent conversion, and misappropriation of funds. Thus, it satisfies the requirements of either of the above provisions.

III. Griffin's Appeal of His Criminal Conviction Does Not Preclude Imposition of Sanctions Against Him

At the March 27, 2017 teleconference with the Court, Griffin stated that he was appealing his criminal conviction. (Dunnigan Dec. Ex. 10 at 8-9.) "Under well-settled federal law, the pendency of an appeal does not diminish the *res judicata* effect of a judgment rendered by a federal court." *Hunt v. Liberty Lobby, Inc.*, 707 F.2d 1493, 1497 (D.C. Cir. 1983); *see also, In the Matter of Eric S. Butler*, A.P. File No. 3-13986, 2011 WL 3792730, at *3, n.17 (Comm. Op. Aug. 26, 2011) (citing *Hunt*). If Griffin's criminal conviction is overturned on appeal, his recourse is to apply to the Commission at that time to have his bar vacated. *See In the Matter of Kenneth E. Mahaffy, Jr.*, A.P. File No. 3-13481, 2012 WL 6608201 (Comm. Op. Dec. 18, 2012) (vacating broker-dealer and investment adviser bars where "the statutory basis for the bar, in this case Mahaffy's 2009 criminal conviction, has been vacated.").

IV. Associational and Penny Stock Bars are in the Public Interest

Based on his criminal conviction, the Court should impose associational and penny stock bars against Griffin. Generally, in determining whether a sanction is in the public interest, the Commission considers 6 factors: (i) the egregiousness of the respondent's actions; (ii) the isolated or recurrent nature of the infractions; (iii) the degree of scienter involved; (iv) the respondent's recognition of the wrongful nature of his conduct; (v) the sincerity of the respondent's assurances against future violations; and (vi) the likelihood that the respondent's occupation will present opportunities for future violations. *See, In the Matter of Edgar R. Page*, A.P. File No. 3-16037, 2016 WL 3030845, at *5 (Comm. Op. May 27, 2016). The inquiry is "flexible, and no one factor is dispositive." *Id.*

It is well established, however, that, "[a]bsent extraordinary mitigating circumstances" a conviction for offenses involving securities fraud necessitates a bar. *See, Butler*, 2011 WL 3792730 at *4; *In the Matter of Alberto W. Vilar*, A.P. File No. 3-13345, 2009 WL 1684733, at *2 (Initial Decision, Apr. 17, 2009) ("Absent extraordinary mitigating circumstances,' an individual who has been criminally convicted in connection with activities related to the purchase or sale of securities cannot be permitted to remain in the securities industry.") (citations omitted).

All factors weigh heavily in favor of bars against Griffin. Griffin's conduct was extremely egregious and extensive. Over multiple years, Griffin deceived at least 9 purchasers of CGAs (which were aimed at senior citizens), as well as investors who purchased stock and promissory notes from the 54Freedom Companies and 5 Ledyard Companies.

Griffin also acted with a high degree of scienter. As his sentencing Judge found, Griffin “intentionally misled people,” and “told them [he’d] do something [he] didn’t do.” (Dunnigan Dec. Ex. 9 at 18-19.)

Further, Griffin has refused to acknowledge his wrongdoing. To the contrary, he claims that he intends to somehow continue to operate his businesses and repay investors. Thus, far from taking responsibility for his egregious conduct, Griffin apparently wishes to continue to defraud new investors. Griffin’s written and oral statements that he wishes to continue to operate his fraudulent businesses thus likewise demonstrate the need to bar him from the securities industry and from engaging in penny stock fraud. (Dunnigan Dec. Exs. 8 & 9 at 18.)

Finally, no mitigating factors favor enabling Griffin to participate in the securities industry or to allow his involvement in the offering of penny stocks.

CONCLUSION

For the foregoing reasons, the Division respectfully requests that the Court grant its motion for summary disposition to issue an order barring Griffin from: (1) associating with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or

nationally recognized statistical ratings organization; and (2) participating in the offering of any penny stock.

Dated: April 18, 2017



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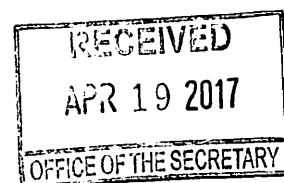
UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-17848

In the Matter of

James P. Griffin,

Respondent.



DECLARATION OF CHRISTOPHER J. DUNNIGAN IN SUPPORT OF THE
DIVISION OF ENFORCEMENT'S MOTION FOR SUMMARY DISPOSITION

I, Christopher J. Dunnigan, pursuant to 28 U.S.C. §1746, declare as follows:

1. I am a senior counsel with the Divisions of Enforcement of the Securities and Exchange Commission ("Division"). I make this Declaration in support of the Division's Motion for Summary Disposition.

2. Attached as Exhibit 1 is a copy of the July 22, 2015 Indictment in the matter *U.S. v. Griffin*, 5:15-CR-207 (N.D.N.Y).

3. Attached as Exhibit 2 is a copy of the November 25, 2015 Superseding Indictment in the matter *U.S. v. Griffin*, 5:15-CR-207 (N.D.N.Y).

4. Attached as Exhibit 3 is a document titled "54 Freedom Group Stock and Funds Raised Summary" produced by entities controlled by Respondent James P. Griffin.

5. Attached as Exhibit 4 is a portion (pages 52, 97-98, 119-120) of the July 18, 2016 transcript of the trial in the matter *U.S. v. Griffin*, 5:15-CR-207 (N.D.N.Y), which consists of excerpts of Respondent's testimony.

6. Attached as Exhibit 5 is the July 18, 2016 Jury Verdict Form in the matter *U.S. v. Griffin*, 5:15-CR-207 (N.D.N.Y).

7. Attached as Exhibit 6 is the July 18, 2016 Jury Trial Minutes in the matter *U.S. v. Griffin*, 5:15-CR-207 (N.D.N.Y).

8. Attached as Exhibit 7 is the December 16, 2016 Judgment in the matter *U.S. v. Griffin*, 5:15-CR-207 (N.D.N.Y).

9. Attached as Exhibit 8 is the December 12, 2016 Sentencing Statement of Defendant James P. Griffin in the matter *U.S. v. Griffin*, 5:15-CR-207 (N.D.N.Y).

10. Attached as Exhibit 9 is the December 13, 2016 transcript of the Sentencing Hearing in the matter *U.S. v. Griffin*, 5:15-CR-207 (N.D.N.Y).

11. Attached as Exhibit 10 is the March 27, 2017 transcript of the parties teleconference with the Court in this matter.

New York, New York
April 18, 2017



Christopher J. Dunnigan
Senior Counsel
Division of Enforcement
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(212) 336-0061

Exhibit 1

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

v.

JAMES P. GRIFFIN,

Defendant.

) Criminal No.

)

) Indictment

)

) Violations:

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5:15-CR-207 (FJS)

18 U.S.C. § 1341

Wire Fraud

18 U.S.C. § 1343

Mail Fraud

18 U.S.C. § 1957

Money Laundering

18 Counts

County of Offense: Madison

THE GRAND JURY CHARGES:

INTRODUCTION

At all times relevant to this Indictment:

1. The defendant was the Chief Executive Officer (CEO) of the 54 Freedom Companies (54 Freedom), which includes the following companies with offices in Cazenovia, New York: 54 Freedom Group, Inc.; 54 Freedom, Inc.; 54 Freedom Association; 54 Freedom Tele; 54 Freedom Foundation, Inc.; and 54 Freedom Securities, Inc.

2. The defendant also served as an officer and agent of 5 Ledyard Corporation and Money Ins., Inc., with offices in Cazenovia, New York.

3. 54 Freedom marketed a financial product called the 54 Freedom Charitable Gift Annuity (CGA). This product allows a person (hereinafter "donor") to make a gift to charity and still receive income for himself or others.

The Charitable Gift Annuity Fraud

4. Paragraphs 1 through 3 of this Indictment are realleged as if fully set forth herein.

5. From on or about July 2009 and continuing through the date of this Indictment,

the defendant,

JAMES P. GRIFFIN,

devised and intended to devise a scheme and artifice to defraud persons by soliciting investments under false pretense and concealing, disguising and failing to disclose material information and to obtain money and property by means of material false and fraudulent pretenses, representations, promises and material omissions by fraudulently inducing donors to purchase 54 Freedom Charitable Gift Annuities upon the false promise that the annuities would be issued by a highly rated major insurance carrier and that the annuity would provide guaranteed lifetime income for the donor.

SCHEME AND ARTIFICE

6. It was part of the scheme that 54 Freedom represented in promotional materials supplied to brokers that its CGA provides “lifetime fixed income for one or two individuals”.

7. It was further part of the scheme that 54 Freedom represented in promotional materials to brokers that it “reinsures transactions through a carrier rated “A” or higher by A.M. Best”.

8. It was further part of the scheme that 54 Freedom promoted its CGAs on its website as providing “payments backed by highly rated, state regulated insurance carriers.”

9. It was further part of the scheme that brokers and broker dealers were provided with what 54 Freedom described as its “principle (sic) marketing piece – a 3-page cartoon explaining the unique transactions offered by 54 Freedom”. The cartoon represented that the 54 Freedom CGA is an annuity purchased from an A rated insurer.

10. It was further part of the scheme that 54 Freedom provided brokers and broker dealers with a form letter purportedly from a Certified Public Accounting firm, intended to be

sent to the donor of a 54 Freedom CGA advising that the annuity contract is with an insurance company and is guaranteed by that company.

11. It was further part of the scheme that 54 Freedom used a Charitable Gift Annuity Training Video to promote and market its CGA. In this video it was represented that: (a) the 54 Freedom CGA provides security, flexibility and certainty to an audience aged 50 to 90; (b) the CGA annuity policies are underwritten with major Life Insurance Companies; (c) the annuity promise is kept by a major highly rated insurance carrier annuity giving donors confidence that they will receive annuity payments that are guaranteed; and (d) the 54 Freedom CGA was an annuity product with no risk of loss of principal which will provide a tax advantaged future stream of income guaranteed for life.

12. It was further part of the scheme that the 54 Freedom CGA application materials included an application for an annuity from a major insurance company which was intended to deceive the donor into believing that the annuity would be issued by a major insurance carrier.

13. It was further part of the scheme that 54 Freedom used telemarketers to promote and market the 54 Freedom CGAs. The telemarketers were provided with a script to read to potential donors. The script included statements that, "The annuity promise (guarantee) is kept by a national insurance carrier (e.g. Lincoln Life, Penn, etc.)," and "Your money is PROTECTED WITH THE GUARANTEE OF A HIGHLY RATED INSURANCE COMPANY".

14. It was further part of the scheme that, as the defendant well knew, the 54 Freedom CGAs were not underwritten with major insurance companies, did not provide a stream of income guaranteed for life and did have a risk of loss. Rather, the monies paid by donors to purchase 54 Freedom CGAs which amounted to over \$1.6 million were converted by the

defendant to his own use and used to pay the liabilities and expenses of the 54 Freedom companies.

15. It was further part of the scheme that the donors of the 54 Freedom CGA received intermittent payments from 54 Freedom approximately through 2012. No donors have received any promised payments on time since on or about January 2013. Rather, a few sporadic payments were made to keep the scheme ongoing.

Counts 1-5: Mail Fraud

16. On or about the following dates, each date constituting a separate count of this Indictment, in the Northern District of New York, the defendant, James P. Griffin, for the purpose of executing, attempting to execute and in order to effect the scheme and artifice to defraud and to obtain money and property, did knowingly cause to be delivered by the Postal Service or private or commercial interstate carrier according to the direction thereon the following:

<u>COUNT</u>	<u>DATE</u>	<u>ITEM SENT</u>	<u>INVESTMENT AMOUNT</u>
1	July 27, 2010	CGA Application in the name of B.C.	\$240,000
2	November 18, 2010	CGA Application in the name of G.M.	\$82,000
3	November 29, 2010	CGA Application in the name of G.Y.	\$40,000
4	February 5, 2011	CGA Application in the name of D.B.	\$132,028.23
5	March 22, 2013	Three checks for \$444.17 each payable to G.M.	_____

All in violation of Title 18, United States Code, Section 1341.

Counts 6-13: Wire Fraud

17. Paragraphs 1-15 of this Indictment are realleged as if set forth fully herein.

18. On or about the following dates, each date constituting a separate count of this Indictment, in the Northern District of New York, the defendant, James P. Griffin, for the

purpose of executing, attempting to execute and in order to effect the scheme and artifice to defraud and to obtain money and property, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication, signs and signals, that is Automated Clearing House transfers of funds from the account of 5 Ledyard Corporation at JP Morgan Chase Bank in New York State to the accounts listed below in the state of Virginia:

<u>COUNT</u>	<u>DATE</u>	<u>RECEIVING ACCOUNT</u>	<u>AMOUNT SENT</u>
6	November 15, 2012	Bank of America account of J.H. ending in 7272	\$500.00
7	April 9, 2013	Member One Federal Credit Union account of C.D. ending in 1751	\$500.00
8	April 9, 2013	First Citizens Bank account of L.L. ending in 1354	\$500.00
9	April 9, 2013	SunTrust Bank account of J.B. ending in 4321	\$243.33
10	April 9, 2013	SunTrust Bank account of T.U. ending in 1211	\$607.14
11	May 6, 2013	BB&T Bank account of D.B. ending in 6317	\$300.00
12	May 6, 2013	BB&T Bank account of D.B. ending in 6317	\$308.33
13	June 19, 2013	Sun Trust Bank account of D.M. ending in 5534	\$434.56

In violation of Title 18, United States Code, Section 1343.

Counts 14-18: Monetary Transactions

19. On or about the dates set forth below, in the Northern District of New York, and elsewhere, the defendant, JAMES P. GRIFFIN, did willfully cause another to knowingly engage and attempt to engage in the following monetary transactions by through and to a financial institution, affecting interstate commerce, in criminally derived property of a value greater than \$10,000, that being the deposit of funds, such property having been derived from a specific unlawful activity, that is mail and wire fraud in violation of Title 18, United States Code, Sections 1341 and 1343:

<u>COUNT</u>	<u>DATE</u>	<u>MONETARY TRANSACTION</u>	<u>54 FREEDOM FOUNDATION, INC. CHECK #</u>
14	July 30,	\$50,000 deposit into 54 Freedom,	1422

<u>COUNT</u>	<u>DATE</u>	<u>MONETARY TRANSACTION</u>	<u>54 FREEDOM FOUNDATION, INC. CHECK #</u>
	2010	Inc. account ending in 2920 at M&T Bank	
15	September 13, 2010	\$15,000 deposit into 54 Freedom Tele Inc. account ending in 3425 at JP Morgan Chase Bank	1446
16	December 14, 2010	\$15,000 deposit into 54 Freedom Inc. account ending in 2920 at M&T Bank	1463
17	December 14, 2010	\$16,000 deposit into 54 Freedom Tele Inc. account ending in 3425 at JP Morgan Chase Bank	1464
18	March 4, 2011	\$16,105.80 deposit into 54 Freedom Securities, Inc account ending in 2240 at M&T Bank	1507

In violation of Title 18, United States Code, Sections 1957 and 2(b).

FORFEITURE ALLEGATIONS

I. FIRST FORFEITURE ALLEGATION

The allegations contained in Counts 1-13 of this Indictment are hereby realleged and incorporated by reference for the purpose of alleging forfeitures pursuant to Title 18, United States Code, Section 981(a)(1)(C) by Title 28, United States Code, Section 2461(c).

Upon conviction of the offenses in violation of Title 18, United States Code, Sections 1341 and 1343 set-forth in Counts 1-13 of this Indictment, the defendant, **JAMES P. GRIFFIN**, shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the offenses of conviction.

The property to be forfeited includes, but is not limited to, the following:

- a. **Money Judgment**: for the amount of \$1,603,355.02.

II. SECOND FORFEITURE ALLEGATION

The allegations contained in Counts 14-18 of this Indictment are hereby realleged and incorporated by reference for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 982(a)(1).

Upon conviction of the offenses in violation of Title 18, United States Code, Section 1957 set forth in Counts 14-18 of this Indictment, the defendant, **JAMES P. GRIFFIN**, shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 982(a)(1), any property, real or personal, involved in such offenses, or any property traceable thereto.

The property to be forfeited includes, but is not limited to, the following:

- a. **Money Judgment**: for the amount of \$1,603,355.02.

III. SUBSTITUTE PROPERTY

If any of the property described in the forfeiture allegations above, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided

without difficulty,

the United States of America shall be entitled to forfeiture of substitute property pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

Dated: July 22, 2015

A TRUE BILL,

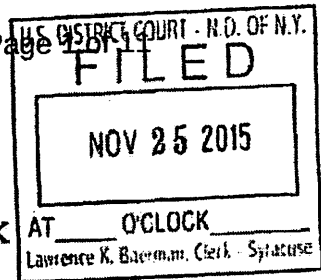


Grand Jury Foreperson

RICHARD S. HARTUNIAN
United States Attorney

By: Edward R. Broton
Edward R. Broton
Assistant United States Attorney
Bar Roll No. 101230

Exhibit 2



IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA) Criminal No. 5:15-CR-207 (FJS)
v.) Superseding Indictment
JAMES P. GRIFFIN,) Violations: 18 U.S.C. § 1341
) Wire Fraud
) 18 U.S.C. § 1343
) Mail Fraud
) 18 U.S.C. § 1957
) Money Laundering
) 23 Counts
Defendant.) County of Offense: Madison

THE GRAND JURY CHARGES:

INTRODUCTION

At all times relevant to this Indictment:

- 1. The defendant was the Chief Executive Officer (CEO) of the 54 Freedom Companies (54 Freedom), which includes the following companies with offices in Cazenovia, New York: 54 Freedom Group, Inc.; 54 Freedom, Inc.; 54 Freedom Association; 54 Freedom Tele; 54 Freedom Foundation, Inc.; 54 Freedom Securities, Inc.; and 54 Freedom Services, Inc.
2. The defendant also served as an officer and agent of 5 Ledyard Corporation, 5 Ledyard Avenue, LLC, 5 Ledyard, LLC (5 Ledyard companies) and Money Ins., Inc., with offices in Cazenovia, New York.
3. 54 Freedom marketed a financial product called the 54 Freedom Charitable Gift Annuity (CGA). This product allows a person (hereinafter "donor") to make a gift to charity and still receive income for himself or others.

The Charitable Gift Annuity Fraud

- 4. Paragraphs 1 through 3 of this Indictment are realleged as if fully set forth herein.

5. From in or about July 2009 and continuing through the date of this Indictment, the defendant,

JAMES P. GRIFFIN,

devised and intended to devise a scheme and artifice to defraud persons by soliciting investments under false pretense and concealing, disguising and failing to disclose material information and to obtain money and property by means of material false and fraudulent pretenses, representations, promises and material omissions by fraudulently inducing donors to purchase 54 Freedom Charitable Gift Annuities upon the false promise that the annuities would be issued by a highly rated major insurance carrier and that the annuity would provide guaranteed lifetime income for the donor.

SCHEME AND ARTIFICE

6. It was part of the scheme that 54 Freedom represented in promotional materials supplied to brokers that its CGA provides “lifetime fixed income for one or two individuals”.

7. It was further part of the scheme¹ that 54 Freedom represented in promotional materials to brokers that it “reinsures transactions through a carrier rated “A” or higher by A.M. Best”.

8. It was further part of the scheme that 54 Freedom promoted its CGAs on its website as providing “payments backed by highly rated, state regulated insurance carriers.”

9. It was further part of the scheme that brokers and broker dealers were provided with what 54 Freedom described as its “principle (sic) marketing piece – a 3-page cartoon explaining the unique transactions offered by 54 Freedom”. The cartoon represented that the 54 Freedom CGA is an annuity purchased from an A rated insurer.

10. It was further part of the scheme that 54 Freedom provided brokers and broker

dealers with a form letter purportedly from a Certified Public Accounting firm, intended to be sent to the donor of a 54 Freedom CGA advising that the annuity contract is with an insurance company and is guaranteed by that company.

11. It was further part of the scheme that 54 Freedom used a Charitable Gift Annuity Training Video to promote and market its CGA. In this video it was represented that: (a) the 54 Freedom CGA provides security, flexibility and certainty to an audience aged 50 to 90; (b) the CGA annuity policies are underwritten with major Life Insurance Companies; (c) the annuity promise is kept by a major highly rated insurance carrier annuity giving donors confidence that they will receive annuity payments that are guaranteed; and (d) the 54 Freedom CGA was an annuity product with no risk of loss of principal which will provide a tax advantaged future stream of income guaranteed for life.

12. It was further part of the scheme that the 54 Freedom CGA application materials included an application for an annuity from a major insurance company which was intended to deceive the donor into believing that the annuity would be issued by a major insurance carrier.

13. It was further part of the scheme that 54 Freedom used telemarketers to promote and market the 54 Freedom CGAs. The telemarketers were provided with a script to read to potential donors. The script included statements that, "The annuity promise (guarantee) is kept by a national insurance carrier (e.g. Lincoln Life, Penn, etc.)," and "Your money is PROTECTED WITH THE GUARANTEE OF A HIGHLY RATED INSURANCE COMPANY".

14. It was further part of the scheme that, as the defendant well knew, the 54 Freedom CGAs were not underwritten with major insurance companies, did not provide a stream of income guaranteed for life and did have a risk of loss. Rather, the monies paid by donors to

purchase 54 Freedom CGAs which amounted to over \$1.6 million were converted by the defendant to his own use and used to pay the liabilities and expenses of the 54 Freedom companies.

15. It was further part of the scheme that the donors of the 54 Freedom CGA received intermittent payments from 54 Freedom approximately through 2012. No donors have received any promised payments on time since on or about January 2013. Rather, a few sporadic payments were made to keep the scheme ongoing.

Counts 1-5: Mail Fraud

16. On or about the following dates, each date constituting a separate count of this Indictment, in the Northern District of New York, the defendant, **JAMES P. GRIFFIN**, for the purpose of executing, attempting to execute and in order to effect the scheme and artifice to defraud and to obtain money and property, did knowingly cause to be delivered by the Postal Service or private or commercial interstate carrier according to the direction thereon the following:

<u>COUNT</u>	<u>DATE</u>	<u>ITEM SENT</u>	<u>INVESTMENT AMOUNT</u>
1	July 27, 2010	CGA Application in the name of B.C.	\$240,000
2	November 18, 2010	CGA Application in the name of G.M.	\$82,000
3	November 29, 2010	CGA Application in the name of G.Y.	\$40,000
4	February 5, 2011	CGA Application in the name of D.B.	\$132,028.23
5	March 22, 2013	Three checks for \$444.17 each payable to G.M.	_____

All in violation of Title 18, United States Code, Section 1341.

Counts 6-13: Wire Fraud

17. Paragraphs 1-15 of this Indictment are realleged as if set forth fully herein.

18. On or about the following dates, each date constituting a separate count of this

Indictment, in the Northern District of New York, the defendant, **JAMES P. GRIFFIN**, for the purpose of executing, attempting to execute and in order to effect the scheme and artifice to defraud and to obtain money and property, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication, signs and signals, that is Automated Clearing House transfers of funds from the account of 5 Ledyard Corporation at JP Morgan Chase Bank in New York State to the accounts listed below in the state of Virginia:

<u>COUNT</u>	<u>DATE</u>	<u>RECEIVING ACCOUNT</u>	<u>AMOUNT SENT</u>
6	November 15, 2012	Bank of America account of J.H. ending in 7272	\$500.00
7	April 9, 2013	Member One Federal Credit Union account of C.D. ending in 1751	\$500.00
8	April 9, 2013	First Citizens Bank account of L.L. ending in 1354	\$500.00
9	April 9, 2013	SunTrust Bank account of J.B. ending in 4321	\$243.33
10	April 9, 2013	SunTrust Bank account of T.U. ending in 1211	\$607.14
11	May 6, 2013	BB&T Bank account of D.B. ending in 6317	\$300.00
12	May 6, 2013	BB&T Bank account of D.B. ending in 6317	\$308.33
13	June 19, 2013	Sun Trust Bank account of D.M. ending in 5534	\$434.56

In violation of Title 18, United States Code, Section 1343.

THE TAX SHELTERED RETIREMENT INVESTMENT SCHEME

19. Paragraphs 1 and 2 of this Indictment are realleged as if fully set forth herein.

20. The law allows individuals to maintain tax favored retirement plans. These include Individual Retirement Arrangements (IRAs), 401(k) plans and 403(b) plans among others. These plans allow for tax-deferred investments designed to provide financial security upon retirement. Generally, the amounts an individual withdraws from an IRA or retirement plan before reaching age 59 ½ are called "early" or "premature" distributions. Individuals must pay an additional 10% early withdrawal tax on early distributions unless an exception applies.

Most early withdrawals from a retirement plan or IRA however, can be "rolled over" without early tax penalty by depositing the funds in another retirement plan or IRA within 60 days.

21. From in or about November 2011 and continuing through the date of this superseding indictment, the defendant,

JAMES P. GRIFFIN,

devised and intended to devise a scheme and artifice to defraud persons by soliciting investments under false pretense and concealing, disguising and failing to disclose material information and to obtain money and property by means of material false and fraudulent pretenses, representations, promises and material omissions by fraudulently inducing persons to invest in the 5 Ledyard companies and 54 Freedom by using funds they withdrew from tax sheltered retirement accounts, upon the false promise and representation that they would profit from the investments and the funds would be "rolled over" into another tax sheltered retirement account, or that the defendant would be responsible for the payment of taxes or penalties due from early distribution of such funds.

SCHEME AND ARTIFICE

22. It was part of the scheme that the defendant represented to potential investors that money they withdrew from their tax sheltered retirement accounts and invested with him would be rolled over into a tax sheltered retirement account with a third party custodian such as Pensco Trust Company (Pensco), thereby avoiding the early withdrawal tax penalty.

23. It was further part of the scheme that the defendant provided third party custodian application forms to investors to lull the investors into believing their funds would be rolled over.

24. It was further part of the scheme that the investor funds were not rolled over into tax sheltered accounts as the defendant had promised but rather were converted by the defendant

for his own use and used to pay the liabilities and expenses of the 54 Freedom companies, the 5 Ledyard companies and Money Ins., Inc., and as a result the investors suffered additional tax consequences.

25. It was further part of the scheme that the defendant represented to persons who withdrew money from their tax sheltered retirement accounts to invest with him, that he would pay, and cause to be paid any early withdrawal tax penalty due from the premature withdrawal of funds.

26. It was further part of the scheme that the defendant did not pay, or cause to be paid, the early withdrawal tax penalty due on early withdrawals of funds that were invested with him. Rather, the investor remained responsible for the early withdrawal tax penalty.

27. It was further part of the scheme that the defendant promised unrealistically high returns on funds invested with him, when in fact investors received little, if any, return on their investments.

28. It was further part of the scheme that not only did the investors not realize a profit on their investments, they suffered an early withdrawal tax penalty on the funds invested.

29. It was further part of the scheme that the defendant received at least \$370,000 from investors that had been withdrawn from tax sheltered retirement plans.

COUNTS 14-18 – MAIL FRAUD

30. On or about the following dates, each date constituting a separate count of this indictment, in the Northern District of New York, the defendant, **JAMES P. GRIFFIN**, for the purpose of executing, attempting to execute and in order to effect the scheme and artifice to defraud and to obtain money and property, did knowingly cause to be delivered by the Postal

Service and private and commercial interstate carrier according to the direction thereon the following:

COUNT	DATE	ITEM SENT
14	March 9, 2012	Pensco IRA Application
15	February 8, 2012	Check for \$101,069.75
16	July 20, 2012	Correspondence from James P. Griffin
17	February 6, 2012	Pensco IRA Application
18	May 5, 2014	Check for \$137,388.98

In violation of Title 18, United States Code, Section 1341.

Counts 19-23: Monetary Transactions

31. On or about the dates set forth below, in the Northern District of New York, and elsewhere, the defendant, JAMES P. GRIFFIN, did willfully cause another to knowingly engage and attempt to engage in the following monetary transactions by through and to a financial institution, affecting interstate commerce, in criminally derived property of a value greater than \$10,000, that being the deposit of funds, such property having been derived from a specific unlawful activity, that is mail and wire fraud in violation of Title 18, United States Code, Sections 1341 and 1343:

<u>COUNT</u>	<u>DATE</u>	<u>MONETARY TRANSACTION</u>	<u>54 FREEDOM FOUNDATION, INC. CHECK #</u>
19	July 30, 2010	\$50,000 deposit into 54 Freedom, Inc. account ending in 2920 at M&T Bank	1422
20	September 13, 2010	\$15,000 deposit into 54 Freedom Tele Inc. account ending in 3425 at JP Morgan Chase Bank	1446
21	December 14, 2010	\$15,000 deposit into 54 Freedom Inc. account ending in 2920 at M&T Bank	1463
22	December 14, 2010	\$16,000 deposit into 54 Freedom Tele Inc. account ending in 3425 at JP Morgan Chase Bank	1464

<u>COUNT</u>	<u>DATE</u>	<u>MONETARY TRANSACTION</u>	<u>54 FREEDOM FOUNDATION, INC. CHECK #</u>
23	March 4, 2011	\$16,105.80 deposit into 54 Freedom Securities, Inc. account ending in 2240 at M&T Bank	1507

In violation of Title 18, United States Code, Sections 1957 and 2(b).

FORFEITURE ALLEGATIONS

I. FIRST FORFEITURE ALLEGATION

The allegations contained in Counts 1-13 of this Superseding Indictment are hereby realleged and incorporated by reference for the purpose of alleging forfeitures pursuant to Title 18, United States Code, Section 981(a)(1)(C) by Title 28, United States Code, Section 2461(c).

Upon conviction of the offenses in violation of Title 18, United States Code, Sections 1341 and 1343 set forth in Counts 1-13 of this Superseding Indictment, the defendant, JAMES P. GRIFFIN, shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the offenses of conviction.

The property to be forfeited includes, but is not limited to, the following:

- a. **Money Judgment:** for the amount of \$1,603,355.02.

II. SECOND FORFEITURE ALLEGATION

The allegations contained in Counts 14-18 of this Superseding Indictment are hereby realleged and incorporated by reference for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C) by Title 28, United States Code, Section 2461(c).

Upon conviction of the offenses in violation of Title 18, United States Code, Section 1341 set forth in Counts 14-18 of this Superseding Indictment, the defendant, JAMES P.

GRIFFIN, shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 981(a)(1)(C) by Title 28, United States Code, Section 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the offenses of conviction, in an amount yet to be determined.

III. THIRD FORFEITURE ALLEGATION

The allegations contained in Counts 19-23 of this Superseding Indictment are hereby realleged and incorporated by reference for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 982(a)(1).

Upon conviction of the offenses in violation of Title 18, United States Code, Section 1957 set forth in Counts 19-23 of this Superseding Indictment, the defendant, **JAMES P. GRIFFIN**, shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 982(a)(1), any property, real or personal, involved in such offenses, or any property traceable thereto.

The property to be forfeited includes, but is not limited to, the following:

- a. **Money Judgment**: for the amount of \$1,603,355.02.

IV. SUBSTITUTE PROPERTY

If any of the property described in the forfeiture allegations above, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or

e. has been commingled with other property which cannot be divided without difficulty,

the United States of America shall be entitled to forfeiture of substitute property pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

Dated: *November 25, 2015*

A TRUE BILL, ***NAME REDACTED

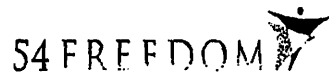


Grand Jury Foreperson

RICHARD S. HARTUNIAN
United States Attorney

By: *Edward R. Broton*
Edward R. Broton
Assistant United States Attorney
Bar Roll No. 101230

Exhibit 3



54 Freedom Group Stock and Funds Raised Summary

Stock Summary by Number of Shares					Funds Raised by Price Per Share						
Company	Authorized	Issued	Deferred	Available	\$ 0.01	\$ 1.00	\$ 1.25	\$ 2.00	\$ 4.00	\$ 20.00	Total
54Freedom, Inc	2,000,000	1,397,240	117,500	485,260	-	-	102,438	-	-	1,357,363	1,459,800
Money Ins, Inc.	2,000,000	1,900,070	20,000	79,930	-	-	1,123,213	-	30,000	-	1,153,213
54Freedom Tele, Inc	1,000,000	585,500	-	414,500	-	-	-	5,000	-	-	5,000
54Freedom Securities, Inc.	2,000,000	1,597,000	-	403,000	-	-	-	-	-	-	-
5 Ledyard Corp	10,000,000	250,000	-	9,750,000	-	-	-	-	-	-	-
Total	17,000,000	5,729,810	137,500	11,132,690	\$ -	\$ -	\$ 1,225,650	\$ 5,000	\$ 30,000	\$ 1,357,363	\$ 2,618,013



54 Freedom Group Note Summary

Company	Name	Date	Amount
54Freedom, Inc	Dougherty	6/15/2009	200,000
54Freedom Inc	Clark	12/21/2010	100,000
54Freedom Inc	Dougherty	8/13/2010	200,000
54Freedom Inc	Johnson	10/7/2010	50,000
54Freedom Inc	Risto	8/27/2010	100,000
54Freedom Inc	Russo	10/7/2010	50,000
54Freedom Inc	Whitman	12/21/2010	100,000
54Freedom Tele, Inc	AMEM Irevocable Trust	1/3/2012	28,000
54Freedom Tele, Inc	AMEM Irevocable Trust	1/4/2012	24838.39
54Freedom Tele, Inc	AMEM Irevocable Trust	1/4/2012	47910.81
54Freedom Tele, Inc	AMEM Irevocable Trust	12/14/2011	6,500
54Freedom Tele, Inc	Gary	7/20/2011	54,500
54Freedom Tele, Inc	Dennis & Roberta	6/22/2012	25,000
54Freedom Tele, Inc	Barbara	9/18/2011	50,000
54Freedom Tele, Inc	Dale	2/22/2011	100,000
54Freedom Tele, Inc	Janie	9/29/2011	100,000
54Freedom Tele, Inc	Helen	6/14/2011	10,000
54Freedom Tele, Inc	Larry Estate of (Pensco)	3/30/2012	108,338
54Freedom Tele, Inc	Virginia M Trust	5/11/2011	25,000
54Freedom Tele, Inc	Virginia M Trust	6/12/2011	25,000
54Freedom Tele, Inc	Henry	6/18/2011	200,000
54Freedom Tele, Inc	Henry	5/12/2011	200,000
54Freedom Tele, Inc	Geoffrey & Colleen	6/17/2010	10,000
54Freedom Securities, Inc.	Booze	6/22/2011	25,000
54Freedom Securities, Inc.	Coley	10/6/2011	50,000
54Freedom Securities, Inc.	East	7/13/2011	50,000
54Freedom Securities, Inc.	Rasmussen	12/17/2010	25,000
54Freedom Securities, Inc.	Steffen	5/2/2011	10,000
54Freedom Securities, Inc.	Unger	8/23/2010	120,000

5 Ledyard Avenue, LLC	Bastian	4/6/2012	133,840
5 Ledyard Avenue, LLC	Battle	2/29/2012	65,000
5 Ledyard Avenue, LLC	Brown	2/7/2012	134,943
5 Ledyard Avenue, LLC	Brown	2/7/2012	10,865
5 Ledyard Avenue, LLC	Burnette	3/15/2012	100,000
5 Ledyard Avenue, LLC	Campos	11/7/2011	100,000
5 Ledyard Avenue, LLC	Gabor	2/27/2012	100,000
5 Ledyard Avenue, LLC	Gabrielli	11/15/2011	30,000
5 Ledyard Avenue, LLC	Glisson	11/3/2011	103,032.00
5 Ledyard Avenue, LLC	Griffin	11/7/2011	100,000.00
5 Ledyard Avenue, LLC	Holgate	3/29/2012	26,780.00
5 Ledyard Avenue, LLC	Percival	10/28/2011	90,000
5 Ledyard Avenue, LLC	Owen	3/28/2012	65,000
5 Ledyard Avenue, LLC	Magrew	11/8/2011	50,000
5 Ledyard Avenue, LLC	Mullins	1/10/2012	100,000
5 Ledyard Avenue, LLC	Roche	4/2/2012	25,000
5 Ledyard Avenue, LLC	Smiley	11/8/2011	100,000
5 Ledyard Avenue, LLC	Smiley	11/8/2011	50,000
5 Ledyard Avenue, LLC	Steffen	11/14/2011	10,000
5 Ledyard Avenue, LLC	Terwilliger	11/16/2011	20,000
5 Ledyard Avenue, LLC	Wallisalou Inc./Walter Henry	11/28/2011	100,000
5 Ledyard Avenue, LLC	Washington	5/22/2012	74,379
5 Ledyard Avenue, LLC	Wolle	11/7/2011	100,000
5 Ledyard Avenue, LLC	Yarmark	11/15/2011	10,000
IIC Net	VanWart		300,000
Total			4,093,726

54Freedom Inc Investor List

Name	Address
██████████, Raymond (Pensco Trust Co. Custodian FBO for IRA # ██████████)	██████████ New Rochelle, NY ██████████
██████████, Raymond	██████████ New Rochelle, NY 10804
██████████, Mark	██████████ Montgomery, AL ██████████
██████████, Timothy	██████████ Buena Park, CA
██████████, Justin ██████████	██████████ Silver Spring MD ██████████
Compassion Coalition Inc	██████████ Utica, NY ██████████
██████████ Peter (Pensco Trust Co. Custodian FBO IRA # ██████████)	██████████ Cazenovia, NY ██████████
██████████ Peter (Pensco Trust Co. Custodian FBO IRA # ██████████)	██████████ Cazenovia, NY ██████████
██████████ Gay (Entrust MidSouth LLC FBO IRA # ██████████)	██████████ Tucson, AZ ██████████
██████████ Gay (Entrust MidSouth LLC FBO IRA # ██████████)	██████████ Tucson, AZ ██████████
██████████, Gay ██████████ (Kelley's Captioning Employer Profit Sharing Plan FBO Gay ██████████)	██████████ Tucson, AZ ██████████
██████████ Marie (Kelley's Captioning Employer Profit Sharing Plan FBO Gay ██████████)	██████████ Tucson, AZ ██████████
██████████ Richard (Entrust MidSouth LLC FBO IRA # ██████████)	██████████ Tucson, AZ ██████████
██████████, Robert ██████████ (Pensco Trust Co. Custodian FBO Roth IRA # ██████████)	██████████ Greer SC ██████████
██████████, John (Pensco Trust Co. Custodian FBO IRA A/C ██████████)	██████████ Erieville, NY ██████████
██████████, William ██████████ (Pensco Trust Co. Custodian FBO IRA # ██████████)	██████████ Cazenovia, NY ██████████
██████████ William ██████████	██████████ Cazenovia, NY ██████████
██████████ Charlies ██████████	██████████ Augusta, GA ██████████
██████████ Charles ██████████ (Pensco Trust Co. Custodian FBO Roth IRA # ██████████)	██████████ Augusta, GA ██████████
██████████, Charles ██████████ (Pensco Trust Co. FBO IRA# ██████████)	██████████ Augusta, GA ██████████
██████████, Charles ██████████ (Pensco Trust Co. FBO IRA# ██████████)	██████████ Augusta, GA ██████████
██████████, Susan ██████████ (Pensco Trust Co. Custodian FBO IRA# ██████████)	██████████ Cazenovia, NY
██████████, Neal (Pensco Trust Co. Custodian FBO IRA # ██████████)	██████████ Manlius, NY ██████████
██████████, Neal (Pensco Trust Co. Custodian FBO IRA # ██████████)	██████████ Manlius, NY ██████████
██████████, Jim	██████████ Cazenovia, NY ██████████
██████████, Jeffrey & Elaina	██████████ Manlius, NY ██████████
██████████, Elaina (Pensco Trust Co. Custodian IRA # ██████████)	██████████ Manlius, NY ██████████
██████████, ██████████ & Elaina (Pensco Trust Co. Custodian FBO IRA # ██████████)	██████████ Manlius, NY ██████████
██████████, Penelope ██████████ (Entrust MidSouth LLC FBO #IRA# ██████████)	██████████ Redding CA. ██████████

[REDACTED], Timothy (Pensco Trust Co. Custodian FBO IRA # [REDACTED])
[REDACTED] Timothy (Pensco Trust Co. Custodian FBO IRA # [REDACTED])
[REDACTED], John
[REDACTED] Colleen (Pensco Trust Co. Custodian FBO IRA# [REDACTED])
[REDACTED] Geoffrey (Pensco Trust Co. Custodian FBO IRA [REDACTED])
[REDACTED] Geoffrey

[REDACTED] Cazenovia, NY [REDACTED]
[REDACTED] Road Cazenovia, NY [REDACTED]
[REDACTED] Street, Manlius, NY [REDACTED]
[REDACTED]. Chittenango, NY [REDACTED]
[REDACTED] Cazenovia, NY [REDACTED]
[REDACTED]

<u>Phone</u>	<u>Email</u>	<u>Residence State</u>	<u>Custodial State</u>	<u>Social Security #</u>	<u>Certificate #</u>
[REDACTED]	[REDACTED]@ymail.com	NY	CA	[REDACTED]	36
[REDACTED]	[REDACTED]@ymail.com	NY		[REDACTED]	52
[REDACTED]	[REDACTED]@gmail.com	AL		[REDACTED]	41
[REDACTED]	[REDACTED]@hotmail.com	CA		[REDACTED]	40
[REDACTED]	[REDACTED]@verizon.net	MD		[REDACTED]	60
[REDACTED]	[REDACTED]@gmail.com	NY		[REDACTED]	46
[REDACTED]	[REDACTED]@twcny.rr.com	NY		[REDACTED]	14
[REDACTED]	[REDACTED]@twcny.rr.com	NY	CA	[REDACTED]	18
[REDACTED] 6	[REDACTED]@aol.com	AZ	LA	[REDACTED]	35
[REDACTED]	[REDACTED]@aol.com	AZ	LA	[REDACTED]	12
[REDACTED]	[REDACTED]@aol.com	AZ	AZ	[REDACTED]	97
[REDACTED]	[REDACTED]@aol.com	AZ	AZ	[REDACTED]	98
[REDACTED]	[REDACTED]@aol.com	AZ	LA	[REDACTED]	33
[REDACTED]	[REDACTED]@gmail.com	SC	CA	[REDACTED]	58
[REDACTED]	[REDACTED]@twcny.rr.com	NY	CA	[REDACTED]	59
[REDACTED]	[REDACTED]@aol.com	NY	CA	[REDACTED]	13
[REDACTED]	[REDACTED]@aol.com	NY	-	[REDACTED]	9
[REDACTED]	[REDACTED]@yahoo.com	GA	-	[REDACTED]	31
[REDACTED]	[REDACTED]@yahoo.com	GA	-	[REDACTED]	39
[REDACTED]	[REDACTED]@yahoo.com	GA	CA	[REDACTED]	45
[REDACTED]	[REDACTED]@yahoo.com	GA	CA	[REDACTED]	48
[REDACTED]	[REDACTED]@twcny.rr.com	NY	CA	[REDACTED]	42
[REDACTED]	[REDACTED]@twcny.rr.com	NY		[REDACTED]	11
[REDACTED]	[REDACTED]d@twcny.rr.com	NY	CA	[REDACTED]	17
[REDACTED]	[REDACTED]@aol.com	NY		[REDACTED]	
[REDACTED]	[REDACTED]@fmschools.org	NY	-	[REDACTED]	22
[REDACTED]	[REDACTED]@fmschools.org	NY	CA	[REDACTED]	23
[REDACTED]	[REDACTED]@fmschools.org	NY	CA	[REDACTED]	24
[REDACTED]	[REDACTED]ya@sbcglobal.net	CA	LA	[REDACTED]	38

315-687-6221
316-699-7627
316-699-7627

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]
[REDACTED]7

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED] (Sean)

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

Jhunt@Chittenangolumber.com

jjohnson@eriematerials.com

jjohnson@eriematerials.com

KJohnson@NYLTCB.com

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[REDACTED]@charter.net

[REDACTED]@yahoo.com

[REDACTED]@gmail.com

[REDACTED]@gmail.com

[REDACTED]@gmail.com

[REDACTED]@ndi-inc.org

[REDACTED]@hotmail.com

[REDACTED]@legacyep.com

[REDACTED]@yahoo.com

[REDACTED]@yahoo.com

[REDACTED]@yahoo.com

[REDACTED]@yahoo.com

[REDACTED]@hotmail.com

[REDACTED]@legacyep.com

[REDACTED]y@aol.com

[REDACTED]@gmail.com

[REDACTED]@cox.net

[REDACTED]@cox.net

[REDACTED]@cox.net

[REDACTED]@cox.net

[REDACTED]@cox.net

[REDACTED]r@comcast.net

[REDACTED]@yahoo.com

[REDACTED]@yahoo.com

[REDACTED]@yahoo.com

[REDACTED]@gmail.com

NY

-

[REDACTED]

32

NY

-

[REDACTED]

15

NY

CA

[REDACTED]

19

NY

-

[REDACTED]

66

AZ

LA

[REDACTED]

34

MI

-

[REDACTED]

21

MI

-

[REDACTED]

61

MI

CA

[REDACTED]

28

MI

CA

[REDACTED]

27

CA

CA

[REDACTED]

96

NY

-

[REDACTED]

Various

-

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55

NY

-

[REDACTED]

47

NY

-

[REDACTED]

8

VA

-

[REDACTED]

68

SD

-

[REDACTED]1

6

SD

-

[REDACTED]

16

SD

-

[REDACTED]

53

NY

CA

[REDACTED]

10

GA

CA

[REDACTED]

50

VA

-

[REDACTED]

67

NY

CA

[REDACTED]

51

AR

CA

[REDACTED]

7

CA

-

[REDACTED]

64

CA

-

[REDACTED]

89

CA

-

[REDACTED]

49

CA

-

[REDACTED]

57

CA

-

[REDACTED]

63

NJ

CA

[REDACTED]

37

GA

CA

[REDACTED]

30

GA

CA

[REDACTED]

30

GA

CA

[REDACTED]

29

MI

-

[REDACTED]

69

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]@aim.com
[REDACTED]@aim.com
[REDACTED]@gmail.com
[REDACTED]@aol.com
[REDACTED]@yahoo.com
[REDACTED]@yahoo.com

NY CA
NY CA
NY
NY CA
NY CA
NY NY

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

25
26
43
44
95

<u>Date</u>	<u>Shares</u>	<u>Investment</u>	
3/25/2009	130	2,600.00	
7/30/2009	100	2,000.00	
5/11/2009	625	12,500.00	
5/18/2009	625	12,500.00	
11/2/2009	4,000	5,000.00	
6/3/2009	1,000	20,000.00	
1/12/2009	2,000		VOID
1/12/2009	2,000	40,000.00	
3/12/2009	275	5,500.00	VOID transferred
12/18/2008	2,500	50,000.00	VOID transferred
8/1/2012	275		
8/1/2012	2,500		
3/12/2009	275	5,500.00	
10/29/2009	535	10,700.00	
11/2/2009	2,500	50,000.00	
12/15/2008	745	14,900.00	
12/17/2008	5,000	100,000.00	
4/8/2009	500	10,000.00	
5/18/2009	655		VOID
6/8/2009	2,440	48,800.00	
5/19/2009	655	13,100.00	
5/19/2009	625	12,500.00	
12/12/2008	740		VOID
12/12/2008	740	14,800.00	
	630,000	6,300.00	
12/5/2008	200	4,000.00	
2/4/2009	600	12,000.00	
2/4/2009	670	13,400.00	
5/12/2009	625	12,500.00	

4/11/2009	5,000	100,000.00	
1/6/2009	3,250		VOID
1/6/2009	3,250	65,000.00	
12/23/2009	20,000	25,000.00	
3/12/2009	75	1,500.00	
1/17/2009	625	12,500.00	
11/19/2009	625	\$12,500.00	
3/4/2009	1,250	25,000.00	
3/4/2009	1,250		VOID
4/23/2012	1,250	25,000.00	
Various	330,000	3,300.00	
9/25/2009	5,000	50.00	
6/4/2009	1,000	20,000.00	
12/3/2008	1,000	20,000.00	
12/31/2009	5,000	\$6,250.00	
10/6/2008	1,250	25,000.00	
1/10/2009	1,250	25,000.00	
7/10/2009	1,250	25,000.00	
12/12/2008	3,350	67,000.00	
6/19/2009	37	740.00	
12/31/2009	5,000	\$6,250.00	
6/12/2009	1,250	25,000.00	
10/15/2008	700	14,000.00	
12/3/2009	80,000	800.00	
1/28/2011	170,000	170,000.00	
5/11/2009	12,500	250,000.00	
10/5/2009	5,000	100,000.00	
12/3/2009	40,000	50,000.00	
4/9/2009	318	6,360.00	
3/11/2009	555	11,100.00	bought back 200 shares 8/3/10
3/11/2009	355	7,100.00	
3/17/2009	695	13,900.00	
1/6/2010	625	\$12,500.00	

3/4/2009	350	7,000.00	
3/11/2009	550	11,000.00	
	40,000	400.00	
5/2/2009	655	13,100.00	
5/2/2009	665		VOID (removed from Pensco)
8/18/2011	665	13,300.00	(replacement for #44)
	<u>1,409,130</u>	<u>1,649,250</u>	

MoneyIns Inc Investor List

<u>Name</u>	<u>Address</u>	<u>Residence</u>
[REDACTED]t, Jo [REDACTED]	4305 E. Genesee Street DeWitt, NY 13214	NY
Breakaway Enterprises, LLC - Janet Fish	Janet Fish @ PO Box 2505 Stateline, NV 89449	NV
[REDACTED] James	200 Field Point Road Greenwich, CT 06830	CT
[REDACTED], Margaret [REDACTED]	[REDACTED] Cazenovia, NY [REDACTED]	NY
[REDACTED], Margaret [REDACTED]	[REDACTED] Cazenovia, NY [REDACTED]	NY
Clark, Margaret Pensco Trust Co. Custodian FBO for IRA ALC # CL1DR	[REDACTED] Cazenovia, NY [REDACTED]	NY
[REDACTED], Margaret Pensco Trust Co. Custodian FBO for IRA ALC # CL1DR	[REDACTED] Cazenovia, NY [REDACTED]	NY
[REDACTED] Peter	[REDACTED], Cazenovia	NY
[REDACTED] Peter	[REDACTED] Cazenovia	NY
[REDACTED] Peter	[REDACTED], Cazenovia	NY
[REDACTED] Peter	[REDACTED], Cazenovia	NY
[REDACTED], William [REDACTED]	[REDACTED] Spencertown, NY [REDACTED]	NY
[REDACTED]y, Ellen [REDACTED] Pensco Trust Co. Custodian FBO Roth IRA # DO1FW	[REDACTED] NY [REDACTED]	NY
[REDACTED], William [REDACTED] Pensco Trust Co. Custodian FBO Roth IRA # DO1FV	[REDACTED] NY [REDACTED]	NY
[REDACTED], William [REDACTED]	[REDACTED], NY [REDACTED]	NY
[REDACTED], William [REDACTED]	[REDACTED], NY [REDACTED]	NY
[REDACTED], William [REDACTED]	[REDACTED], NY [REDACTED]	NY
[REDACTED]y, William [REDACTED]	[REDACTED], NY [REDACTED]	NY
[REDACTED], Thomas [REDACTED]	[REDACTED] Syracuse, NY [REDACTED]	NY
[REDACTED], Thomas [REDACTED]	[REDACTED] Syracuse, NY [REDACTED]	NY
[REDACTED], Timothy & Melissa [REDACTED]	[REDACTED] Fayetteville, NY [REDACTED]	NY
[REDACTED], Christopher [REDACTED]	[REDACTED] Cazenovia, NY [REDACTED]	NY
[REDACTED] Neal [REDACTED]	[REDACTED] Fayetteville, NY [REDACTED]	NY
[REDACTED], Neal [REDACTED] - VOID SURRENDERED	[REDACTED] Fayetteville, NY [REDACTED]	NY
[REDACTED], Neal Pensco Trust Co. Custodian FBO IRA A/C # [REDACTED]	[REDACTED] Fayetteville, NY [REDACTED]	NY
[REDACTED], James [REDACTED]	[REDACTED] Cazenovia, NY [REDACTED]	NY
[REDACTED] Jeffrey and Elaina [REDACTED]	[REDACTED] Manlius, NY [REDACTED]	NY
[REDACTED], Mark [REDACTED]	[REDACTED] Costa Mesa, CA [REDACTED]	CA
[REDACTED] Jeffrey [REDACTED]	3642 Number Nine Rd, Cazenovia	NY
Investor Resources, LLC - Loral Langemeier	Loral Langemeier PO Box 36 Zephyr Cove, NV 89448	NV
Investor Resources, LLC - Loral Langemeier	Loral Langemeier PO Box 36 Zephyr Cove, NV 89448	NV
Johnson, John P Pensco Trust Co. Custodian FBO for IRA A/C # [REDACTED]	[REDACTED] Cicero, NY [REDACTED]	NY
[REDACTED], John [REDACTED]	[REDACTED] Cicero, NY [REDACTED]	NY
[REDACTED], Andrew [REDACTED]	[REDACTED] Cazenovia, NY [REDACTED]	NY
[REDACTED] Paul [REDACTED]	[REDACTED] Cazenovia, NY [REDACTED]	NY
[REDACTED] Paul [REDACTED]	[REDACTED] Cazenovia, NY [REDACTED]	NY

[redacted] James [redacted]
[redacted], Robert

[redacted], Brian
[redacted], Henry

[redacted] Henry
[redacted], Mike
[redacted], Mike

[redacted] Patrick & Eileen

[redacted], Patrick & Eileen
[redacted], Robin
[redacted], Terry or Delaine
[redacted] Robert
[redacted] Robert

Risto, Ron RH Adcock/Architect and Associaters, Inc Yolk Profit Sharing #002

[redacted], Ronald - VOID, returned
[redacted] Ronald Pensco Trust Co. Custodian FBO for IRA A/C# [redacted]
[redacted] Ronald Pensco Trust Co. Custodian FBO for IRA A/C# [redacted]
[redacted], Ronald Pensco Trust Co. Custodian FBO for IRA A/C# [redacted]
[redacted], Ronald Solvay Bank fbo Ronald Russo IRA A/C# [redacted]
Russo, Ronald Solvay Bank fbo Ronald Russo IRA A/C# [redacted]

[redacted], Andre
[redacted], Andre
[redacted], Shannon Pensco Trust Co. FBO for roth IRA [redacted]
[redacted], Andre
[redacted], Robert
[redacted], Sally
[redacted], Kenneth
[redacted], Colleen
[redacted], Thomas
[redacted], Thomas
[redacted] Thomas
[redacted], John & Barbara
[redacted] John Pensco Trust Co. Custodian FBO IRA A/C# [redacted]
[redacted], John Pensco Trust Co. Custodian FBO IRA A/C# [redacted]
[redacted], John

[redacted], Annapolis, MD [redacted] MD
[redacted] Cazenovia, NY [redacted] NY

Syracuse Universty Sheraton 801 University Ave Suite
[redacted], NY 13210 NY

[redacted] Cazenovia, NY [redacted] NY

[redacted], NY 13035 NY

[redacted] So. Otselic, NY [redacted] NY

[redacted] Otselic, NY [redacted] NY

[redacted], MA. [redacted] MA

[redacted] Gardner, MA. [redacted] MA

[redacted] Syracuse, NY [redacted] 0 NY

[redacted] Sisseton SD

[redacted] Cazenovia, NY [redacted] NY

[redacted] Cazenovia, NY [redacted] NY

P.O. Box 734, Collinville OK

3550 Camino DelRio North Suite 305 SanDiego, CA 9:CA

[redacted] North Syr. , NY [redacted] NY

[redacted] North Syr. , NY [redacted] NY

[redacted] North Syr. , NY [redacted] NY

[redacted] North Syr. , NY [redacted] NY

[redacted] North Syr. , NY [redacted] NY

[redacted] North Syr. , NY [redacted] NY

[redacted], Chittenango, NY [redacted] NY

[redacted], Chittenango, NY [redacted] 7 NY

[redacted], Chittenango, NY [redacted] NY

[redacted], Chittenango, NY [redacted] NY

[redacted], Beach FL. [redacted] FL

[redacted], Holland Patent NY

[redacted] Fayetteville, NY [redacted] NY

[redacted] South Lake, Tahoe CA CA

33 Main Street Cortland, NY 13045 NY

33 Main Street Cortland, NY 13045 NY

33 Main Street Cortland, NY 13045 NY

[redacted] Cicero, NY [redacted] NY

[redacted] Cicero, NY [redacted] NY

[redacted] Cicero, NY [redacted] NY

[redacted] Cicero, NY [redacted] NY

[REDACTED], Virginia [REDACTED] Trust & John [REDACTED] (trustee)
[REDACTED], Virginia [REDACTED] Trust & John [REDACTED] (trustee)
[REDACTED]t, Marjory
[REDACTED]n, [REDACTED]
[REDACTED] & Sheryl
[REDACTED] & Sheryl
[REDACTED], Timothy Pensco Trust Co. Custodian FBO for IRA # [REDACTED]
[REDACTED] John
[REDACTED] Justin

[REDACTED] Cicero, NY [REDACTED] NY
[REDACTED] Cicero, NY [REDACTED] NY
[REDACTED], Tucson AZ [REDACTED] AZ
[REDACTED] Fayetteville, NY [REDACTED] NY
[REDACTED] Cazenovia, NY [REDACTED] NY
[REDACTED] Cazenovia, NY [REDACTED] NY
[REDACTED] Cazenovia, NY [REDACTED] NY
[REDACTED] Manlius, NY [REDACTED] NY
[REDACTED] UT

Phone	Email	Custodial	Social Security #	Certificate #	Date	Shares	Investment
[REDACTED]	[REDACTED]	-	[REDACTED]	4	1/31/2008	8,000	\$10,000
[REDACTED]	[REDACTED]	-	[REDACTED]	89	11/26/2008	4,000	\$5,000
[REDACTED]	jbeck@rba-nfp.com	-	[REDACTED]	15	9/13/2007	80,000	\$100,000
[REDACTED]	bizofc@caz-cc.com	-	[REDACTED]	55	4/25/2008	9,000	\$9,206
[REDACTED]	bizofc@caz-cc.com	-	[REDACTED]	56	4/25/2008	7,364	\$9,205
[REDACTED]	bizofc@caz-cc.com	CA	[REDACTED]	63	5/27/2008	24,000	\$30,000
[REDACTED]	bizofc@caz-cc.com	CA	[REDACTED]	85	10/22/2008	4,800	\$6,000
[REDACTED]	pcooney1@twcny.rr.com	-	[REDACTED]	114	9/23/2011	950	\$1,187.50
[REDACTED]	pcooney1@twcny.rr.com	-	[REDACTED]	116	9/23/2011	7,000	\$8,750.00
[REDACTED]	pcooney1@twcny.rr.com	-	[REDACTED]	115	9/23/2011	1,000	void
[REDACTED]	pcooney1@twcny.rr.com	-	[REDACTED]	120	3/14/2012	900	void
[REDACTED]	[REDACTED]@aol.com	-	[REDACTED]	74	7/24/2008	8,000	\$10,000
[REDACTED]	[REDACTED]@aol.com	CA	[REDACTED]	69	6/26/2008	3,920	\$4,900
[REDACTED]	[REDACTED]@aol.com	CA	[REDACTED]	70	6/26/2008	3,920	\$4,900
[REDACTED]	[REDACTED]@aol.com	-	[REDACTED]	12	9/5/2007	16,000	\$20,000
[REDACTED]	[REDACTED]@aol.com	-	[REDACTED]	9	10/6/2007	24,000	\$30,000
[REDACTED]	[REDACTED]@aol.com	-	[REDACTED]	47	1/10/2008	28,000	\$35,000
[REDACTED]	[REDACTED]@aol.com	-	[REDACTED]	53	5/27/2008	8,000	\$10,000
[REDACTED]	[REDACTED].@gmail.com	-	[REDACTED]	1	3/25/2008	3,200	\$4,000
[REDACTED]	[REDACTED].@gmail.com	-	[REDACTED]	61	4/30/2008	2,400	\$3,000
[REDACTED]	Tglisson@twcny.rr.com	-	[REDACTED]	8	11/7/2007	20,000	\$25,000
[REDACTED]	[REDACTED]@aol.com	-	[REDACTED]	88	11/21/2008	4,000	\$5,000
[REDACTED]	ngreenfield@twcny.rr.com	-	[REDACTED]	98	1/27/2009	19,000	-
[REDACTED]	ngreenfield@twcny.rr.com	-	[REDACTED]	14	9/6/2007	20,000	\$25,000
[REDACTED]	ngreenfield@twcny.rr.com	CA	[REDACTED]	82	9/22/2008	16,000	\$20,000
[REDACTED]	[REDACTED]@aol.com	-	[REDACTED]	A	8/17/2008		\$670,000
[REDACTED]	ehajduk@fmschools.org	-	[REDACTED]	7	12/7/2008	40,000	\$50,000
[REDACTED]	speaker@markvictorhansen.com	-	[REDACTED]	10	9/5/2007	20,000	\$25,000
[REDACTED]	Jhunt@Chittenangolumber.com	-	[REDACTED]	111	8/25/2011	10,000	\$12,500.00
[REDACTED]	loral@liveoutloud.com	-	[REDACTED] Loral	90	11/14/2008	20,000	\$25,000
[REDACTED]	loral@liveoutloud.com	-	[REDACTED] Loral	101	9/2/2009	20,000	\$25,000
3 [REDACTED]	jjohnson@eriematerials.com	CA	[REDACTED]	81	9/4/2008	52,000	\$65,000
[REDACTED]	jjohnson@eriematerials.com	-	[REDACTED]	117	1/26/2012	16,000	
[REDACTED]	[REDACTED]	-	[REDACTED]	16	9/26/2007	4,000	\$5,000
[REDACTED]	[REDACTED]	-	[REDACTED]	6	1/10/2008	20,000	\$25,000
[REDACTED]	[REDACTED]	-	[REDACTED]	18	10/26/2007	20,000	\$25,000

[REDACTED]	-	[REDACTED]	62	5/7/2008	20,000	\$25,000
[REDACTED]	-	[REDACTED]	17	10/1/2007	19,200	\$24,000
518-366-4559	BMclane@paradigmsolutionsllc.net	518-366-4559	107	12/1/2009	10,000	\$12,500
[REDACTED]	@hotmail.com	[REDACTED]	13	9/2/2007	14,000	\$17,500
[REDACTED]	@hotmail.com	[REDACTED]	2	3/18/2008	3,200	\$4,000
[REDACTED]	@gmail.com	[REDACTED]	72	7/15/2008	5,600	\$7,000
[REDACTED]	@gmail.com	[REDACTED]	83	10/15/2008	8,000	
[REDACTED]	@comcast.net	[REDACTED]	52	4/11/2008	4,000	\$5,000
[REDACTED]	@comcast.net	[REDACTED]	80	9/5/2008	4,000	\$5,000
[REDACTED]	robin@logosandimagesanywhere.cor-	80 9/05/2008	92	10/28/2008	1,600	\$2,000
[REDACTED]	@yahoo.com	[REDACTED]	110	8/15/2011	40,000	\$50,000.00
- Sean	@yahoo.com	[REDACTED]	11	9/5/2007	10,000	\$12,500
- Sean	@yahoo.com	[REDACTED]	95	1/7/2009	9,000	
74021	@mac.com	[REDACTED]	66	6/9/2008	12,000	\$15,000
[REDACTED]	@mac.com	TIN [REDACTED]	76	7/28/2008	40,000	\$50,000
[REDACTED]	@aol.com	[REDACTED]	71	7/8/2008	16,000	\$20,000
[REDACTED]	@aol.com	[REDACTED]	79	9/2/2008	20,000	\$25,000
[REDACTED]	@aol.com	[REDACTED]	105	10/15/2009	12,766	
[REDACTED]	@aol.com	[REDACTED]	106	10/15/2009	7,234	
[REDACTED]	@aol.com	[REDACTED]	119	2/7/2012	7,234	
[REDACTED]	@aol.com	[REDACTED]	118	2/7/2012	12,766	
[REDACTED]	-	[REDACTED]	48	1/10/2008	4,000	\$5,000
[REDACTED]	-	[REDACTED]	78	8/25/2008	4,000	\$5,000
[REDACTED]	CA	[REDACTED]	97	1/2/2009	2,800	\$3,500
[REDACTED]	-	[REDACTED]	19	11/16/2007	8,000	\$10,000
[REDACTED]	@aol.com	[REDACTED]	91	12/1/2008	5,000	\$6,250
[REDACTED]	@aol.com	[REDACTED]	113	5/4/2011	20,000	\$25,000.00
[REDACTED]	@gmail.com	[REDACTED]	3	2/19/2008	4,000	\$5,000
[REDACTED]	@yahoo.com	[REDACTED]	94	12/24/2008	4,000	\$5,000
tom@mandobooks.com	-	[REDACTED]	20	11/20/2007	40,000	\$50,000
tom@mandobooks.com	-	[REDACTED]	5	1/30/2008	20,000	\$25,000
tom@mandobooks.com	-	[REDACTED]	65	6/2/2008	20,000	\$25,000
[REDACTED]	@yahoo.com	[REDACTED]	64	5/9/2008	8,000	\$10,000
[REDACTED]	@yahoo.com	[REDACTED]	67	6/19/2008	40,000	\$50,000
[REDACTED]	@yahoo.com	[REDACTED]	77	7/28/2008	52,000	\$65,000
[REDACTED]	@yahoo.com	[REDACTED]	102	10/15/2009	12,500	\$15,625

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]@yahoo.com
[REDACTED]@yahoo.com

[REDACTED]k@yahoo
[REDACTED]@yahoo
[REDACTED]@aim.com
[REDACTED]@gmail.com
justin@jjny.com

-

-

-

CA

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

C

B

84	11/4/2008	25,000	\$31,250
103	10/15/2009	12,500	\$15,625
108	7/21/2011	7,500	
93	10/10/2008	20,000	\$25,000
51	4/4/2008	4,000	\$5,000
99	1/27/2009	666	
100	3/4/2009	10,000	\$20,000
	8/17/2008	20,000	
	8/17/2008	330,000	

Comments

CANCELLED
VOID - SURRENDERED

CANCELLED

CANCELLED
reissue #114, bought back 50 shares

VOID - SURRENDERED

transferred from Russo to Johnson, no
\$ on our end

VOID
VOID

RETURNED

Stock #11

CANCELLED & transferred to John
Johnson 12/30/11
VOID
VOID - transferred to Solvay Bank
VOID - transferred to Solvay Bank

buying part of Loftis' stock

reissue #84 (split w/ Virginia M Unger)

VOID - SURRENDERED
reissue #84 (split w/ John Unger)

buying part of Loftis' stock
VOID - SURRENDERED

54 Freedom Tele, Inc.

Investor		Original Purchase			
Last	First	Date	Shares	Investment	% Ownership
	Will	2/25/10	1,000	\$ -	0.1708%
	John	4/15/10	1,000	\$ -	0.1708%
	Ivan	6/10/10	2,500	\$ 5,000	0.4270%
	James	1/11/10	25,000	\$ -	4.2699%
	Toriano	2/25/10	1,000	\$ -	0.1708%
	Mike	4/15/10	1,000	\$ -	0.1708%
	Willie	4/15/10	1,000	\$ -	0.1708%
	Johnny	4/15/10	1,000	\$ -	0.1708%
	Scott	2/25/10	1,000	\$ -	0.1708%
	John	1/11/10	25,000	\$ -	4.2699%
	Justin	1/11/10	25,000	\$ -	4.2699%
	Harry	2/25/10	1,000	\$ -	0.1708%
54Freedom		1/11/10	250,000	\$ -	42.6985%
MoneyIns		1/11/10	250,000	\$ -	42.6985%
				\$ -	0.0000%
Total Shares Sold			585,500	\$ 5,000	100.0000%
Unissued shares			414,500		0.0000%
Total			1,000,000		100.0000%

54Freedom Tele Inc Investor List

<u>Name</u>	<u>Address</u>	<u>State</u>	<u>Zip</u>	<u>Phone</u>
[Redacted], Will	[Redacted], Miami	FL	[Redacted]	[Redacted]
[Redacted], John	[Redacted], N. Miami	FL	[Redacted]	[Redacted]
[Redacted], Ivan	[Redacted], Union	NJ	[Redacted]	[Redacted]
[Redacted], James	[Redacted], Cazenovia	NY	[Redacted]	[Redacted]
[Redacted], Toriano	[Redacted]			
[Redacted], Mike	[Redacted], Miami	FL	[Redacted]	[Redacted]
[Redacted], Willie	[Redacted], N. Miami	FL	[Redacted]	[Redacted]
[Redacted], Johnny	[Redacted], Bay Harbor	FL	[Redacted]	[Redacted]
[Redacted], Scott	[Redacted], Boca Raton	FL	[Redacted]	[Redacted]
[Redacted], John	[Redacted], Singer Island	FL	[Redacted]	[Redacted]
[Redacted], Justin	[Redacted], San Rafael	CA	[Redacted]	[Redacted]
[Redacted], Harry	[Redacted], Aventora,	FL	[Redacted]	[Redacted]
MoneyIns Inc	[Redacted], Cazenovia	NY	[Redacted]	[Redacted]
54Freedom Inc	[Redacted], Cazenovia	NY	[Redacted]	[Redacted]

<u>Email</u>	<u>Social Security</u>	<u>Date</u>	<u>Cert #</u>	<u>Shares</u>	<u>Investment</u>
[REDACTED]@gmail.com	[REDACTED]	2/25/2010	4	1,000	
[REDACTED]@gmail.com	[REDACTED]	4/15/2010	9	1,000	
[REDACTED]@aol.com	[REDACTED]	6/10/2010	13	2,500	\$5,000.00
[REDACTED]@gmail.com	[REDACTED]	1/11/2010	14	25,000	
[REDACTED]@gmail.com	[REDACTED]	2/25/2010	3	1,000	
[REDACTED]@gmail.com	[REDACTED]	4/15/2010	10	1,000	
[REDACTED]@gmail.com	[REDACTED]	4/15/2010	8	1,000	
[REDACTED]@gmail.com	[REDACTED]	4/15/2010	11	1,000	
[REDACTED]@gmail.com	[REDACTED]	2/25/2010	2	1,000	
justin@jjny.com	[REDACTED]	1/11/2010	15	25,000	
	[REDACTED]	1/11/2010	18	25,000	
	[REDACTED]	2/25/2010	5	1,000	
		1/11/2010		250,000	
		1/11/2010		250,000	

54 Freedom Securities, Inc.

Investor		Purchase		
Last	First	Date	Shares	Investment
	William	11/26/10	30,000	\$ 30,000
	Timothy & Melissa	12/8/10	10,000	\$ 10,000
	Neal	7/13/10	20,000	\$ 20,000
	James	8/27/10	25,000	\$ -
	Jeffrey	1/18/11	30,000	\$ 30,000
Family	LP	4/26/11	10,000	\$ 20,000
	Kenneth	12/1/10	7,000	\$ 7,000
	Patrick & Eileen	2/7/11	1,000	\$ 1,000
	Tim	8/26/10	25,000	\$ 250
	Terry & DeLaine	12/15/10	75,000	\$ 75,000
	Barbara	12/23/10	7,000	\$ 7,000
	Pamela (Suzy)	8/26/10	25,000	\$ 250
	Sally	12/14/10	40,000	\$ 65,000
	Tom & Patricia	1/28/11	100,000	\$ 100,000
	Thomas	3/22/11	25,000	\$ 25,000
	John	11/24/10	10,000	\$ 10,000
	Virginia M Trust	11/24/10	12,000	\$ 12,000
	John	8/27/10	25,000	\$ -
	Justin	7/15/10	20,000	\$ 20,000
54Freedom, Inc		7/23/10	500,000	\$ -
MoneyIns		7/23/10	500,000	\$ -
Sullivision Inc (Tom Sullivan)		7/14/10	100,000	\$ 100,000
				\$ -
Total Shares Sold			1,597,000	\$ 532,500
Unissued shares			403,000	
Total			2,000,000	

% Ownership
1.8785%
0.6262%
1.2523%
1.5654%
1.8785%
0.6262%
0.4383%
0.0626%
1.5654%
4.6963%
0.4383%
1.5654%
2.5047%
6.2617%
1.5654%
0.6262%
0.7514%
1.5654%
1.2523%
31.3087%
31.3087%
6.2617%
0.0000%
100.0000%
0.0000%
100.0000%

Name	Address	State	Zip
54Freedom Inc	4704 East Lake Rd., Cazenovia	NY	13035
██████████, William	██████████ Cazenovia	NY	██████████
██████████ Timothy & Melissa	██████████ DeRuyter	NY	██████████
██████████, Neal	██████████, Manlius	NY	██████████
██████████ James	██████████, Cazenovia	NY	██████████
██████████, Jeffrey	██████████, Cazenovia	NY	██████████
██████████, Jeffrey	██████████ Cazenovia	NY	██████████
██████████k Family Limited Partnership	Eastern Auto Mall, Inc. c/o Paul Kucerak 175 E. Main Street Ilion	NY	13357
██████████, Kenneth	██████████, Portage	MI	██████████
MoneyIns, Inc	██████████, Cazenovia	NY	██████████
██████████, Patrick & Eileen	██████████ Gardner	MA	██████████
██████████ Timothy	██████████, Glen Allen	VA	██████████
██████████n, Terry & DeLaine	██████████, Sisseton	SD	██████████
██████████ Terry & DeLaine	██████████, Sisseton	SD	██████████
██████████ Barbara	██████████, Jupiter	FL	██████████
██████████, Pamela	██████████, Hardy	VA	██████████
██████████ Sally	██████████ Holland Patent	NY	██████████
██████████, Sally	██████████, Holland Patent	NY	██████████
Sullivision, Inc.	5 Via Veneta , Rancho Palos Verdes	CA	██████████
Sullivision, Inc.	5 Via Veneta , Rancho Palos Verdes	CA	██████████
██████████, Tom & Patricia	██████████, Rancho Palos Verdes	CA	██████████
Terwilliger, Thomas	██████████, Cortland	NY	██████████
██████████, John	██████████ Cicero	NY	██████████
██████████, Larry	██████████, Cicero	NY	██████████
██████████, Virginia ██████████	██████████ Cicero	NY	██████████
██████████, John	██████████ Rivera Beach	FL	██████████
██████████, Justin	██████████	CA	██████████

Total

* Certificate Numbers

Phone	Email	SS# / EIN#	Date	Cert No.*	Shares	Investment	
			7/23/2010	2	500,000	\$	-
	@aol.com		11/26/2010	12	30,000	\$	30,000.00
0	@twcny.rr.com		12/8/2010	17	10,000		\$10,000.00
	@twcny.rr.com		7/14/2010	6	20,000	\$	20,000.00
	@aol.com		8/27/2010	9	25,000	\$	-
	Jhunt@Chittenangolumber.co		1/18/2011	24	20,000		\$20,000.00
	Jhunt@Chittenangolumber.co		4/8/2011	26	10,000		\$10,000.00
				27	10,000		\$20,000.00
	t@yahoo.com		12/1/2010	16	7,000	\$	7,000.00
			7/23/2010	1	500,000	\$	-
	@comcast.net		2/7/2011	23	1,000	\$	1,000.00
804-266-2525	tim@legacyep.com		7/26/2010	8	25,000	\$	250.00
	s@yahoo.com		12/15/2010	18	50,000		\$50,000.00
	@yahoo.com		7/1/2011	28	25,000		\$25,000.00
	ll@twcny.rr.com		12/23/2010	19	7,000		\$7,000.00
	suzy@legacyep.com		8/26/2010	7	25,000	\$	250.00
	@aol.com		12/14/2010	20	15,000	\$	15,000.00
	@aol.com		5/4/2011	28	25,000		\$50,000
	@cox.net		1/28/2011	22	100,000	\$	100,000.00 VOID
	@cox.net		7/14/2010	4	100,000	\$	100,000.00
	@cox.net		1/28/2011	25	100,000	\$	100,000.00
607-758-8289	tom@mandobooks.com		3/12/2011	25	25,000		\$25,000.00
	@yahoo.com		11/24/2010	14	10,000	\$	10,000.00
	@yahoo.com		11/24/2010	13	12,000	\$	12,000.00 VOID Tran:
	@yahoo.com		3/30/2012	10	12,000	-	
	@gmail.com		8/27/2010	11	25,000	\$	-
801-694-1967	justin@jjny.com		7/15/2010	5	20,000	\$	20,000.00
						1,709,000	\$ 632,500.00

sferred to Virginia M Unger Trust

5 Ledyard Corp

Investor		Purchase	Shares	Value	% Ownership
Last	First	Date			
54Freedom Inc		3/9/2012	1,000,000		
█	James P	3/9/2012	500,000		
█	d Ryan	3/9/2012	50,000		
█	Henry	6/20/2012	3,226	\$50,000	
█	John	3/9/2012	250,000		

5 Ledyard Corp. Investor Chart

Name	Address	State	Zip	Phone	Email
54Freedom Inc	5 Ledyard Ave Cazenovia	NY	13035		
[REDACTED], James P	[REDACTED] Cazenovia	NY		[REDACTED]	[REDACTED]@aol.com
[REDACTED], Ryan	5 [REDACTED]	[REDACTED]		[REDACTED]	[REDACTED]@gmail.com
[REDACTED], Henry	[REDACTED] Cazenovia	NY		[REDACTED]	[REDACTED]@hotmail.com
[REDACTED], John	[REDACTED] Rivera Beach	FL		[REDACTED]	[REDACTED]@gmail.com

SS# / EIN#	Date	Cert No.*	Shares	Investment
	3/9/2012	1	1,000,000	
	3/9/2012	2	50,000	
	3/9/2012	4	50,000	
	6/20/2012	5	3,226	\$50,000.00
	3/9/2012	3	50,000	

IIC Net				
Investor		Original	Renewal	
Last	First	Date	Date	Investment
	Marjory	7/21/11	7/21/16	\$ 300,000
Total				300,000

IIC Net Investor Chart

Name	Address	State	Zip	Phone	Email	SS# / EIN#	Amount	Rate	Term
[REDACTED], Marjory	[REDACTED], Tucson	AZ	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	300,000		6% 6 years

54Freedom Inc Note Investor List

Name	Address	State	Zip	Phone	Email	note type	Amount	Rate	Term
█████ Margaret	████████████████████ Cazenovia	NY	██████████	██████████	bizofc@caz-cc.com	SPN	100,000	10%	1 year renewable
█████, William	████████████████████ Cazenovia	NY	██████████	██████████	██████████@aol.com	SPN	200,000	12%	1 year renewable
█████, William	████████████████████ Cazenovia	NY	██████████	██████████	██████████@aol.com	Prom	200,000	12%	
█████, John	████████████████████ Cicero	NY	██████████	██████████	██████████@eriematerials.com	SPN	50,000	10%	1 year renewable
█████, Ron	██████████ ██████ Ca Mesa	CA	██████████	██████████	██████████@mac.com	SPN	100,000	10%	1 year renewable
█████o, Ron	████████████████████ North Syracuse	NY	██████████	██████████	██████████@aol.com	SPN	50,000	10%	1 year renewable
█████, Todd	████████████████████ Fayetteville	NY	██████████	██████████		SPN	100,000	10%	1 year renewable

54FreedomTele, Inc.

Notes

Lendor		Original Purchase	Last Renewal	Total
Last	First	Date	Date	Borrowed
AMEM Irrevocable Trust	Andrew&Elizabeth Martens	1/3/2012		\$ 28,000
AMEM Irrevocable Trust	Andrew&Elizabeth Martens	1/4/2012		\$ 24,838
AMEM Irrevocable Trust	Andrew&Elizabeth Martens	1/4/2012		\$ 47,911
AMEM Irrevocable Trust	Andrew&Elizabeth Martens	12/14/2011		\$ 10,000
Bettig	Gary	7/19/10	7/20/11	\$ 54,500
Booze	Dennis & Roberta	6/21/10	6/22/12	\$ 25,000
Davis	Barbara	9/15/10	9/18/11	\$ 50,000
Magrew	Dale	2/22/11		\$ 100,000
Owen Trust	Janie	9/28/10	9/29/11	\$ 100,000
Schmidt	Helen	6/14/10	6/15/11	\$ 10,000
Unger	Larry Estate of (Pensco	10/1/10	3/30/12	\$ 108,338
Unger	Virginia M Trust	5/10/10	5/11/11	\$ 25,000
Unger	Virginia M Trust	6/11/10	6/12/11	\$ 25,000
Wallisalou Inc	Walter Henry	6/8/11		\$ 200,000
Wallisalou Inc	Walter Henry	5/12/11		\$ 200,000
Zimmer	Geoffrey & Colleen	6/17/10	6/19/11	\$ 10,000
Total				1,018,587

Total Available
\$ 28,000
\$ 24,838
\$ 47,911
\$ 6,500
\$ 54,500
\$ 25,000
\$ 50,000
\$ 100,000
\$ 100,000
\$ 10,000
\$ 108,338
\$ 25,000
\$ 25,000
\$ 200,000
\$ 200,000
\$ 10,000
1,015,087

54Freedom Tele Inc Note Investor List

Name	Address	State	Zip	Phone	Email
AMEM Irrevocable Trust (Martens)	[Redacted]	Baldwinsville	NY	[Redacted]	[Redacted]
[Redacted] Gary (Pensco FBO #70001516)	[Redacted] Oneida	NY	[Redacted]	[Redacted]	[Redacted]@aol.com
[Redacted] Dennis & Roberta	[Redacted] Roanoke	VA	[Redacted]	[Redacted]	roboke@cs.com
[Redacted] Barbara	[Redacted] Churchville	VA	[Redacted]	[Redacted]	[Redacted]
[Redacted] Dale	[Redacted] Cutler Bay	FL	[Redacted]	[Redacted]	[Redacted]@gmail.com
[Redacted] Trust, [Redacted]	[Redacted] Salem	VA	[Redacted]	[Redacted]	[Redacted]
[Redacted] Helen	[Redacted] Lake Wales	FL	[Redacted]	[Redacted]	[Redacted]
[Redacted] Larry [Redacted] of (Pensco FBO: 70001764)	[Redacted] Cicero	NY	[Redacted]	[Redacted]	[Redacted]@yahoo.com
[Redacted] Virginia	[Redacted] Cicero	NY	[Redacted]	[Redacted]	[Redacted]@yahoo.com
[Redacted] Virginia [Redacted]	[Redacted] Cicero	NY	[Redacted]	[Redacted]	[Redacted]@yahoo.com
[Redacted] (Walter [Redacted])	[Redacted] Miami	FL	[Redacted]	[Redacted]	[Redacted]
[Redacted] (Walter [Redacted])	[Redacted] Miami	FL	[Redacted]	[Redacted]	[Redacted]
[Redacted] Geoffrey & Colleen	[Redacted] Cazenovia	NY	[Redacted]	[Redacted]	[Redacted]e@aol.com
					[Redacted]@yahoo.com

Amount	Rate	Term
\$107,249.20	10%	1 year (4 notes)
\$54,500	6%	1 year
\$25,000	6%	1 year
\$50,000	6%	1 year
\$100,000	6%	1 year
\$100,000	6%	1 year
\$10,000	6%	1 year
\$108,333	10%	1 year
\$25,000	6%	1 year
\$25,000	6%	1 year
\$200,000	6%	1 year
\$200,000	6%	1 year
\$10,000	6%	1 year

54Freedom Securities Note Investor List

Name	Address	State	Zip	Phone	Email	Amount
Booze, [REDACTED] & Roberta	[REDACTED], Roanoke	VA	[REDACTED]	[REDACTED]	roboke@cs.com	\$25,000
[REDACTED], Bernice & Virginia Revocable Living Trust	[REDACTED], Roanoke	VA	[REDACTED]	[REDACTED]		\$50,000
[REDACTED] Margaret & Raymond	[REDACTED], SW Roanoke	VA	[REDACTED]	[REDACTED]		\$50,000
[REDACTED] Terry & Delaine	[REDACTED] Sisseton	SD	[REDACTED]	[REDACTED]	[REDACTED]@yahoo.com	\$25,000
[REDACTED], Sally	[REDACTED] Holland Patent	NY	[REDACTED]	[REDACTED]	[REDACTED]@aol.com	\$10,000
[REDACTED], Virginia [REDACTED]	[REDACTED] Cicero	NY	[REDACTED]	[REDACTED]	[REDACTED]@yahoo	\$120,000

Rate	Term
6.50%	1 year
15%	2 year
6%	1 year
6%	1 year
6%	1 year
10%	1 year

5 Ledyard Avenue LLC

Investor		Purchase	
Last	First	Date	Investment
Notes			
Bastian Family IRRV Trust		4/6/2012	\$ 133,840
	Frank	2/29/12	\$ 50,000
	Kathleen	2/7/12	\$ 134,943
	Kathleen	2/7/12	\$ 10,665
	Dawn M Living Trust	3/15/12	\$ 100,000
	Robert	2/27/12	\$ 100,000
	Maya	11/15/11	\$ 30,000
	Timothy & Melissa	11/3/11	\$ 103,032
	David	3/29/12	\$ 26,780
	Dale	11/8/11	\$ 50,000
	Henry	1/13/12	\$ 100,000
	Larry & Catherine	3/28/12	\$ 65,000
	Doug	10/28/11	\$ 90,000
	Angelina	4/2/12	\$ 25,000
	Frank	11/8/11	\$ 100,000
	Frank	11/8/11	\$ 50,000
Wallisalou Inc.	Walter Henry	11/28/11	\$ 100,000
	Elzena	5/22/12	\$ 74,379
Total			1,343,639
Founders			
Campos	Steve	11/7/11	\$ 100,000
Griffin	James	11/7/11	\$ 100,000
Moreland	Chris	11/7/11	\$ 100,000
Wolle	John	11/7/11	\$ 100,000
Total			\$ 400,000
Temporary			
Steffen	Sally	11/14/11	\$ 10,000
Terwilliger	Tom	11/16/11	\$ 20,000
Yarmark	Justin	11/15/11	\$ 10,000
Total			\$ 40,000

5 Ledyard Avenue LLC Investor List

<u>Name</u>	<u>Address</u>	<u>Phone</u>
Bastian Family IRRV Trust	131 Fowler Place Odessa, NY 14869	
Battle, Frank	17200 NW 12th Ave Miami Gardens, FL 33169	
Brown, Kathleen	4704 Cotton-Hanlon Rd Odessa, NY 14869	
Brown, Kathleen	4704 Cotton-Hanlon Rd Odessa, NY 14869	
Burnette, Dawn M Living Trust	2741 Derwent Drive Roanoke, VA 24015	
Campos, Steve	2910 Point East Drive #M412 Aventure, FL 33160	561-212-7799
Gabor, Robert	4515 Ridge Rd Cazenovia, NY 13035	
Gabrielli, Maya	7660 NW 79th Ave #N7, Tamarac, FL 33321	954-726-2230
Glisson, Timothy & Melissa	260 East Lake Rd DeRuyter, NY 13052	315-852-6200
Griffin, James	4704 East Lake Rd Cazenovia, NY 13035	917-751-2493
Holgate, David	3032 Pompey Center Rd Manlius, NY	
Magrew, Dale	1921 Holiday Rd. Cutler Bay, FL 33157	
Moreland, Chris	4211 Gemini Path Liverpool, NY 13090	315-463-7357
Mullins, Henry	9 South Village Dr. Cazenovia, NY 13035	315-427-5266
Owen, Larry & Catherine	2101 Stonemill Drive, Salem VA 24153	
Percival, Doug	5 William Jay Ct. Savannah, GA 31419	
Roche, Angelina	20 Jones Rd Saquoit, NY 13456	
Smiley, Frank	117 Compass Dr. Waynesboro, VA 22980	
Smiley, Frank	117 Compass Dr. Waynesboro, VA 22980	
Steffen, Sally	PO Box 403 Holland Patent, NY 13354	
Terwilliger, Tom	33 Main St. Cortland, NY 13045	607-758-8289
Wallisalou (Walter Henry)	120 NE 210th St, Miami FL 33179	
Washington, Elzena	168 Hall Ave. Syracuse, NY 13205	
Wolle, John	1025 Sugar Sands Blvd Apt 162 Rivera Beach, FL 33404	561-254-0533
Yarmark, Justin	14 Commercial Dr. Ste 121 Novato, CA 94949	801-694-1967

<u>Email</u>	<u>Amount</u>	<u>Rate</u>	<u>Term</u>
	\$133,840.00	6%	3 year
	\$50,000.00	4.616%	3 year
	\$134,942.94	6%	3 year
	\$10,665.49	6%	3 year
	\$100,000.00	4.616%	2 year
██████████@yahoo.com	\$100,000.00	0%	3 year
	\$142,360.00	6%	2 year
██████████@aol.com	\$30,000.00	10%	3 year
Tglisson @twcny.rr.com	\$103,032.00	8%	3 year
██████████@aol.com	\$100,000.00	0%	3 year
	\$26,780.00	6%	3 year
██████████7@gmail.com	\$50,000.00	10%	3 year
██████████@gmail.com	\$100,000.00	0%	3 year
██████████@hotmail.com	\$100,000.00	8%	2 year
	\$65,000.00	4.616%	2 year
	\$90,000.00	7.2%	3 year
	\$25,000.00	6.0%	3 year
	\$100,000.00	8%	3 year
	\$50,000.00	8%	3 year
	\$25,000.00		30 day
tom@mandobooks.com	\$25,000.00		30 day
	\$100,000.00	10%	3 year
	\$74,379.00	30%	3 year
██████████@gmail.com	\$100,000.00	0%	3 year
justin@jjny.com	\$25,000.00		30 day

Exhibit 4

Wolle - Cross - Schoenberger

1 (Witness excused, 10:36 p.m.)

2 THE COURT: Mr. Herkala.

3 MR. HERKALA: Your Honor, is it possible we may
4 have a short five-minute recess.

5 THE COURT: All right. Take a five-minute recess.

6 THE CLERK: All rise.

7 (Jury excused.)

8 THE CLERK: Court is in recess.

9 THE COURT: Ready to go.

10 MR. HERKALA: Yes, Judge.

11 THE COURT: Bring the jury in.

12 (Jury present.)

13 THE COURT: Okay. Thank you. Mr. Herkala, you may
14 call your next witness.

15 MR. HERKALA: Defense calls James Griffin, your
16 Honor.

17
18 JAMES GRIFFIN, called as a witness and
19 being duly sworn, testifies as follows:

20 THE COURT: Mr. Herkala, you may proceed.

21 DIRECT EXAMINATION BY MR. HERKALA:

22 Q Can you state your name, please.

23 A James Griffin.

24 Q Mr. Griffin, in front of you there should be a
25 document with a label on it, Defense Exhibit Number 40.

Griffin - Direct - Herkala

1 A It's on the chart. IIC Marketing and the
2 purpose of that was to do bank marketing, sell insurance
3 products in banks.

4 Q And is IIC Marketing still in business today?

5 A Yes.

6 Q And if you pull up 292 again. I believe, sir,
7 you have that exhibit in front of you.

8 A Yes.

9 Q Have any of these companies listed on this
10 exhibit, 292, filed for bankruptcy?

11 A No.

12 Q Do you have investors in any of these
13 companies?

14 A Yes, we have -- yes.

15 Q Which companies do you have investors in?

16 A Can I give you the number or you want the
17 specific?

18 Q Tell me the names of the companies, please.

19 A 5 Ledyard Corp., 5 Ledyard LLC, Money Ins.,
20 54Freedom Inc., 54Freedom Tele, 54Freedom Securities, IIC
21 Marketing, IIC Net, U.S.F.M.G, U.S. Life Annuities. That's
22 it.

23 Q How many investors total are there in the
24 companies that you just listed?

25 A We have over 150 stockholders and we have over

Griffin - Direct - Herkala

1 50 note holders.

2 Q Are you the CEO of all of the companies you
3 just listed?

4 A Yes.

5 Q Let's talk about the note holders. Are the 50
6 note holders -- strike that.

7 You were present in court while there was
8 testimony given regarding promissory notes that had been
9 issued to investors --

10 A Yes.

11 Q -- is that correct? And what would be the
12 purpose of giving a promissory note to, for example, Kathy
13 Brown?

14 A We use notes for some fundraising for several
15 of our companies because we had flexibility in the face value
16 of the bond and the terms of the bond, as opposed to stock.

17 MR. HERKALA: Judge, can I have a moment. I just
18 need to locate an exhibit.

19 THE COURT: I'm sorry.

20 MR. HERKALA: Judge, can I have a moment. I just
21 need to locate an exhibit.

22 THE COURT: All right.

23 (Pause in proceedings.)

24 MR. HERKALA: May I approach.

25 THE COURT: You may.

Griffin - Direct - Herkala

1 Can you pull up Exhibit 296, please.

2 MR. HERKALA: Judge, may I approach?

3 THE COURT: You may.

4 Q A moment ago, Mr. Griffin, you mentioned a
5 diagram. Were you referring to Exhibit 296?

6 A Yes.

7 Q Did the Palm Peach Inlet Club make payments in
8 connection with a charter boat service?

9 A Yes.

10 Q And what was the club utilizing the charter
11 boat service for?

12 A To bring out customers and clients to raise
13 money for the companies.

14 Q Whose customers and whose clients?

15 A Any of our workers, employees -- not employees
16 but 1099 people.

17 Q And you said that you were the CEO of that
18 company?

19 A Yes.

20 Q As CEO, are you familiar with the results of
21 the marketing activities of the Palm Beach Inlet Club from
22 2007 through 2012?

23 A We raised about \$200,000 for our companies.
24 We spent 177,000.

25 Q In what form was the money raised?

Griffin - Direct - Herkala

1 A People would buy usually stock, we sold stock
2 and notes.

3 Q You sold stock in which companies?

4 A All companies.

5 Q What about notes?

6 A In three companies.

7 Q And those three companies were 5 Ledyard
8 Avenue LLC and two others?

9 A I'm losing my chart now. 5 Ledyard Corp.,
10 tele, and LLC, I believe.

11 Q The money that was raised in connection with
12 the Palm Beach Inlet's Club marketing, what happened to it
13 after it was raised, did it go directly to the corporations?

14 A Yes.

15 Q What was that money used for?

16 A Marketing, development of the company,
17 salaries, et cetera, normal company expenses.

18 Q Mr. Griffin, could you find Exhibit 75,
19 please. Mr. Griffin, you have before you Exhibit 75 which is
20 in evidence in this case.

21 Let me ask you: Were you an officer or
22 director of IIC Marketing Limited?

23 A Yes.

24 Q And what was your position?

25 A CEO.

Exhibit 5

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF NEW YORK**

UNITED STATES OF AMERICA,

v.

**5:15-CR-207
(FJS)**

JAMES P. GRIFFIN,

Defendant.

VERDICT FORM

We the jury unanimously find as follows on the Counts listed below as to Defendant (check either "Guilty" or "Not Guilty" as to each Count):

CHARGES RELEVANT TO 54 FREEDOM CHARITABLE GIFT ANNUITY

Dates Alleged: July, 2009 through November 25, 2015

MAIL FRAUD: 18 U.S.C. § 1341

Count	Date(s) Alleged	ITEM SENT	Guilty	Not Guilty
1	7/27/2010	CGA application in the name of B C	X	
2	11/18/2010	CGA application in the name of G M	X	
3	11/29/2010	CGA application in the name of G Y	X	
4	2/5/2011	CGA application in the name of D B	X	
5	3/22/2013	Three checks payable to G M for \$444.17 each	X	

WIRE FRAUD: 18 U.S.C. § 1343

Count	Date(s) Alleged	RECEIVING ACCOUNT	Guilty	Not Guilty
6	11/15/2012	Bank of America account of J H ending in 7272	X	
7	4/9/2013	Member One Federal Credit Union account of C D ending in 1751	X	
8	4/9/2013	First Citizens Bank account of L L ending in 1354	X	
9	4/9/2013	SunTrust Bank account of J B ending in 4321	X	
10	4/9/2013	SunTrust Bank account of T U ending in 1211	X	
11	5/6/2013	BB&T Bank account of D B ending in 6317	X	
12	5/6/2013	BB&T Bank account of D B ending in 6317	X	
13	6/19/2013	SunTrust Bank account of D M ending in 5534	X	

GO ON TO THE NEXT PAGE.

CONTINUED FROM PAGE 1.

CHARGES RELEVANT TO TAX-DEFERRED RETIREMENT ACCOUNTS

Dates Alleged: November, 2011 through November 25, 2015

MAIL FRAUD: 18 U.S.C. § 1341

Count	Date(s) Alleged	ITEM SENT	Guilty	Not Guilty
14	3/9/2012	Pensco IRA Application	X	
15	2/8/2012	Check for \$101,069.75	X	
16	7/20/2012	Correspondence from Defendant	X	
17	2/6/2012	Pensco IRA Application	X	
18	5/5/2014	Check for \$137,388.98	X	

MONEY LAUNDERING: 18 U.S.C. §§ 1957 and 2(b)

Count	Date(s) Alleged	Monetary Transaction	Guilty	Not Guilty
19	7/30/2010	\$50,000 deposit into 54 Freedom, Inc. account ending in 2920 at M&T Bank; check no. 1422	X	
20	9/13/2010	\$15,000 deposit into 54 Freedom Tele Inc. account ending in 3425 at JP Morgan Chase Bank; check no. 1446	X	
21	12/14/2010	\$15,000 deposit into 54 Freedom Inc. account ending in 2920 at M&T Bank; check no. 1463	X	
22	12/14/2010	\$16,000 deposit into 54 Freedom Tele Inc. account ending in 3425 at JP Morgan Chase Bank; check no. 1464	X	
23	4/4/2011	\$16,105.80 deposit into 54 Freedom Securities, Inc. account ending in 2240 at M&T Bank; check no. 1507	X	

Have the foreperson date and sign this Verdict Form and let the marshal know that you have reached a verdict.

Date: 07.18.16

**NAME REDACTED
Foreperson's Signature

Exhibit 6

JURY TRIAL MINUTES
Hon. Frederick J. Scullin, Jr. Presiding

Date: Monday, July 18, 2016
Location: Syracuse, NY
Clerk: Nicole Eallonardo
Court Reporter: Diane Martens

Case Name: United States of America v. James Griffin
Case Number: 5:15-cr-207

Appearances: Edward Broton, AUSA and Carina Schoenberger, AUSA for the Government
David Herkala, Esq. for Defendant

Jury Trial - Day 7

8:51 a.m. Court resumes with counsel to discuss preliminary matters.

8:54 a.m. Court is in recess.

9:04 a.m. Court resumes with jury. Cross examination of JAMES GRIFFIN by Mr. Broton continues.

10:06 a.m. Court is in recess.

10:18 a.m. Court resumes. Re-direct examination of JAMES GRIFFIN by Mr. Herkala.

10:40 a.m. Re-cross examination of JAMES GRIFFIN by Mr. Broton.

10:45 a.m. Re-direct examination of JAMES GRIFFIN by Mr. Herkala.

10:47 a.m. Defense Rests. Jury is excused from the courtroom. Court meets with counsel at sidebar.

10:49 a.m. Court is in recess.

10:56 a.m. Court resumes. Closing argument by Ms. Schoenberger.

11:47 a.m. Closing argument by Mr. Herkala.

12:08 p.m. Rebuttal closing argument by Mr. Broton.

12:24 p.m. Court is in recess.

1:17 p.m. Court resumes. Judge charges the jury and reviews verdict form.

1:52 p.m. Courtroom Security Officers are sworn. Jury retires for deliberation. Exhibits

provided to jury.

- 3:35 p.m. Court receives a jury note which is marked as Court Exhibit # 2.
- 3:45 p.m. Court receives a jury note which is marked as Court Exhibit # 3.
- 3:48 p.m. Court meets with counsel to discuss the jury notes.
- 3:59 p.m. Court is in recess.
- 4:02 p.m. Court resumes with jury present to address the two jury notes.
- 4:09 p.m. Court is in recess. Jury retires to continue deliberation.
- 5:07 p.m. Court resumes. Jury returns to Courtroom and returns a verdict of guilty as to Counts 1 through 23 of the Superseding Indictment. Clerk is directed to file verdict form. Jury is excused with thanks of the Court.
- 5:13 p.m. Jury exits courtroom. Court reminds counsel of deadlines to file motions. Exhibits returned to counsel. Court orders a Presentence Report from Probation. Sentencing is set for November 15, 2016 at 10:00 a.m. in Syracuse. Defendant continued on release conditions.
- 5:16 p.m. Court is adjourned.

Exhibit 7

UNITED STATES DISTRICT COURT

Northern District of New York

UNITED STATES OF AMERICA

JUDGMENT IN A CRIMINAL CASE

v.

James P. Griffin

Case Number: DNYN515CR000207-001

USM Number: 24493-052

David W. Herkala
Cerio Law Offices
407 South Warren Street, 5th Floor
Syracuse, NY 13212
315-422-8769

Defendant's Attorney

THE DEFENDANT:

- pleaded guilty to count(s) of the on.
- pleaded nolo contendere to count(s) which was accepted by the court.
- was found guilty on count(s) 1 through 23 of the Superseding Indictment on July 18, 2016 after a plea of not guilty.

The defendant is adjudicated guilty of these offenses:

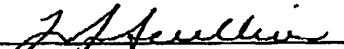
<u>Title & Section</u>	<u>Nature of Offense</u>	<u>Offense Ended</u>	<u>Count</u>
18 U.S.C. § 1341	Mail Fraud	07/27/2010	1
18 U.S.C. § 1341	Mail Fraud	11/18/2010	2
18 U.S.C. § 1341	Mail Fraud	11/29/2010	3
18 U.S.C. § 1341	Mail Fraud	02/05/2011	4
18 U.S.C. § 1341	Mail Fraud	03/22/2013	5

The defendant is sentenced as provided in pages 2 through 9 of this judgment. The sentence is imposed in accordance with 18 U.S.C. § 3553 and the Sentencing Guidelines.

- The defendant has been found not guilty on count(s)
- Count(s) is are dismissed on the motion of the United States.

It is ordered that the defendant must notify the United States attorney for this district within 30 days of any change of name, residence, or mailing address until all fines, restitution, costs, and special assessments imposed by this judgment are fully paid. If ordered to pay restitution, the defendant must notify the court and United States attorney of material changes in economic circumstances.

December 13, 2016
Date of Imposition of Judgment


Frederick J. Scullin, Jr.
Senior United States District Judge

Date Signed: December 16, 2016

DEFENDANT: James P. Griffin
CASE NUMBER: DNYNS15CR000207-001

ADDITIONAL COUNTS OF CONVICTION

<u>Title & Section</u>	<u>Nature of Offense</u>	<u>Offense Ended</u>	<u>Count</u>
18 U.S.C. § 1343	Wire Fraud	11/15/2012	6
18 U.S.C. § 1343	Wire Fraud	04/09/2013	7-10
18 U.S.C. § 1343	Wire Fraud	05/06/2013	11-12
18 U.S.C. § 1343	Wire Fraud	06/19/2013	13
18 U.S.C. § 1341	Mail Fraud	03/09/2012	14
18 U.S.C. § 1341	Mail Fraud	02/08/2012	15
18 U.S.C. § 1341	Mail Fraud	07/20/2012	16
18 U.S.C. § 1341	Mail Fraud	02/06/2012	17
18 U.S.C. § 1341	Mail Fraud	05/05/2014	18
18 U.S.C. § 1957	Money Laundering	07/30/2010	19
18 U.S.C. § 1957	Money Laundering	09/13/2010	20
18 U.S.C. § 1957	Money Laundering	12/14/2010	21-22
18 U.S.C. § 1957	Money Laundering	03/04/2011	23

DEFENDANT: James P. Griffin
CASE NUMBER: DNYNS15CR000207-001

IMPRISONMENT

The defendant is hereby committed to the custody of the United States Bureau of Prisons to be imprisoned for a total term of:

60 months on each of Counts 1 through 23, to be served concurrently.

The court makes the following recommendations to the Bureau of Prisons:

The Court recommends the defendant undergo a mental health evaluation and participate in treatment as recommended. The Court further recommends the defendant be designated to a facility as close as possible to his home in Cazenovia, New York.

The defendant is remanded to the custody of the United States Marshal.

The defendant shall surrender to the United States Marshal for this district:

at a.m. p.m. on.

as notified by the United States Marshal.

The defendant shall surrender for service of sentence at the institution designated by the Bureau of Prisons:

before 2 p.m. on January 24, 2017.

as notified by the United States Marshal.

as notified by the Probation or Pretrial Services Office.

RETURN

I have executed this judgment as follows:

Defendant delivered on _____ to _____

at _____ with a certified copy of this judgment.

UNITED STATES MARSHAL

BY DEPUTY UNITED STATES MARSHAL

DEFENDANT: James P. Griffin
CASE NUMBER: DNYNS15CR000207-001

SUPERVISED RELEASE

Upon release from imprisonment, you will be on supervised release for a term of:

3 years on each of Counts 1 through 23, to be served concurrently.

MANDATORY CONDITIONS

1. You must not commit another federal, state, or local crime.
2. You must not unlawfully possess a controlled substance.
3. You must refrain from any unlawful use of a controlled substance. You must submit to one drug test within 15 days of release from imprisonment and at least two periodic drug tests thereafter, as determined by the court.
 - The above drug testing condition is suspended, based on the court's determination that you pose a low risk of future substance abuse. *(check if applicable)*
4. You must cooperate in the collection of DNA as directed by the probation officer. *(deselect if inapplicable)*
5. You must comply with the requirements of the Sex Offender Registration and Notification Act (42 U.S.C § 16901, *et seq.*) as directed by the probation officer, the Bureau of Prisons, or any state sex offender registration agency in the location where you reside, work, are a student, or were convicted of a qualifying offense. *(check if applicable)*
6. You must participate in an approved program for domestic violence. *(check if applicable)*

If this judgment imposes a fine or restitution, it is a condition of supervised release that you pay in accordance with the Schedule of Payments sheet of this judgment.

You must comply with the standard conditions that have been adopted by this court as well as with any additional conditions on the attached page.

DEFENDANT: James P. Griffin
CASE NUMBER: DNYN515CR000207-001

STANDARD CONDITIONS OF SUPERVISION

As part of your supervised release, you must comply with the following standard conditions of supervision. These conditions are imposed because they establish the basic expectations for your behavior while on supervision and identify the minimum tools needed by probation officers to keep informed, report to the court about, and bring about improvements in your conduct and condition.

1. You must report to the probation office in the federal judicial district where you are authorized to reside within 72 hours of your release from imprisonment, unless the probation officer instructs you to report to a different probation office or within a different time frame.
2. After initially reporting to the probation office, you will receive instructions from the court or the probation officer about how and when you must report to the probation officer, and you must report to the probation officer as instructed.
3. You must not knowingly leave the federal judicial district where you are authorized to reside without first getting permission from the court or the probation officer.
4. You must answer truthfully the questions asked by your probation officer.
5. You must live at a place approved by the probation officer. If you plan to change where you live or anything about your living arrangements (such as the people you live with), you must notify the probation officer at least 10 days before the change. If notifying the probation officer in advance is not possible due to unanticipated circumstances, you must notify the probation officer within 72 hours of becoming aware of a change or expected change.
6. You must allow the probation officer to visit you at any time at your home or elsewhere, and you must permit the probation officer to take any items prohibited by the conditions of your supervision that he or she observes in plain view.
7. You must work full time (at least 30 hours per week) at a lawful type of employment, unless the probation officer excuses you from doing so. If you do not have full-time employment you must try to find full-time employment, unless the probation officer excuses you from doing so. If you plan to change where you work or anything about your work (such as your position or your job responsibilities), you must notify the probation officer at least 10 days before the change. If notifying the probation officer at least 10 days in advance is not possible due to unanticipated circumstances, you must notify the probation officer within 72 hours of becoming aware of a change or expected change.
8. You must not communicate or interact with someone you know is engaged in criminal activity. If you know someone has been convicted of a felony, you must not knowingly communicate or interact with that person without first getting the permission of the probation officer.
9. If you are arrested or questioned by a law enforcement officer, you must notify the probation officer within 72 hours.
10. You must not own, possess, or have access to a firearm, ammunition, destructive device, or dangerous weapon (i.e., anything that was designed, or was modified for, the specific purpose of causing bodily injury or death to another person such as nunchakus or tasers).
11. You must not act or make any agreement with a law enforcement agency to act as a confidential human source or informant without first getting the permission of the court.
12. If the probation officer determines that you pose a risk to another person (including an organization), the probation officer may require you to notify the person about the risk and you must comply with that instruction. The probation officer may contact the person and confirm that you have notified the person about the risk.
13. You must follow the instructions of the probation officer related to the conditions of supervision.
14. You must provide the probation officer with access to any requested financial information.
15. You must submit your person, and any property, house, residence, vehicle, papers, effects, computer, electronic communications devices, and any data storage devices or media, to search at any time, with or without a warrant, by any federal probation officer, or any other law enforcement officer from whom the Probation Office has requested assistance, with reasonable suspicion concerning a violation of a condition of probation or supervised release or unlawful conduct by you. Any items seized may be removed to the Probation Office or to the office of their designee for a more thorough examination.

DEFENDANT: James P. Griffin
CASE NUMBER: DNYNS15CR000207-001

SPECIAL CONDITIONS OF SUPERVISION

1. You must participate in a mental health program which may include medical, psychological, or psychiatric evaluation and outpatient treatment as recommended by the treatment provider based upon your risk and needs. You may also be required to participate in inpatient treatment upon recommendation of the treatment provider and upon approval of the Court. The probation office must approve the location, frequency, and duration of outpatient treatment. You must abide by the rules of the program which may include a medication regime. You must contribute to the cost of any evaluation and/or treatment in an amount to be determined by the probation officer based on your ability to pay and the availability of third party payments. You must contribute to the cost of any evaluation, testing, treatment and/or monitoring services rendered in an amount to be determined by the probation officer based on your ability to pay and the availability of third party payments.
2. You must refrain from the use of alcohol and be subject to alcohol testing and treatment while under supervision.
3. You must not incur new credit charges or open additional lines of credit without the approval of the probation officer.
4. You must participate in a program of financial and credit counseling. The program must be approved by the United States Probation Office.
5. You must apply all monies you receive from any income tax refunds, lottery winnings, judgments, and/or any other anticipated or unexpected financial gains to the outstanding court-ordered financial obligation.

DEFENDANT'S ACKNOWLEDGMENT OF APPLICABLE CONDITIONS OF SUPERVISION

Upon a finding of a violation of probation or supervised release, I understand that the court may (1) revoke supervision, (2) extend the term of supervision, and/or (3) modify the conditions of supervision.

The conditions of supervision have been read to me. I fully understand the conditions and have been provided a copy of them. For further information regarding these conditions, see *Overview of Probation and Supervised Release Conditions*, available at: www.uscourts.gov.

Defendant

Date

U.S. Probation Officer/Designated Witness

Date

DEFENDANT: James P. Griffin
 CASE NUMBER: DNYN515CR000207-001

CRIMINAL MONETARY PENALTIES

The defendant must pay the total criminal monetary penalties under the schedule of payments on Sheet 6.

TOTALS	<u>Assessment</u> \$ 2,300	<u>JVTA Assessment *</u> \$ N/A	<u>Fine</u> \$ Waived	<u>Restitution</u> \$ 2,153,530.93
---------------	-------------------------------	------------------------------------	--------------------------	---------------------------------------

The determination of restitution is deferred until. An Amended Judgment in a Criminal Case (AO 245C) will be entered after such determination.

The defendant must make restitution (including community restitution) to the following payees in the amount listed below.

If the defendant makes a partial payment, each payee shall receive an approximately proportioned payment, unless specified otherwise in the priority order or percentage payment column below. However, pursuant to 18 U.S.C. § 3664(i), all nonfederal victims must be paid before the United States is paid.

<u>Name of Payee</u>	<u>Total Loss**</u>	<u>Restitution Ordered</u>	<u>Priority or Percentage</u>
Victim #1	\$	\$ 44,000.00	
Victim #2	\$	\$ 50,310.43	
Victim #3	\$	\$ 20,000.00	
Victim #4	\$	\$ 50,767.50	
Victim #5	\$	\$ 114,313.41	
Victim #6	\$	\$ 447,563.09	
Victim #7	\$	\$ 36,000.00	
Victim #8	\$	\$ 193,500.00	
Victim #9	\$	\$ 40,000.00	
Victim #10	\$	\$ 13,500.00	
Victim #11	\$	\$ 47,592.96	
Victim #12	\$	\$ 80,000.00	
Victim #13	\$	\$ 12,500.00	

Cont'd page 8

Restitution amount ordered pursuant to plea agreement \$

The defendant must pay interest on restitution and a fine of more than \$2,500, unless the restitution or fine is paid in full before the fifteenth day after the date of the judgment, pursuant to 18 U.S.C. § 3612(f). All of the payment options on Sheet 6 may be subject to penalties for delinquency and default, pursuant to 18 U.S.C. § 3612(g).

The court determined that the defendant does not have the ability to pay interest and it is ordered that:

the interest requirement is waived for the fine restitution.

the interest requirement for the fine restitution is modified as follows:

*Justice for Victims of Trafficking Act of 2015, Pub. L. No. 114-22.

**Findings for the total amount of losses are required under Chapters 109A, 110, 110A, and 113A of Title 18 for offenses committed on or after September 13, 1994, but before April 23, 1996.

DEFENDANT: James P. Griffin
CASE NUMBER: DNYN515CR000207-001

ADDITIONAL RESTITUION ORDERED

<u>Name of Payee</u>	<u>Total Loss**</u>	<u>Restitution Ordered</u>	<u>Priority or Percentage</u>
Victim #14		\$9,000.00	
Victim #15		\$25,400.00	
Victim #16		\$30,000.00	
Victim #17		\$86,500.00	
Victim #18		\$22,189.00	
Victim #19		\$47,910.81	
Victim #20		\$68,571.16	
Victim #21		\$101,736.22	
Victim #22		\$407,937.50	
Victim #23		\$15,000.00	
Victim #24		\$80,000.00	
Victim #25		\$14,000.00	
Victim #26		\$63,463.79	
Victim #27		\$31,775.06	
TOTAL		\$2,153,530.93	

DEFENDANT: James P. Griffin
CASE NUMBER: DNYN515CR000207-001

SCHEDULE OF PAYMENTS

Having assessed the defendant's ability to pay, payment of the total criminal monetary penalties is due as follows:

- A In full immediately; or
- B Lump sum payment of \$ 2,300 (SA) due immediately; balance due
- not later than, or
- in accordance with D, E, F, or G below; or
- C Payment to begin immediately (may be combined with D, E, or G below); or
- D Payment in equal installments of \$ over a period of, to commence after the date of this judgment; or
- E Payment in equal installments of \$ over a period of, to commence after release from imprisonment to a term of supervision; or
- F Payment during the term of supervised release will commence within after release from imprisonment. The court will set the payment plan based on an assessment of the defendant's ability to pay at that time; or
- G Special instructions regarding the payment of criminal monetary penalties:
Restitution shall be paid in minimum monthly payments of 25% of the defendant's gross monthly income while he is imprisoned and in minimum monthly payments of \$250 or 15% of his gross monthly income, whichever is greater, upon his release from imprisonment. If at any time the defendant has the resources to pay full restitution, he must do so immediately.

Unless the court has expressly ordered otherwise, if this judgment imposes imprisonment, payment of criminal monetary penalties is due during imprisonment. All criminal monetary penalties, except those payments made through the Federal Bureau of Prisons' Inmate Financial Responsibility Program, are made to Clerk, U.S. District Court, Federal Bldg., 100 S. Clinton Street, P.O. Box 7367, Syracuse, N.Y. 13261-7367, unless otherwise directed by the court, the probation officer, or the United States attorney. If a victim cannot be located, the restitution paid to the Clerk of the Court for that victim shall be sent to the Treasury, to be retrieved when the victim is located.

The defendant shall receive credit for all payments previously made toward any criminal monetary penalties imposed.

- Joint and Several
- Defendant and Co-Defendant Names and Case Numbers (*including defendant number*), Total Amount, Joint and Several Amount, and corresponding payee, if appropriate.
- The Court gives notice that this case involves other defendants who may be held jointly and severally liable for payment of all or part of the restitution ordered herein and may order such payment in the future.
- The defendant shall pay the cost of prosecution.
- The defendant shall pay the following court cost(s):
- The defendant shall forfeit the defendant's interest in the following property to the United States:
All property identified in the Preliminary Order of Forfeiture, which includes a money judgment in the amount of \$1,603,355.02.

Payments shall be applied in the following order: (1) assessment, (2) restitution principal, (3) restitution interest, (4) fine principal, (5) fine interest, (6) community restitution, (7) JVTA Assessment, (8) penalties, and (9) costs, including cost of prosecution and court costs.

Exhibit 8

UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF NEW YORK

U.S. DISTRICT COURT - N.D. OF N.Y.
FILED
DEC 12 2016
AT 0'CLOCK Criminal
Lawrence K. Baerman, Clerk - Syracuse

UNITED STATES OF AMERICA,

v.

JAMES P. GRIFFIN,

Defendant.

DEFENDANT'S
STATEMENT



1. All companies are either operating or in neutral state waiting to participate in programs.
2. Mission continues since 2007 to market current unique insurance policies underwritten by Lloyd's of London and others. Products are owned by our companies and in various stages of patent protection.
3. Goal is to make all approximately 200 investors whole with initial principal plus gain.
4. Our websites are operational: soccerstories.com, soccerstoriesstore.com, certainrate.com, certainrategroup.com, and militarysoccer.com.
5. Included in website marketing are free soccer books for all Military. We have currently donated boxes of 50 soccer books to Golisano Children's Hospital and Ronald McDonald House, Syracuse, NY. Part of sales of women's book to go to Mia Hamm Foundation.
6. In 1970, I helped save a bankrupt school in Port Washington NY, The Vincent Smith School. I worked during part-time graduate business school to add a High School and new building. It exists today serving 130 children with slight learning disabilities.
7. I moved to Cazenovia in 1982 and reunited with my Niagara U freshman roommate, Frank Harrigan, who was then an attorney in Syracuse. I engineered a new fundraising program for Catholic Charities (Orphanage) honoring Larry Sovik, Esq. . This was modeled after the Vincent Smith fundraising success and has helped the Orphanage.
8. We also continue our Military fundraising focused on Homeless Veterans organization in Washington, DC. This organization is run by Baylee Crone and a fine Board of Directors. I was led to this by friend General John Altenburg, Esq., as it is one of his key charities. I know John from membership in the Army Navy Club in Washington, DC. I am also a member of the Princeton Club of NY and we use that as our NY office.
9. In 2009, as part of our strategy, we helped to save the Harvey Seeds American Legion Post in Miami, Florida from sale to condo developers. We rented the whole 2nd floor (4000 sq ft) and I hired 20 to 24 recent Veterans from Iraq/Afghanistan to form a telemarketing company. This was done in coordination with the National Council of

Independent Living, one of the largest Washington, DC-based Disability organizations, which was introduced to us by the Syracuse Burton Blatt Institute and Brian McClane. We participated with them in the IRS 100-city tour to develop awareness of tax benefits for the indigent. Other companies participating were Darren Foods, Visa, and Bank of America. Regional IRS Director Byrd led this initiative. We paid Burton Blatt executives in Syracuse and Washington, DC.

10. We have been interrupted in our work by the USA economic breakdown of 2009-10-11. And in 2012 the start of SEC investigation and FBI investor calls. This information started from terminated partners or employees.
11. In no way is there any "scheme" to do anything but create unique products that help purchasers and offer benefits to needy organizations, which continues my lifetime work.
12. I've never had to apologize for production and have led the creation of unique products for insurance companies that have been purchased by Wall Street companies, banks, wealthy individuals, and the Disability Community.
13. Our companies own the only 2 products ever created solely for the Disability community: Lloyd's Accidental Death and Dismemberment and Lloyd's Disability Income coverage. I have recently taken the exclusion off for Police and First-responders on these products making the coverage 24/7.
14. I can complete the distribution of these products and turn this operation like all my others into a very successful mission.

Dated: December 12, 2016

By:


James P. Griffin, Defendant

4704 East Lake Road
Cazenovia, NY 13035
(917) 751-2493

Exhibit 9

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF NEW YORK

-----x
UNITED STATES OF AMERICA,

Plaintiff,

vs.

15-CR-207

JAMES P. GRIFFIN,

Defendant.
-----x

Transcript of *SENTENCING* held on December 13, 2016,
at the James Hanley Federal Building,
100 South Clinton Street, Syracuse, New York,
the HONORABLE FREDERICK J. SCULLIN, JR., Presiding.

A P P E A R A N C E S

For Plaintiff: OFFICE OF THE UNITED STATES ATTORNEY
100 South Clinton Street
James Hanley Federal Building
Syracuse, New York 13261
BY: EDWARD R. BROTON, ESQ.
CARINA HYATT SCHOENBERGER, ESQ.
Assistant United States Attorney

For Defendant: CERIO LAW OFFICES
407 South Warren Street
Fifth Floor
Syracuse, New York 13212
BY: DAVID W. HERKALA, ESQ.

Diane S. Martens, RPR, FCRR
Official United States Court Reporter
100 South Clinton Street
Syracuse, New York 13261
(315) 234-8545

1 (Open court:)

2 THE CLERK: The court calls United States versus
3 James Griffin for sentencing, case 15-CR-207.

4 Counsel, please note your appearances for the
5 record.

6 MR. BROTON: Good morning, your Honor, Ed Broton
7 and Carina Schoenberger for the United States.

8 THE COURT: Good morning.

9 MR. HERKALA: Morning, your Honor, David Herkala
10 for the defendant James Griffin who is present in court.

11 THE COURT: Mr. Herkala and Mr. Griffin.

12 Mr. Griffin, as you are aware, this matter is on
13 for sentencing today. Would you step forward, please, with
14 your attorney at the podium.

15 The Court has received a presentence investigation
16 report and its addendum, which I reviewed thoroughly. And I
17 have considered other pertinent information, including such
18 things as the submissions by counsel, and the Sentencing
19 Guidelines, various factors set forth in Title 18, United
20 States Code, Section 3553(a).

21 And I understand at this time, we have resolved the
22 differences as to the restitution, until this morning anyway.

23 Mr. Herkala, you have another issue, as I
24 understand it?

25 MR. HERKALA: Your Honor, and I apologize, Judge.

1 I thought that we had resolved it and, then, in reviewing and
2 preparing for this morning and discussing the case with my
3 client, the question came up relative to the gift annuity
4 investors' investment in the Foundation constituted a
5 charitable donation which would be subject to a tax, either
6 an exemption or a tax benefit to them. And I don't believe
7 that was accounted for in the restitution figure.

8 Although, as a result of a meeting with the
9 probation department and Mr. Broton, you did account for the
10 portion of the donations that were made to the Foundation
11 that were then, ultimately, paid to third-party charities.

12 THE COURT: Mr. Broton, you've been made aware of
13 this as of this morning; is that correct?

14 MR. BROTON: Yes, your Honor.

15 THE COURT: Do you have a position on it?

16 MR. BROTON: Well, our position really I think
17 there are three points in our position.

18 Number one is that the -- any money that went to
19 the 54Freedom Foundation went to the defendant. That was the
20 defendant's own entity.

21 Secondly, I do not believe, your Honor, that any
22 charitable gift annuity purchaser intended for their money to
23 be used as a charitable donation to the 54Freedom Foundation.

24 And, number three, your Honor, I have no way of
25 knowing whether any of the charitable gift annuity purchasers

US v. Griffin - 15-CR-207

1 filed for or received any tax benefit as a result of these
2 donations.

3 THE COURT: I agree.

4 Mr. Herkala, so how can you give credit for
5 something you don't even have any information about?

6 MR. HERKALA: Judge, I'm unsure. I do know that my
7 client would have the information about what an individual
8 investor did with respect to their own tax circumstance. So,
9 I understand and I acknowledge the Court's...

10 THE COURT: All right. Mr. Broton makes a cogent
11 argument, I believe. So, it would be my decision, unless you
12 wanted an adjournment, to not consider any of your arguments
13 with respect to additional restitution.

14 (Discussion held off the record.)

15 MR. HERKALA: Judge, would it be an adjournment
16 simply on this point and we would continue with sentencing?

17 THE COURT: Well, sentencing's going to take place
18 all at one time. The most I can give you is a couple days
19 anyway for adjournment and that's to straighten out the
20 record just to get your complete argument in.

21 But Mr. Broton has another argument, as well, which
22 I think you should consider.

23 (Discussion held off the record.)

24 MR. HERKALA: Your Honor, my client's indicated
25 he's not requesting an adjournment of the matter at this

1 time. It was simply a point that he wanted to bring up to
2 the Court that certain investors may have been given a tax
3 deduction.

4 THE COURT: Could have, might have been. Well, in
5 any event, based upon the record before us, unless there's
6 any other arguments you wish to be heard on with respect to
7 the factual content of the presentence investigation report
8 or its Guideline application, I'm going to accept the
9 presentence investigation report, its factual information,
10 and its Guideline application as stated.

11 MR. HERKALA: Thank you, Judge.

12 THE COURT: Therefore, the Court does find the
13 total offense level to be 27. And the Criminal History
14 Category to be I, which makes the Guideline application of
15 imprisonment range 70 to 87 months.

16 Now, I understand there are people who want to be
17 heard before the Court can impose its sentence.

18 MR. BROTON: Yes, your Honor.

19 There are four victims that have requested an
20 opportunity to address the Court.

21 THE COURT: All right. Why don't you have a seat
22 and we'll listen to them, what they have to say.

23 MR. BROTON: Nancy Kordas.

24 NANCY KORDAS: Well, anyway, I just wanted to say I
25 already filled out an impact statement. And I just have been

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1 through the ringer over this whole thing. I've never been
2 affected so profoundly by anything in my life. I knew Chary
3 and Jim for a long time. I kept my boat in their garage. I
4 did triathlons with Chary. We made Christmas ornaments
5 together. I used the building for my events that were
6 wonderful.

7 This -- when this started coming down and I found
8 out the truth, I was just totally devastated. And for me,
9 the hardest thing I think is the friends that I brought in
10 who lost their money, too, and I've lost all my money. I
11 mean, that was my whole retirement fund, everything that I
12 worked for all my life. And my poor husband who's only been
13 here for a short time -- we got married as a second marriage
14 for both of us -- lost all his money too.

15 So I am now 64 years old trying to start over and
16 it's, it's not easy. And I never had a lot of money, to
17 begin with, by the terms of probably everybody else here and
18 the other investors but it's all I had and I don't have
19 anything now.

20 And I just don't understand how anybody could do
21 this -- I really don't -- with good conscience. And I don't
22 think that there's any remorse or bad feelings. I just think
23 it's, it's -- it's just not right and I just pray to God that
24 there is money offshore because I think there's got to be
25 because there's no way all that money could have been spent.

1 It couldn't be and I just pray every day that we find the
2 money and get some of our money back and that's all I'm
3 asking for.

4 And I -- I just hope justice will be done because I
5 don't think that it's right. And I feel badly and I've
6 really been badly affected by this and so have my friends.
7 And every day I have to live, get up and go to work and think
8 about this and I can't sleep at night. I've been flying all
9 night. I just got back from a great trip but I'm just -- I
10 am devastated. And I hope that -- I just hope that some day
11 Jim will figure out that he did the wrong thing and take
12 responsibility for it.

13 That's all I have to say. Thank you.

14 THE COURT: All right. Thank you. You have her
15 record of statement, the impact statement?

16 PROBATION OFFICER: I believe so.

17 MR. BROTON: Robin Lamson.

18 THE COURT: I have a letter from her, as well.

19 You're speaking on behalf of your mother and
20 stepfather?

21 ROBIN LAMSON: That's correct.

22 Your Honor, I won't read the entire letter that --
23 or reread the entire letter that I wrote to you.

24 THE COURT: You don't need to reread it. I read
25 it. I have it in front me.

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1 ROBIN LAMSON: I'm saying read it to the people
2 that are here.

3 THE COURT: Well, it's only the Court that has to
4 hear what you have to say. It's a matter of record. I read
5 it. I heard it. Do you wish to add to it?

6 ROBIN LAMSON: I'd like to add to that, yeah.

7 What I'd like to add to that is that, after I wrote
8 the letter, I thought about that this weekend and there was
9 some part of me that thought I would feel better after
10 writing the letter on behalf of my parents. And it's over
11 the weekend I thought about it some more and I tried to put
12 my finger on what it was that felt so empty inside me. After
13 writing the letter and writing all the facts out, and I came
14 to the conclusion that I was writing the letter, primarily,
15 from the perspective of restitution and what I felt my
16 parents were owed financially. And today I decided that
17 there were some things that I needed to speak from my heart
18 and some things that I thought that I needed to say to Mr.
19 Griffin directly, if that's okay, your Honor.

20 When my parents set up their trust, they were
21 thinking about other people. They were thinking about my
22 family. They were thinking about me. And it wasn't until I
23 wrote the letter that I realized how much my whole family was
24 impacted by Mr. Griffin's actions. I think for the last five
25 years I've so focused on how my parents alone were impacted.

US v. Griffin - 15-CR-207

1 While thinking of others, my parents set up a trust thinking
2 of their grandchildren, thinking of their great
3 grandchildren, thinking of me. They were looking to leave a
4 financial legacy and Mr. Griffin stole that from them.

5 What Mr. Griffin doesn't know is that [REDACTED]
6 [REDACTED] and left three children and my parents
7 were looking to leave a legacy to those three children who
8 later, then, also, [REDACTED]. So, those are children
9 that were orphaned that my parents were looking to be
10 financially responsible for in their later years. I have the
11 great honor of raising those children. And I'm happy to say
12 that those three children, against all odds, because of the
13 integrity of my parents and the great values that they
14 bestowed upon me and our family, have become productive
15 members of society. One's a journeyman, one's a nurse and
16 one is a deputy sheriff.

17 My family upholds the law, Mr. Griffin. We have
18 great respect for the law. I hope you're beginning to get
19 the picture of what my family is like.

20 I want you to know that my dad [REDACTED]
21 to see you found guilty of your crimes. And I am convinced
22 that the heart rate of knowing that he was going to leave his
23 wife as a widow unable to financially support herself made
24 him [REDACTED] than he would have [REDACTED] otherwise.

25 Your wife, on the other hand, has all of your

1 assets in her name. You planned it that way, as the
2 prosecution so eloquently said, because you knew that this
3 day would come when you would get caught.

4 With that being said, Mr. Griffin, I'd like you to
5 know what you didn't take from my family. My parents are the
6 two strongest people that I know. They had a love that was
7 like a fairytale. They were true blue, as they always said
8 to each other. My stepdad embraced me as his real daughter
9 and had a love for me that was unchanging. He was a man of
10 intense integrity. He was meticulous about everything that
11 he did. If a job had his name on it, that represented his
12 absolute best. If a board could be held with two nails, dad
13 would say, use three. He would say to measure twice and cut
14 once. I'm telling you this to say that his name meant
15 everything to him and being respected was of top priority to
16 my dad. And my mom is the most generous person that I've
17 ever known. And everyone that knows her says that. I admire
18 my parents for countless reasons.

19 You might wonder why I'm saying these things to
20 you, Mr. Griffin. I'm saying these things to you because I'm
21 challenging you today, to think about what your children will
22 think of you. You may have spent a number of years living
23 lavishly at the expense of other people like my family. But
24 now your children -- should you have them, I don't even
25 know -- your family, your friends know the truth about where

1 your money came from. It came from others and at the expense
2 of others.

3 And at this point, you have a choice to make. And
4 I'm challenging you to be remorseful and to offer restitution
5 willingly, above and beyond. I'm asking you to make the
6 choice to be honest and I'm asking you to consider what your
7 legacy will be. Trust me when I say that my dad may have
8 [REDACTED] virtually penniless thanks to you but he died a rich man
9 by dying with the respect, admiration and adoration of his
10 wife and daughter.

11 What will they say about you, Mr. Griffin?

12 Last thing I'd like to say, your Honor, I would
13 like to ask you to consider remanding Mr. Griffin today so
14 that his victims like my mom can begin to heal. My mom was
15 [REDACTED] even just last week due to the [REDACTED]
16 [REDACTED] of this whole trial. [REDACTED]. She's
17 lost her whole financial stability. They sold their three
18 homes. They've been virtually bankrupt. And if she does not
19 get restitution, she will have to file bankrupt. At this
20 [REDACTED] [REDACTED]
21 before [REDACTED] and I would just ask you to consider that,
22 your Honor.

23 And I thank you so much for letting me speak today
24 on behalf of my dad and my mom.

25 THE COURT: All right, thank you.

US v. Griffin - 15-CR-207

1 Mr. Broton.

2 MR. BROTON: Next is James Rebholz.

3 THE COURT: All right. Mr. Rebholz, I received a
4 letter from you which I've already read and I made it part of
5 the record, as well.

6 JAMES REBHOLZ: Okay. What I have done here is to
7 edit some of those notes that I sent you so this is a briefer
8 summary and some other things. I've tried to put it together
9 a little bit better.

10 Thank you, your Honor, for the opportunity to speak
11 to the court before sentencing. My name is James Rebholz.
12 I'm a 78-year-old central New York businessman. I have a
13 Master's degrees in physics and business administration.
14 I've had careers in science, engineering and investing and
15 consulting and I've also had 20 years on the faculty of
16 LeMoyne college and a number of businesses.

17 My current situation is the following: I was the
18 victim of several frauds over the last ten years. I trusted
19 certain persons and lost to them a million dollars in
20 fraudulent activity. I came from an era where most people
21 were honest. I did not understand the nature of sociopaths.

22 THE COURT: This is the exact letter you sent to
23 me.

24 JAMES REBHOLZ: Well, so far, but I --

25 THE COURT: It's only for the Court's edification,

US v. Griffin - 15-CR-207

1 Mr. Rebholz. It's not for information about the defendant.

2 JAMES REBHOLZ: Okay.

3 THE COURT: It's for the Court to know information
4 about how victims have been impacted.

5 JAMES REBHOLZ: Okay. I will just go to the -- in
6 that case, I will just go to the bottom line.

7 And I will say, first of all, to Mr. Griffin, I
8 forgive you and I do not wish you any eternal revenge. Let
9 God sort that one out.

10 However, from earthly justice, I would request that
11 Mr. Griffin receive the maximum sentence on each count and
12 that the sentences run consecutively. This man must never be
13 given the opportunity to harm others. In fact, I'm sure he
14 will attempt to run illegal scams from his jail cell. His
15 time should be served in a place like Leavenworth, not a
16 country club prison for the elite.

17 So, respectfully submitted, James J. Rebholz.

18 THE COURT: Thank you. I have made that part of
19 the record.

20 Mr. Broton.

21 MR. BROTON: Your Honor, our final victim who's
22 requested to speak is Matt Bartolo.

23 THE COURT: Mr. Bartolo.

24 MR. BARTOLO: Your Honor, thank you for the
25 opportunity to speak today. My main point really was not to

US v. Griffin - 15-CR-207

1 just talk about the money that Mr. Griffin stole from
2 everyone but the blatant lies and the broken promises that he
3 really told not just to myself but, obviously, all the
4 investors.

5 And I was going to get into a little bit of my own
6 personal loss but, after hearing everyone else's story,
7 losing my son's college fund isn't half as traumatic as it
8 seems. My wife and I are young. We will succeed. We will
9 stay together and we will be successful. Mr. Griffin was not
10 able to steal that from us, like he tried to steal from
11 everybody.

12 Your Honor, what I would like you to do when you're
13 thinking about sentencing, not the physical -- the physical
14 damage that might happen to him in jail but really the
15 isolation, the possibility of him not lying to anyone any
16 more, the possibility that he's not going to scam someone.
17 He will be running scams in jail. There's no doubt about it.
18 But he shouldn't be out in the streets. The isolation of not
19 being able to run scams, not be able to tell his lies,
20 locking him into a jail cell is going to be the worst
21 punishment a liar like him that has to tell his stories. He
22 has to lie. He has to be scamming someone. So he should be
23 isolated in a jail for as long as humanly possible.

24 Thank you, your Honor.

25 THE COURT: Thank you, Mr. Bartolo.

1 Mr. Broton, you want to follow through with your
2 arguments now or do you wish the defense to go first? I have
3 your submissions, by the way, your memorandum.

4 MR. BROTON: That is -- whatever, whatever the
5 Court prefers, your Honor. I will not reiterate anything
6 that I put forth in the memorandum, other than to say that
7 the government is advocating for a sentence at the top of the
8 Guideline range of 87 months. We ask that the defendant be
9 remanded immediately following sentencing to protect the
10 community from his, what appears to be his continuous effort
11 to run these schemes and these scams, as he's even set forth
12 in his statement that he filed with the Court.

13 Your Honor, the government contends that this
14 defendant is a dangerous -- is a dangerous person and I think
15 that the reason why we take that position were very well
16 explained by the four people that spoke here before me, in
17 that this defendant, in the most callous and sophisticated
18 ways, stole more than money from these victims. He stole
19 their future. He stole their freedom to enjoy their lives,
20 in many cases, the last few years of their life. And I
21 really can't add to the eloquent way that that's been
22 explained.

23 But this defendant, your Honor, has expressed no
24 sense of remorse and, remarkably, has -- there is an absolute
25 absence of responsibility. There has been no acknowledgment

1 of the harm or the devastation that this man has imposed on
2 the people that he has victimized.

3 And for those reasons, your Honor, it is the
4 government's request that he be incarcerated immediately
5 following the sentencing at the high end, top end of the
6 Guideline range, that restitution be ordered in the amount
7 set forth in the presentence report that is in excess of
8 \$2.1 million. Thank you.

9 THE COURT: All right. Thank you, Mr. Broton.
10 Mr. Herkala.

11 MR. HERKALA: Yes, your Honor, briefly.

12 Mr. Griffin is more than simply the events
13 which led us to this courtroom. He's 71 years old, Judge.
14 The conduct which is complained of in the indictment is
15 abhorrent. It is not something that is indicative of
16 Mr. Griffin's life. That is an argument that is often used
17 in sentencing, an argument where people say this was the only
18 time this individual made a mistake.

19 The distinction, your Honor, in this case is that
20 Mr. Griffin had 71 years of history behind that statement.
21 He's been married for 44 years. He has two children. He
22 served his country. And he has no prior criminal history,
23 other than traffic infractions.

24 My client has never denied that these investors
25 invested their money in the companies. He has never denied

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1 that they are owed the money back. What he is asking and
2 what he has asked the Court is to be allowed to continue to
3 attempt, as best he is able, to recoup the investments for
4 the people who have been affected by their failure, that he
5 be given that opportunity.

6 I believe, your Honor, and without belaboring the
7 point, because I'm sure the Court has read, at length, the
8 sentencing memorandum, that factors exist in this case which
9 warrant a departure from the Sentencing Guidelines.

10 I will stand by the request that we made in our
11 sentencing memorandum and I will, also, add, your Honor, that
12 Mr. Griffin, and, in particular, his family, would appreciate
13 the grace of this Court by allowing him to remain on
14 supervised release either pending -- either in connection
15 with self-reporting for incarceration, if the Court feels it
16 necessary to impose a sentence of incarceration, or
17 ultimately, pending the appeal of this action thank you.

18 THE COURT: Thank you, Mr. Herkala.

19 Mr. Griffin, I have received from you, as well, a
20 letter in which you made certain arguments. Do you wish to
21 be heard further?

22 THE DEFENDANT: Yes, your Honor.

23 THE COURT: You may stand or be seated, whatever
24 you prefer.

25 THE DEFENDANT: Thank you. I'll stand.

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1 First, I apologize to all of our investors for the
2 lack of production to date. Apple was bankrupt in 1997. I
3 continue to work since 2007 to produce money for investors
4 and I'm asking the Court to allow these efforts to continue.
5 We have over 200 investors in our company from over 25
6 states. We have lawyers, doctors, people in the disability
7 community. We have teachers, relatives, neighbors, high
8 school friends of mine, and other trusting people, such as
9 ministers and nurses, as investors in our company. Again, I
10 apologize for not producing sooner but with a reengineered
11 team and direction, we work to produce the results that our
12 investors expected and I want them to have. Thank you.

13 THE COURT: Mr. Griffin, ladies and gentlemen,
14 first of all, sentencing is the most difficult thing a judge
15 has to do. Sentencing is not about exacting revenge. It's
16 about providing a just sentence based upon all factors, the
17 victims, what they suffered; the defendant, their
18 characteristics, the background and so forth.

19 And it has been pointed out by some of the victims,
20 Mr. Griffin, that you are delusional, sociopathic, and
21 amoral -- not immoral, but amoral. You have no idea what
22 right and wrong is about. All of these descriptions are
23 somewhat warranted. I do not understand how today you are
24 still professing your innocence and that you believe you have
25 wonderful ideas to make a lot of money.

1 The evidence is clear throughout the trial that you
2 intentionally misled people, told them you'd do something you
3 didn't do. Told them something was done when it wasn't done.

4 In my 25 years on the bench I have seen a number of
5 defendants who have been accused of -- convicted of fraud.
6 And there's been people like you that still believe they were
7 innocent of everything, didn't understand why anybody thought
8 they did something wrong, when the evidence was overwhelming
9 that they did and they did it intentionally.

10 So there are people out there like yourself that I
11 will never understand and society can never accept as a
12 proper way of functioning.

13 I have reviewed all of the facts of this case. I
14 do find that the Guideline range in this case is greater than
15 necessary to meet the goals of sentencing as outlined by
16 statute.

17 Therefore, I will impose a non-Guideline sentence.
18 In doing so, I've considered your age, your family, your
19 community involvement, limited criminal history, otherwise
20 law-abiding lifestyle, and low risk of recidivism. I believe
21 the sentence I am going to impose will provide just
22 punishment and adequate deterrence and to protect the public.

23 Therefore, upon your conviction by jury trial of
24 Counts 1 through 23 of the superseding indictment, it is the
25 judgment of this Court that you're hereby committed to the

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1 custody of the Bureau of Prisons for a period of 60 months on
2 each of the Counts 1 through 23 to be served concurrently.

3 I will recommend that you be designated to a
4 facility as close as possible to your home, which is
5 Cazenovia.

6 I am also going to direct that you be evaluated for
7 mental health treatment. I don't know if there's anything
8 that can be done but I think you should be evaluated and that
9 the treatment that is prescribed, you have to abide by the
10 bureau of correction in that regard.

11 Upon your release from prison you will be placed on
12 supervised release for a term of 3 years for each count and
13 that, also, is to run concurrent.

14 While on supervised release, the standard
15 conditions adopted by this court will be imposed and,
16 furthermore, there will be an evaluation at that time as to
17 what, if any, mental health treatment needs to be required as
18 a condition of release.

19 I will not impose mandatory drug testing. I don't
20 think that's necessary here but you will refrain from the use
21 of alcohol while on supervision. You're not to incur any new
22 credit charges or other lines of credit without the
23 permission of probation. You're to participate in a program
24 of counseling as to financial affairs.

25 Any moneys that you receive from any source

1 whatsoever for the rest of your life will be applied towards
2 your restitution. So, restitution, the Court finds, that in
3 the amount of \$2,153,533.93 that's due and owing to the
4 victims as set forth in Paragraph 26 as amended of the
5 presentence investigation report. That will be paid in
6 minimum monthly payments of 25 percent of your gross monthly
7 income while you're in prison and minimum monthly amounts of
8 \$250 or 15 percent of your gross monthly income whichever is
9 greater upon your release from prison.

10 Furthermore, there is a special assessment of
11 \$2,300 which is due at this time and you shall consent to a
12 forfeiture to the items outlined in the preliminary order of
13 forfeiture that was signed by the court on August 17th, 2016.

14 Both parties have a right to appeal this sentence.
15 You are advised to consult with your attorney concerning that
16 right. Any notice of appeal must be filed within 14 days.

17 I will direct you to surrender to the facility
18 designated by the Bureau of Prisons no later than 2 p.m. on
19 January 24th, 2017.

20 That constitutes the sentence of this Court. Is
21 there anything further at this time?

22 MR. BROTON: Your Honor, could we just clarify for
23 the record that the defendant has, in fact, read the
24 presentence report and has no objections to the factual
25 contents of the report.

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1 THE COURT: I thought we did that before we started
2 with the victims.

3 MR. HERKALA: I thought we did, as well.

4 THE COURT: Anything else?

5 MR. BROTON: Nothing further, your Honor.

6 THE CLERK: Court is adjourned.

7 (Proceedings adjourned.)

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C E R T I F I C A T I O N

I, DIANE S. MARTENS, Registered Professional Reporter, DO HEREBY CERTIFY that I attended the foregoing proceedings, took stenographic notes of the same, that the foregoing is a true and correct copy of same and the whole thereof.

DIANE S. MARTENS, FCRR

Exhibit 10

0001

1 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
2
3 In the Matter of:)
4) File No. 3-17848
5 JAMES P. GRIFFIN)
6
7 ADMINISTRATIVE PROCEEDINGS - PRE-HEARING CONFERENCE
8 PAGES: 1 through 16
9 PLACE: Securities and Exchange Commission
10 200 Vesey Street
11 New York, New York 01281
12 DATE: Monday, March 27, 2017
13

14 The above-entitled matter came on for hearing,
15 pursuant to notice, at 2:02 p.m.
16

17
18 BEFORE (via Telephone):
19 BRENDA P. MURRAY, CHIEF ADMINISTRATIVE LAW JUDGE
20
21

22
23
24 Diversified Reporting Services, Inc.
25 (202) 467-9200

0002

1 APPEARANCES:
2
3 On behalf of the Securities and Exchange Commission:
4 JACK KAUFMAN, ESQ.
5 CHRISTOPHER DUNNIGAN, ESQ.
6 Securities and Exchange Commission
7 Division of Enforcement
8 200 Vesey Street, Suite 400
9 New York, New York 10281
10 (212) 336-0106
11

12 On behalf of the Respondent (via Telephone):
13 JAMES P. GRIFFIN, PRO SE
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0003

1 P R O C E E D I N G S
2 JUDGE MURRAY: Okay. We're going on the record
3 now. The court reporter is going to take down what
4 transpires. So we'll go on the record.
5 My name is Brenda Murray. I'm a Federal
6 Administrative Law Judge with the Securities and Exchange
7 Commission. And this is the first pre-hearing conference
8 in the matter of James P. Griffin, Administrative
9 Proceeding File No. 3-17848. The proceeding was begun
10 with an order instituting proceedings which the

11 Securities and Exchange Commission issued on the 16th of
12 February.

13 So let's go formally, and for the court
14 reporter -- we'll put on the first page of the
15 transcript -- who do we have representing the Division of
16 Enforcement?

17 MR. KAUFMAN: Jack Kaufman and Christopher
18 Dunnigan.

19 JUDGE MURRAY: And who do we have representing
20 the Respondent, James P. Griffin?

21 MR. GRIFFIN: I'm here pro se. I'm James
22 Griffin.

23 JUDGE MURRAY: Okay. Mr. Griffin, glad to have
24 you. All right. Let me just -- it's a little bit
25 complicated what has transpired, but we'll see if we

0004

1 could sort of summarize it for the purposes of the
2 record.

3 This proceeding is classified or characterized
4 as a follow-on proceeding, which means that under the
5 securities statute, the SEC has the ability given to it
6 by Congress to assess a sanction against an individual
7 who has been found guilty in a criminal court or has
8 subject to an injunction in a civil court. And those
9 sanctions, if they are in the public interest, which is
10 the issue, the Division of Enforcement can prove that
11 the -- what we call the underlying court decision does in
12 fact exist and if it's in the public interest, the
13 Commission can issue an order which will bar somebody
14 from participation in the securities industry.

15 And so that's the kind of case that we have in
16 this particular proceeding. So the initial pre-hearing
17 conference is what we're doing today is to determine
18 whether there are any material issues of fact which would
19 require a trial or what we call a hearing. In other
20 words, I put on a black robe, we find a courtroom, I have
21 the Division present its position; I have the Respondent
22 present his witnesses.

23 The Division then puts on a rebuttal case and I
24 make a judgment or I have to make findings of facts and
25 finding conclusions of law. In this particular kind of

0005

1 follow-on proceeding, it often happens that there's no
2 reason to have an in-person hearing because there are no
3 facts in dispute. In other words, the Division of
4 Enforcement is able to prove to official government
5 records that this court proceeding that they referenced
6 in the order instituting proceeding did in fact occur and
7 what they allege to be the outcome of those proceedings
8 has in fact is the matter of public record.

9 And based on that showing, that representation,
10 the only thing to be determined in this administrative
11 proceeding is, is it in the public interest for the
12 Respondent, in this case Mr. Griffin, to continue to be a
13 participant in the securities industry. Let me just ask,
14 Mr. Griffin, did you understand that part?

15 MR. GRIFFIN: Yes, I did, Your Honor. By the
16 way, I just received -- the letters crossed in the
17 mail -- my request for a stay here. I have just been
18 incarcerated for 60 days here. I just received it,
19 because of the crossing in the mail, through no one's
20 fault, about an hour ago. So I wasn't certain whether we
21 had the meeting today or not.

Ex. 10

22 JUDGE MURRAY: I have been tracking that. You
23 can go on the Internet and the United States Postal
24 Service has a tracking, gives every certified letter a
25 tracking number, and we have been tracking that number to

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1 make sure that it got to you. I realize we were cutting
2 this close, but your counsel, Mr. McDonald, I believe has
3 been cooperating with the Division in making sure that
4 information got to you.

5 Let me hear now from the Division. Did you
6 have any problem with what I represented? Are you there,
7 Mr. Dunnigan or Mr. Kaufman?

8 MR. KAUFMAN: I'm sorry, this is Jack Kaufman.
9 I had my phone on mute. We understood what you said,
10 Your Honor.

11 JUDGE MURRAY: Okay. All right. Now, Mr.
12 Griffin, the question is, do you have any facts that
13 would require me to have an in-person hearing or as an
14 alternative, which the Division indicated in one of its
15 letters, the letter of March 7th, it says that it would
16 like to seek what we call summary disposition in this
17 proceeding. That means that they want to file a written
18 document with probably attachments showing that in fact
19 the allegations in the order instituting proceedings are
20 true that you have been found guilty in the criminal case
21 and that based on that, they make an argument that you
22 should be barred from the securities industry.

23 And when they file that, you have a certain
24 amount of time to reply to that and then they have a
25 certain amount of time to respond. And then I make a

0007
1 judgment on the papers, on the motion for summary
2 disposition. That's in lieu of having an actually
3 in-person hearing, which is required if there's any
4 issues of fact, but I don't know whether there are. Are
5 you with me so far?

6 MR. GRIFFIN: Yes, I am, Your Honor.

7 JUDGE MURRAY: Do you have a problem with a
8 motion for summary disposition? Let me just take one
9 step back.

10 The Division of Enforcement, am I correct that
11 you are asking me to file a motion for summary
12 disposition?

13 MR. KAUFMAN: Yes. Your Honor, that's correct.
14 I should note for the record that we haven't received a
15 response to the OIP from Mr. Griffin, but I suppose this
16 could stand in for that.

17 JUDGE MURRAY: Okay. Let me just tell you that
18 we, in this office, let me see if I'm right in this, we
19 got a letter which was logged into the Secretary's
20 office, a handwritten letter from Mr. Griffin, which was
21 received in the Secretary's office and filed in the
22 docket on March 21st. You didn't get a copy of that?

23 MR. KAUFMAN: I don't believe that -- I will
24 ask my co-counsel.

25 MR. DUNNIGAN: I did not receive a copy.

0008
1 JUDGE MURRAY: Okay. Well, my office will
2 Xerox a copy and send that to you. We will e-mail it to
3 you this afternoon so that you have a copy of that.
4 That's Mr. Griffin's answer. And in the answer, he
5 says -- he takes issue, his first paragraph says: The
6 enclosed letter states -- and he's referencing the

Ex. 10

7 Division's letter of March 7 -- and I'm just summarizing
8 here -- the enclosed letter states a lack of cooperation
9 by me.

10 And he says, this is incorrect and information
11 was sent to me by flash drive, which is illegal here.
12 The timing of my expedited response aren't fair. That's
13 his first point. Second point, I stated not guilty at my
14 trial. Third point, I have appeal in process and am
15 working with attorneys. Four, I answered SEC initial
16 questions timely. Five, given present situation, it
17 would be hardly possible for me to be answering questions
18 under an umbrella of current verdicts while continuing my
19 appeal. Six, I ask that this proceeding be discussed
20 with -- I think it's Mr. Dunnigan -- after my appeal
21 process. Thank you. Respectfully submitted, James P
22 Griffin.

23 In the order that I put out on the 22nd, I
24 explained that the pendency of a criminal appeal is not a
25 basis for continuing administrative proceeding, and I

0009

1 sent you the link of the case. And there are a lot more
2 cases I could cite you on that, but it's uniform.
3 There's no continuing in administrative proceeding based
4 on the fact that an appeal of the underlying proceeding
5 is in process. That argument doesn't carry any weight.
6 It's not going to succeed. Mr. Griffin, are you okay
7 with handling this proceeding with a motion for summary
8 disposition?

9 MR. GRIFFIN: I don't totally understand what
10 summary disposition is given the fact that I have an
11 appeal and I do not want any admission of appeal stating
12 not guilty, and I do not want any admission of
13 implication of any wrongdoing on my part.

14 JUDGE MURRAY: Let me see. And it's hard for
15 me to sort of convey this. Let me try if I can. It
16 doesn't make any difference what went on in that
17 underlying proceeding. I have to take that decision of
18 the Court guilty or the jury verdict I believe, that is a
19 matter of public record. That I have to take. I cannot
20 go behind that and say, well, this jury verdict is wrong
21 or this judgment is wrong.

22 The judgment is a matter of official court
23 record. That's what I have to take. That's what the
24 statute says gives this Commission the authority to
25 impose a sanction. So it's kind of a legal theory called

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1 collateral estoppel. You cannot fight that decision in
2 this forum before the SEC. That was a District Court
3 action. If you're going to get it reversed, you have to
4 go back to the District Court. If you do get it reversed
5 on appeal, you can come back to this Commission and say,
6 you didn't have any basis, if there's a sanction imposed,
7 and they, in most every single case, they took off
8 anything that they imposed. But as long as that
9 underlying decision is out there, then you're stuck with
10 it and you can't argue that it's wrong. Do you get that
11 part?

12 MR. GRIFFIN: Yes, I do. Thank you, Your
13 Honor.

14 JUDGE MURRAY: I was a schoolteacher, so if I
15 get preachy, just bear with me. Now, we're at the motion
16 for summary disposition. Having heard what you heard me
17 say, do you now have any problem with me allowing the

Ex. 10

18 Division to grant a motion for summary disposition -- and
19 let me just say, if you did have an objection, I would
20 have to know what's the alternative. If I had a hearing
21 up there and got a courtroom in the prison, what evidence
22 would you give me that the underlying decision is wrong
23 or it doesn't exist?

24 MR. GRIFFIN: well, if I understand it
25 correctly, what you're saying is that there is no

0011
1 decision for me, because you're stating that if there's a
2 guilty by trial verdict --

3 JUDGE MURRAY: Right.

4 MR. GRIFFIN: -- Then summary disposition is my
5 only alternative.

6 JUDGE MURRAY: Yeah, if you don't -- that's
7 where I would come down, but I don't know, I can't advise
8 you. But you would have to convince me that it's worth
9 the government's money to send me up there and that you
10 had evidence to put in to say that this decision doesn't
11 exist, or you have evidence to say that it isn't in the
12 public interest for somebody that's in your situation to
13 be barred from the securities industry. That would be a
14 difficult case to prove, but maybe you could make a
15 persuasive position. I don't know.

16 Okay. Now, I'm going to presume that you're
17 okay with this and I'm going to grant the division's
18 petition to file a motion for summary disposition. So
19 let's see if we can go with some dates now. When is the
20 Division ready to file such a motion?

21 MR. KAUFMAN: I think it's just a matter of a
22 few weeks, Your Honor.

23 JUDGE MURRAY: Do you think you could get
24 healthy first.

25 MR. KAUFMAN: Yeah, I'm hoping I'll be better

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1 soon.

2 JUDGE MURRAY: Let's assume you're going to get
3 healthy. When you get healthy, when do you think you can
4 file a motion?

5 MR. KAUFMAN: I think a couple of weeks should
6 be sufficient. Is that right, Chris?

7 MR. DUNNIGAN: Right, three weeks.

8 JUDGE MURRAY: Okay. Today is the 27th, so the
9 next one would be the 3rd, the next one would be the
10 10th, and Easter Monday is the 17th, so what about if we
11 make it the 18th. Does that sound about right to you?

12 MR. KAUFMAN: Yes. Chris, does that work?

13 MR. DUNNIGAN: Yes.

14 JUDGE MURRAY: Okay. So we have April 18th for
15 the Division's motion.

16 Now, Mr. Griffin, you're healthy. When do you
17 think you can reply to a motion that you will get around
18 the 18th? How much time do you think you need?

19 MR. GRIFFIN: well, I think it would be
20 appropriate for me to have the same amount of time.

21 JUDGE MURRAY: Okay. That sounds good. We
22 gave them three weeks. So let's see, the 18th through
23 the 25th would be one, the 25th to the 2nd would be two,
24 and I think the 9th of May would be three weeks. So
25 we'll make your reply due the 9th of May.

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1 Okay. Then we're back to the Division for a
2 response. We usually get lesser time for the response,

3 so if I gave you two weeks, it would be the 30th of May.
4 Is that okay?

5 MR. KAUFMAN: That should be fine.

6 JUDGE MURRAY: So we've got the Division's
7 motion due April 18th. Opposition is due May 9. And
8 rebuttal from the Division is due May 30th.

9 Okay. I think that's everything.

10 Mr. Griffin, where do you come from Conestoga?

11 MR. GRIFFIN: It's Cazenovia.

12 JUDGE MURRAY: Cazenovia, I went to school in
13 Buffalo.

14 MR. GRIFFIN: Oh, sure. I went to Niagara
15 University, too.

16 JUDGE MURRAY: Good basketball team.

17 MR. GRIFFIN: Sure. I played a little there.

18 JUDGE MURRAY: I went to D'Youville College, a
19 little Catholic college in downtown Buffalo.

20 MR. GRIFFIN: Sure. I used to know some girls
21 at D'Youville.

22 JUDGE MURRAY: I remember Niagara well. Okay.
23 Is there anything else now before we recess this
24 pre-hearing conference?

25 MR. KAUFMAN: I think that's all, Your Honor.

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1 JUDGE MURRAY: I'll put out an order today or
2 tomorrow. And if there's anything wrong in the order,
3 you all let me know. If there is nothing else, then the
4 pre-hearing conference is adjourned.

5 MR. GRIFFIN: Yes. Thank you Counselor Kaufman
6 and Dunnigan. Thank you very much.

7 JUDGE MURRAY: The pre-hearing conference is
8 adjourned.

9 MR. KAUFMAN: Thank you, Your Honor.

10 MR. DUNNIGAN: Thank you, Judge.

11 (Whereupon, at 2:20 p.m., the examination was
12 concluded.)

* * * * *

0015

1 PROOFREADER'S CERTIFICATE

2
3 In the Matter of: JAMES P. GRIFFIN
4 ADMINISTRATIVE PROCEEDINGS - PRE-HEARING CONFERENCE

5 File Number: 3-17848

6 Date: Monday, March 27, 2017

7 Location: New York, New York 01281

8 This is to certify that I, Donna S. Raya,
9 (the undersigned), do hereby swear and affirm that the
10 attached proceedings before the U.S. Securities and
11 Exchange Commission were held according to the record and
12 that this is the original, complete, true and accurate
13 transcript that has been compared to the reporting or

Ex. 10

recording accomplished at the hearing.

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(Proofreader's Name)

(Date)

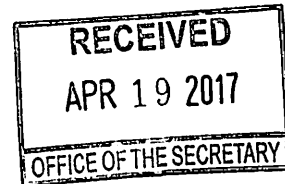
UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-17848

In the Matter of

James P. Griffin,

Respondent.



NOTICE OF MOTION

The Division of Enforcement, relying upon the Memorandum of Law in Support of its Motion for Summary Disposition and the Declaration of Christopher J. Dunnigan dated April 18, 2017, hereby moves for summary disposition against Respondent James P. Griffin pursuant to Rule 250 of the Securities and Exchange Commission's Rules of Practice.

New York, New York
April 18, 2017

Respectfully Submitted,



DIVISION OF ENFORCEMENT

Jack Kaufman
Christopher J. Dunnigan
Securities and Exchange Commission
New York Regional Office
Brookfield Place
200 Vesey Street, Suite 400
New York, NY 10281-1022
(212) 336-0106 (Kaufman)
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Email: dunnigancj@sec.gov

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-17848


<p>In the Matter of</p> <p style="text-align:center">James P. Griffin,</p> <p>Respondent.</p>
--

CERTIFICATE OF SERVICE

I hereby certify that on April 18, 2017, I served a copy of the following documents: (i) Notice of Motion of the Division of Enforcement's Motion for Summary Disposition; (ii) Memorandum of Law in Support of the Division of Enforcement's Motion for Summary Disposition; and (iii) Declaration of Christopher J. Dunnigan dated April 18, 2017 in Support of the Division of Enforcement's Motion for Summary Disposition, by UPS upon Respondent at the following address:

Mr. James P. Griffin (Register No. 24493-052)
c/o John McDonald, Camp Counselor
USP Canaan, P.O. Box 400
U.S. Penitentiary
3057 Easton Turnpike, Building C
Waymart, PA 18472.

New York, New York
April 18, 2017



Christopher J. Dunnigan
Senior Counsel
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