

Exhibit 6

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IAN MEYERS,

Plaintiff,

03 CV 9748
x
Ind. No.

COMPLAINT

-against-

INTEGRATED ALARM SERVICES GROUP, INC.
MCGINN SMITH & COMPANY, INC. / M&S PARTNERS,
TIMOTHY MCGINN, DAVID SMITH, FIRST INTEGRATED
CAPITAL CORP., PRICEWATERHOUSE COOPERS LLP,
GERSTEN SAVAGE KAPLOWITZ WOLF & MARCUS
LLP, and LYNN A. SMITH, AND FRIEDMAN BILLINGS
RAMSEY & CO., INC., MARYANN MCGINN,
BRIAN SHEA,

JURY TRIAL
DEMANDED

JUDGE WOOD

Defendants.

Plaintiffs, respectfully allege as follows:

JURISDICTION AND VENUE

1. This Court has federal question jurisdiction of this action pursuant to 28 U.S.C. §1331 as this claim is brought under 15 U.S.C. §§77a et seq. and 17 C.F.R. § 240.10b-5 with jurisdiction granted under 15 U.S.C. §77v. This Court has supplemental jurisdiction pursuant to 28 U.S.C. §1367 over the claims under the laws of the State of New York, the laws of Delaware and the common law for breach of contract, quantum meruit, unjust enrichment, appraisal and rescission and the since the claims are so related to claims in the action within the Court's original jurisdiction they form part of the same case or controversy under Article III of the United States Constitution. This Court has personal jurisdiction over each of the Defendants because each conducts systematic and continuous business in the State of New York, County of New York, and since a substantial portion of the acts and tortious acts alleged herein took place in the State of New York, County of New York. This Court has

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personal jurisdiction over each of the Defendants because the claims against the Defendants arise out of tortious acts that occurred or had effect in the State of New York, County of New York.

2. This court also has jurisdiction under 28 U.S.C. § 1332 since the parties hereto are citizens of different states and the amount in controversy exceeds \$75,000.

3. Venue in this court is founded on 28 U.S.C. 1391 (b) since one or more Defendants maintain and operate a business in the County, City and State of New York.

PARTIES

Plaintiff

4. IAN MEYERS ("Meyers") is an individual having an address of 7597 Playa Rienta Way, Delray Beach, Florida 33446. Meyers is the owner of 275,000 shares of First Integrated Capital Corp., Inc. ("FICC" or the "Company").

Defendants

5. Defendant Integrated Alarm Services Group, Inc. ("IASG") is a Delaware Corporation with its principal place of business located at One Capital Center, 99 Pine Street, Albany, New York 12207.

6. Defendant MCGINN SMITH & COMPANY, INC. ("MCGINNSMITH"), is a New York corporation, authorized to do business in the state of New York, and maintains and does business from its principal place of business located at One Capital Center 99 Pine Street, Albany, New York 12207 and is made a defendant here since the acts of the corporation, its officers or third persons as were fully set forth, have undermined the rights of the Plaintiff shareholder to exercise his relative voice in corporate affairs, including, upon information and belief, sales of FICC assets through its offices located on Maiden Lane in the City, State, and County of New York.

7. Defendant M&S PARTNERS is a partnership doing business in the state of New York, and maintains and does business from its principal place of business located at One Capital Center 99 Pine Street, Albany, New York 12207.

8. Defendant First Integrated Capital Corp. is a Delaware Corporation with its principal place of business located at One Capital Center, 99 Pine Street, Albany, New York 12207.

9. Defendant Friedman Billings Ramsey & Co., Inc. is, upon information and belief, a corporation with its principal place of business located at 1001 Nineteenth Street North, Arlington, Virginia 22209 and doing business at 555 Madison Avenue, New York, NY 10022 ("FBR" or "the Underwriter").

10. Upon information and belief, Defendant Gersten Savage Kaplowitz Wolf & Marcus LLP ("Gersten Savage") is a New York limited liability partnership with its principal place of business located at 101 East 52nd Street, 9th Floor, New York, New York 10022.

11. Upon information and belief, Pricewaterhousecoopers LLP is a Delaware limited liability partnership registered to do business in New York with its principal executive offices located at 1177 Avenue of the Americas, New York, New York 10036.

12. Defendant Timothy McGinn ("McGinn") is an individual whose last known place of employment is One Capital Center, 99 Pine Street, Albany, New York 12207.

13. Defendant MaryAnn McGinn is an attorney admitted to practice in the State of New York whose last known place of employment is One Capital Center 99 Pine Street, Albany, New York 12207.

14. Defendant Brian Shea is an individual whose last known place of employment is One Capital Center 99 Pine Street, Albany, New York 12207.

15. Defendant David Smith ("Smith") is an individual whose last known place of employment is One Capital Center 99 Pine Street, Albany, New York 12207.

16. Defendant Lynn A. Smith is an individual whose last known address is c/o McGinn Smith, One Capital Center 99 Pine Street, Albany, New York 12207.

FACTUAL BACKGROUND

17. On or around March, 2000, McGinn and Smith formed First Integrated Capital Corp. (FICC) a Delaware corporation.

18. FICC was set up to operate "four discrete but related financial services businesses. Exhibit A (FICC Private Placement Memorandum at 6).

19. FICC's four businesses were 1. Community Investment Banking: Joint ventures formed with commercial banks in various growth markets; 2. Asset Recovery and Collection; 3. High Yield Asset Generation (the alarm or security monitoring business); and 4. Internet Based Investment Banking (OnLine Capital, LLC). Exhibit A (FICC Private Placement Memorandum).

20. McGinn and Smith contributed assets "valued at \$7,000,000 in return for 2,800,000 shares of Common Stock of First Integrated Capital Corp." Exhibit A at 9.

21. The bulk of the assets McGinn and Smith contributed to FICC were (a) a 20% interest in KC Acquisition corp. dba "**King Central**", one of the largest and most respected (alarm monitoring) contract central stations" (the "**Central Station Assets**") see Exhibit B, (chart showing FICC 20% interest); and (b) a 50% interest in various retail alarm monitoring contracts created through joint ventures between Thomas Few and M&S Partners (the "**Retail Contracts**"). These assets are referred to collectively hereinafter as "**The Alarm Assets**".

22. In addition, McGinn and Smith contributed four million dollars in the stock of Security Associates International ("SAI") and pledged a revenue stream of \$25 per retail alarm contract purchased by FICC.

Meyers' Employment With FICC

23. McGinn and Smith recruited Ian Meyers to work for FICC.

24. McGinn and Smith represented that FICC would own all of the Alarm Assets, was a company that would have their "full attention" as management, and that their current and future Alarm Assets would provide a valuable basket of earning assets for FICC.

25. On or around May 1, 2000, Meyers received a one-page written document signed by McGinn offering him the positions of Vice Chairman of FICC and President of Pointe Capital. Exhibit C (Letter of McGinn dated May 1, 2000).

26. The offer included a compensation package of THREE HUNDRED SIXTY THOUSAND (\$360,000) DOLLARS per annum for a three-year term and 275,000 shares of common stock of FICC.

27. A true copy of Meyers' share certificate no. C7 representing 275,000 shares of FICC dated November 30, 2000 is attached hereto as Exhibit "D".

28. On or around May 1, 2000, Meyers accepted McGinn's offer and became Vice Chairman of FICC.

29. Meyers remains Vice Chairman and a director of FICC to this day.

FICC Fall 2000 Offering

30. On or around June 27, 2003, McGinn and Smith made a private stock offering which sought to sell 3,000,000 shares of convertible preferred stock in FICC at a price of \$5 per share (fully

convertible into 1.25 shares of FICC common). Exhibit A (FICC Private Placement Memorandum).

31. Upon information and belief, McGinn and Smith broke escrow at slightly above the minimum of \$4,000,000 in capital, and, upon information and belief, issued 861,000 shares.

32. Upon information and belief, the ownership structure following the issuance of FICC stock was as follows:

<u>Common Shareholders</u>	<u>Pre-Offering/</u>	<u>Post-Offering/</u>
	<u>Non-Converted</u>	<u>Fully Converted</u>
Timothy M. McGinn	43.41%	32.55%
David L. Smith	43.41%	32.55%
Ian H. Meyers	8.53%	6.39%
Thomas Few	3.10%	2.32%
Paul Zindell	1.55%	1.16%
Series "A" Preferred	0.00%	25.03%
Total	100.0%	100.0%

33. Upon information and belief, post-offering, there were 4,301,250 common shares of FICC on a post-conversion basis.

34. Meyers' 275,000 shares represented over eight and one-half percent ownership in FICC on a non-converted basis and over six percent on a fully-converted basis.

FICC's Assets Prior to the IASG IPO

35. On or around June 27, 2003, IASG conducted an initial public offering in which certain assets of FICC were purportedly sold to the public. See Exhibit E ("IASG Prospectus"), (the "IASG IPO").

36. Prior to the IASG IPO, FICC's most important assets were the Retail Contracts, and the Central Station Assets, and the revenue stream accruing from the payment of \$25 for each alarm contract purchased and at least four million dollars worth of SAI stock.

37. FICC owns 50% of Payne Security Group, LLC, Guardian Group, LLC and Palisades Group, LLC (respectively "Payne", "Guardian" and "Palisades"). See Exhibit F (chart detailing ownership of Guardian Group LLC).

38. McGinn, Few and Smith controlled Payne, Guardian and Palisades.

39. FICC owned a pro-rata share of alarm contracts which were entered into by entities using the trade names Payne Security, Guardian Group, and Palisades.

40. Such contracts were originated either by entities using the trade names Payne Security, Guardian and Palisades Partners or purchased from alarm dealers who had originated such contracts through the three entities.

41. As of October 26, 2000, Palisades owned 15,000 retail monitoring accounts and that number was growing at the rate of 2,400 per month.

42. The Retail Contracts obligate the consumer to pay a fixed monthly fee (typically \$30) for monitoring services, thereby creating a valuable revenue stream for the contract owner.

43. Alarm dealers must pay a contract central station for providing monitoring services to its end users.

44. Such payment is typically four to five dollars per month, creating a valuable revenue stream for the Central Station.

McGinn & Smith Neglect FICC

45. McGinn neglected FICC right from the start, upon information and belief, spending no

more than a few hours each month on FICC business.

46. Smith spent no time at all and neglected all of the administrative duties he had agreed to handle, allowing the first joint venture to start without the requisite licenses and insurance policies.

47. Upon information and belief, McGinn and Smith took in excess of \$500,000 annually in management fees from FICC. See Exhibit E (FICC prospectus at 20).

48. During this period, McGinn and Smith failed to follow corporate formalities, using FICC and Pointe Capital as personal slush funds.

49. McGinn Smith failed to reimburse FICC and Pointe Capital for McGinn Smith expenses and strong-armed Pointe Capital into investing in McGinn Smith ventures.

50. There was a single FICC Board of Directors meeting in April, 2001.

51. During this time, McGinn and Smith diverted all corporate opportunities away from FICC and into entities in which they had greater ownership interests.

52. McGinn and Smith acquired additional alarm assets and financed them through other entities.

53. During this period, McGinn and Smith earned in excess of \$750,000 in fees for securing a loan for Securities Associates International, which, rather than paying such fees to FICC, they simply stole.

54. During this period, and contrary to their covenants to FICC, McGinn and Smith continued to build their personal alarm assets, financing portfolios of retail contracts with lenders such as Key Bank, N.A. and LaSalle Bank using non-FICC entities in the process, generating in excess of \$1,000,000 in compensation for themselves annually.

55. Further, McGinn used his position as Vice Chairman of Pointe Financial Corp. to have Pointe Bank purchase debt he underwrote (SAI and King Central financings) and further line his pockets in violation of Regulation O.

Commingling of FICC Retail Alarm Monitoring Assets

56. Upon information and belief, from October, 2000, through June 2003, McGinn and Smith commingled the Retail Contracts of FICC with those of other entities that they owned or controlled, along with entities co-owned or controlled by Tom Few.

57. Upon information and belief and as set forth more fully below, McGinn and Smith removed valuable revenue-generating assets from FICC and commingled them with non-performing and revenue-losing assets to enrich themselves personally in a series of self-dealing transactions.

58. Upon information and belief, such commingling and self-dealing was done with the knowledge of and assistance of PricewaterhouseCoopers LLP, Gersten Savage, FBR, Brian Shea, MaryAnn McGinn and Lynn Smith.

59. Upon information and belief, such commingling led to significant retail alarm assets disappearing from FICC's balance sheets and being diverted to entities owned by McGinn, Smith and Few.

60. On June 27, 2003, the IASG prospectus claimed that IASG owned 39,000 retail alarm contracts. See Exhibit E.

61. Upon information and belief, FICC had a 50% ownership in such assets.

62. At the rate of \$30 per month, the 39,000 Retail Contracts yield \$1,170,000 per month in recurring monthly revenue ("RMR").

63. To value such Retail Contracts, the custom in the industry is to apply a factor of 36 to RMR, giving an asset valuation of \$42,120,000.

64. Subtracting the debt (\$37,760,000) associated with these assets yields an asset value of \$9,360,000.

65. Accordingly, 50% of \$9,360,000 or \$4,680,000 in assets in the form of the 50% interest in retail contracts are missing from FICC's balance sheet.

66. Such assets should appear on FICC's balance sheet, but instead were purportedly transferred to IASG for grossly inadequate consideration without the approval of FICC's shareholders and directors or fair consideration being paid.

67. Since PricewaterhouseCoopers LLP prepared the IASG IPO, it knew or should have known that FICC has such ownership interest and that FICC's shareholders and directors had not approved of any such grossly inadequate transfer.

68. Since Gersten Savage was counsel to IASG and prepared the IASG IPO, it knew or should have known that FICC has such ownership interest and that FICC's shareholders and directors had not approved of any such grossly inadequate transfer.

FICC's Central Station Assets

69. From on or around October, 2000, through July, 2003, FICC owned 20% of the common stock of King Central. Exhibit B. This was diluted down to 16% based upon King Central's September 2002 acquisition of Criticom. See Exhibit G (chart showing ownership structure of King Central Aquasition Corp).

70. King Central owned 500,000 wholesale alarm monitoring contracts whereby it provides monitoring services to end users and is paid a fee of four to five (\$4-5) dollars per month per

contracts for providing such services. See Exhibit E, Prospectus at 1.

71. RMR for the 500,000 wholesale alarm monitoring assets is approximately \$2,100,000.

72. The industry standard multiple for calculating the value of wholesale alarm monitoring contracts is 30.

73. Accordingly, the total value of King Central's alarm monitoring assets should have been \$63,000,000. Subtracting the debt associated with these assets yields an asset value of \$38,300,000.

74. FICC owned 16% of King Central, or approximately \$6,128,000 in assets.

75. Such assets have disappeared from FICC's balance sheet.

76. Such assets should appear on FICC's balance sheet, but instead were purportedly transferred to IASG without the approval of FICC's shareholders and directors, or fair consideration being paid.

77. PricewaterhouseCoopers LLP knew or should have known that FICC has such ownership interest and that FICC's shareholders and directors had not approved of any such transfer.

Morlyn Financial Group LLC

78. According to the IASG Prospectus:

Morlyn Financial Group LLC was founded in May 2000 to assist Dealers who were interested in selling their alarm monitoring contracts to IASI. Morlyn originates alarm monitoring contracts for acquisition and provides due diligence, billing and other related services. In connection with the acquisition of Morlyn, in January 2003, we issued an aggregate of 17,000 shares of our common stock to Messrs McGinn, Few Sr. and Smith.

79. Upon information and belief, the shareholders and directors of FICC were never informed of Morlyn's existence or activities.

80. Morlyn, McGinn and Smith usurped corporate opportunities by systematically purchasing or financing Retail Contracts through one or more competing entities, in effect, trading away from FICC, billed huge amounts for "due diligence" and upon information and belief, engaged in other self-dealing practices designed to bilk the FICC shareholders.

81. Upon information and belief, McGinn and Smith used Morlyn to loot the companies and to skim lucrative alarm contracts away from FICC and to use FICC's corporate resources to originate lucrative alarm contracts, yet keep them for themselves by diverting them to Morlyn.

Accounting Procedures: Appropriate Standards of Valuation and Due Diligence For the Assets of FICC

82. Since FICC owned pro-rata percentages of the Retail Contracts of Palisades, Payne and Guardian, any reasonably diligent underwriter, accountant or attorney conducting due diligence on the IASG assets prior to the IPO should have reviewed FICC's private placement memorandum of October, 2000 to view its assets and balance sheets as of that time. Exhibit E.

83. Accountants could simply review the books and records of the three above-referenced entities to track the number contracts that each owned at any point in time.

84. On a monthly basis, calculations should have been made as to which entity originated which contract so as to determine how many new contracts had been originated by each entity.

85. There are two sources that accountants could review to determine such information: electronic records and hard copies of Retail Contracts (together the "Master Files").

86. During the course of due diligence, the underwriters, accountants and attorneys should

have audited a Master File disk with the name of all accounts. All bad accounts should be removed in making value calculations.

87. During the course of due diligence, the underwriters, accountants and attorneys should have audited a "Palisades" file cabinet containing all hard copies of the alarm monitoring contracts, the same for Payne and Guardian.

88. Since the business kept both electronic and hard copy records, in the ordinary course of business at any point in time, the system should show a precise record of the Retail Contract owned by those three entities.

89. As stated previously, FICC owned 50% of such Retail Contracts.

McGinn Commingles Retail and Wholesale Alarm Contracts

90. McGinn and Smith contributed all of their Retail Contracts and their entire interest (or 20%) in the Central Station Assets to FICC in October, 2000.

91. Although McGinn and Smith purported to own such Retail Contracts through differing levels of ownership via Palisades, Payne, Guardian, Morlyn LLC and other retail origination entities, in fact, upon information and belief, McGinn and Smith commingled the assets of these corporations, making it impossible to differentiate any contracts in which FICC had less than a 50% interest.

92. Upon information and belief, none of the Defendants, particularly PricewaterhouseCoopers LLP, nor Gersten Savage, nor FBR ever reviewed the Master File to ascertain which contracts were owned by which entities and ultimately what Retail Contracts were owned by FICC.

Fall 2001: The IASG IPO

93. By Fall 2001, upon information and belief, one of FICC's four businesses, Online

Capital, an internet investment banking venture ceased doing business, and McGinn and Smith, with the aid of Defendants MaryAnn McGinn and Shea, concealed this failure from investors and fired Tom Bates, Online Capital's President.

94. FICC concealed the failure of Online Capital from Meyers, who was at all times Vice Chairman of FICC, and from other FICC investors.

95. On or around this time, the Preferred investors in FICC started becoming restless with FICC's non-performance.

96. On or around this time, it had become clear to McGinn and Smith that the only way to monetize the assets they had looted, and to get their friends and wealthy investors out of a failed FICC investment would be to conduct an IPO involving the Alarm Assets.

97. Since their personal assets were hopelessly commingled with those of FICC, they decided to simply ignore FICC's ownership interests.

98. Also, an IPO would offer McGinn an opportunity to have a high-paying CEO position which would help him finance an extravagant and profligate lifestyle.

The FBR Contract

99. In desperation, McGinn and Smith, with the aid of one or more Defendants, decided to contract with Friedman Billings Ramsey ("FBR") a Virginia broker-dealer to take certain assets public through an initial public offering ("IPO") of an entity called Integrated Alarm Services Group, Inc. ("IASG").

100. Upon information and belief, the accounting firm of PricewaterhouseCoopers LLP conducted the due diligence and preparation of financial statements for the IASG IPO.

101. Upon information and belief, Defendant Gersten Savage conducted the due diligence for the IASG IPO. Part of Gersten Savage's duty was to determine and advise both that IASG owned the assets it claimed.

102. McGinn and Smith, with the aid of one or more Defendants, concealed all valuations of FICC's assets by FBR from Meyers and the other shareholders.

103. In December 2001, McGinn and Smith, with the aid of one or more Defendants, and Few entered into an agreement with FBR whereby "FBR would act as financial advisor and lead underwriter for McGinn Smith & Co., Inc., King Central and any other formed entity in connection with the proposed offering."

104. Among the assets that McGinn and Smith, with the aid of Defendants, and Few decided to take public were the Retail Contracts and Central Station Assets owned by FICC.

105. As set forth above, pro rata shares of Retail Contracts and Central Station Assets had already been contributed to and owned by FICC.

106. Upon information and belief, and from a reading of the Prospectus, FICC received grossly inadequate consideration for the Retail Contracts and never received any consideration for the Central Station Assets.

107. Upon information and belief, no impartial directors or shareholders of FICC ever approved the sale of the Retail Contracts or Central Station Assets during a duly noticed meeting.

108. Upon information and belief, simple due diligence would have revealed to PricewaterhouseCoopers LLC that neither FICC's directors nor its shareholders had approved any sale of the Retail Contracts or Central Station Assets and to the extent any purported transactions occurred, that such transactions were both interested and involved grossly inadequate consideration.

109. Upon information and belief, simple due diligence would have revealed to Gersten Savage that neither FICC's directors nor its shareholders had approved any sale of the Retail Contracts or Central Station Assets and to the extent any purported transactions occurred, that such transactions were both interested and involved grossly inadequate consideration.

110. Upon information and belief, simple due diligence would have revealed to FBR that neither FICC's directors nor its shareholders had approved any sale of the Retail Contract or Central Station Assets and to the extent any purported transactions occurred, that such transactions were both interested and involved grossly inadequate consideration.

False and Misleading Statements in the IASG Prospectus

111. Upon information and belief, simple due diligence by any of the Defendants would have revealed that the statement

Palisades Group LLC was the owner of approximately 38% of the alarm monitoring contracts underlying the trusts. In January 2003, Palisades exchanged all of its ownership interests for our stock and distributed such stock to its members, TJJ Enterprises, LLC and First Integrated Capital Corporation. In connection with the acquisition of Palisades, we issued an aggregate of 25,000 shares of our common stock. This acquisition was accounted for under the purchase method of accounting. It is anticipated that Palisades will be liquidated concurrent with this offering. In January 2003, Payne Security Group, LLC and Guardian Group, LLC were acquired by us and became our wholly-owned subsidiaries. In connection with the acquisition of Payne

Security Group, LLC, we issued an aggregate of 50,250 shares to TJF Enterprises, LLC and First Integrated Capital Corporation.

was entirely false, since no meeting of FICC's Board of Directors ever took place nor did Meyers, as a stockholder of FICC, receive any of the IASG stock allegedly distributed. Exhibit E (6/27/2003 IASG Prospectus).

112. Upon information and belief, the consideration recited in the 6/27/2003 IASG Prospectus was grossly inadequate with respect to the valuable cash-producing Retail Contracts owned by FICC.

113. Upon information and belief, and as set forth more fully below, McGinn, Smith and several accomplices converted the Central Station Assets and engaged in self-dealing transactions ultra vires.

Preparation of the IASG IPO

114. From January through December 2002, McGinn and Smith all but abandoned FICC, devoting all of his time to preparing the IASG IPO, but continued to draw in excess of \$500,000 in annual compensation from FICC.

115. From May 2001 through September, 2003, FICC held no Board of Directors or shareholders meetings.

116. Upon information and belief, McGinn and Smith, with the aid of one or more Defendants, engaged in a series of transactions which purported to re-sell assets that were already owned by the shareholders of FICC.

117. Upon information and belief, McGinn and Smith, with the aid of one or more Defendants, commenced a series of self-dealing mergers and acquisitions unauthorized by the

shareholders and Board of Directors of FICC.

PricewaterhouseCoopers LLP Conceals IASG Insolvency

118. Upon information and belief, on or around October, 2002, PricewaterhouseCoopers LLP informed McGinn and Smith that IASG and its bundle of assets were insolvent.

119. Upon information and belief, PricewaterhouseCoopers LLP informed McGinn and Smith that it would be unwilling to provide a "going concern" letter to McGinn and Smith that would be necessary for the IASG IPO to take place.

120. PricewaterhouseCoopers LLP informed McGinn and Smith that in order for PricewaterhouseCoopers LLP to provide the "going concern" letter, which would permit the IPO to take place, either McGinn or Smith or an outside investor would have to provide a large infusion of capital.

121. PricewaterhouseCoopers LLP concealed this information from all shareholders and directors of FICC.

122. Upon information and belief, and without disclosing such information to the shareholders and directors of FICC, PricewaterhouseCoopers LLP demanded that Lynn Smith infuse \$6,000,000 into IASG and/or King Central in the form of a note or loan in exchange for issuing a "going concern" letter.

123. Upon information and belief, in excess of \$500,000 of the \$6,000,000 invested by Lynn Smith went to pay fees outstanding to PricewaterhouseCoopers LLP.

124. PricewaterhouseCoopers LLP concealed IASG/King Central's chronic inability to pay their creditors, to keep their books properly, to keep accounts segregated, and IASG/King Central's siphoning assets away from FICC shareholders, all in exchange for receiving large fees from the cash

infused by Lynn Smith.

125. Upon information and belief, Gersten Savage should have discovered IASG's insolvency and IASG/King Central's chronic inability to pay their creditors, to keep books properly, to keep accounts segregated, and IASG/King Central's siphoning assets away from FICC shareholders, such facts were material and should have been disclosed to investors.

126. The IASG prospectus stated that six million dollars of funds to be raised in would be spent as follows:

Use of Proceeds: * * * [. . .]

Repayment of promissory notes to Lynn A. Smith, the wife of one of our directors, bearing interest at 6.25% and 12% per annum, and due in March 2004 and January 2004, respectively. One of the notes (\$3.0 million) is debt incurred by KC Acquisition, and the other (\$3.0 million) is debt incurred by IASI prior to its acquisition in January. A portion (\$2.0 million) of the proceeds of the \$3.0 million indebtedness incurred by IASI was loaned by IASI to KC Acquisition.

\$ 6.0 million (IASG Prospectus at 12).

127. Such statement was materially false and misleading, since it concealed the fact that PricewaterhouseCoopers LLP directed McGinn and Smith to make a cash infusion to conceal the inability of the IASG assets to generate enough cash flow to operate and to pay amounts currently due lenders and other creditors.

128. Further, PricewaterhouseCoopers LLP knew or should have known that this was a "window dressing" transaction and that IASG would not use Lynn Smith's money other than to pay fees currently due and would have no bearing on IASG's solvency.

129. Such statement was made with the intent of defrauding the investing public, to conceal self-interested transactions, and to enrich all Defendants at the expense of the directors, shareholders and the investing public.

M&S Partners Alleged Tender Offer

130. On or around December 13, 2002, McGinn wrote to the FICC preferred shareholders with the news that "FICC has received a tender offer for all its preferred stock from M&S Partners. Exhibit H (letter of Timothy M. McGinn dated 12/13/2002) ("December 2002 McGinn Letter").

131. Upon information and belief, no such tender offer existed - McGinn was merely engaging in an act of self-dealing to convince investors to give up valuable rights.

132. The December 2002 McGinn letter claimed that Price Waterhouse Coopers was engaged to audit FICC's finances for 1999, 2000, 2001 and the period ending September 30, 2002.

133. No such audits were ever disclosed to FICC directors or common shareholders, nor did FICC common shareholders or directors receive communications from PricewaterhouseCoopers LLP.

134. Upon information and belief, no such audits were ever receive by anyone at FICC.

135. Upon information and belief, no valuations, fairness opinions from independent legal counsel or other descriptions of these transactions were ever submitted to FICC's shareholders or directors.

136. Meyers, a director and shareholder of FICC, never saw the terms of a tender offer and was never notified of one as a stockholder.

137. M&S Partners is a company owned by McGinn and Smith which had owned the Alarm Assets prior to such assets being contributed to FICC.

138. On December 13, 2002, the preferred shareholders owned 25.03% of the common stock of FICC.

Conversion of FICC Assets by M&S and IASG

139. M&S Partners then allegedly “merged its security industry business with KC Acquisition Corp (dba King Central) to form Integrated Alarm Services Group, Inc. (“IASG”).” Exhibit H December 2002 McGinn Letter at 1.

140. No Board of Directors meeting was held or approved such transaction.

141. Such transaction constituted self-dealing on the part of McGinn and Smith, with the aid of one or more Defendants .

142. The “security industry business” referred to in the McGinn Letter, is the assets known as the Retail Contracts and Central Station Assets.

143. The McGinn Letter further stated “As a result, M&S is hereby offering to acquire each share of FICC preferred for a consideration of \$7 per share, payable in shares of IASG, calculated at the IPO price.” Since there was no compelling business reason to acquire the preferred stock at a premium to the common stock, Meyers relied upon the valuation implied by McGinn’s offer.

144. Based on the SEVEN (\$7) DOLLAR offer price, the 861,000 preferred shares that represented a 25.03% ownership interest valued FICC’s bundle of assets at TWENTY-FOUR MILLION SEVENTY-NINE THOUSAND (\$24,079,000) DOLLARS.

145. Based on the SEVEN (\$7) DOLLAR offer price, Meyers’ shares in FICC were worth ONE MILLION FIVE HUNDRED THIRTY-NINE (\$1,538,655) THOUSAND DOLLARS.

146. The foregoing valuations were based on McGinn’s offer, but Plaintiff has no way of ascertaining the validity of such valuations.

147. Meyers attempted numerous times to get information on any proposed tender offers and the terms of the IPO including pricing and timing, but such information was never provided by Defendants.

The March 2003 McGinn Letter

148. On March 20, 2003, McGinn wrote to the preferred shareholders of FICC to report that he and PricewaterhouseCoopers LLP were “making progress, albeit slow and painful on the initial public offering of Integrated Alarm Services Group, Inc.” Exhibit I at 1 (the “March 2003 McGinn Letter”).

149. In the March 2003 McGinn Letter, McGinn wrote to the preferred shareholders “we have previously discussed an offer to purchase each preferred share of FICC at a nominal consideration of \$7.00 of IASG stock for each share of FICC preferred.”

150. This offer was never communicated to Meyers, nor was it submitted to FICC’s Board of Directors for approval.

151. McGinn failed to disclose such information or the existence of this letter to the directors of FICC, the holders of common shares or to Meyers.

152. Plaintiff does not know whether McGinn or Smith accepted this offer in whole or in part.

153. No vote, meeting documentation or approval of this transaction was ever provided to or secured from the Directors or shareholders of FICC.

154. The March 2003 McGinn Letter informs the FICC preferred shareholders that while “we believe that our story will be well received by institutional investors, there is no guarantee that we will achieve mid point pricing on the IPO.” Exhibit I at 2.

155. The March 2003 McGinn Letter offers the holders of preferred stock a recompense based on where the IASG IPO is priced.

July 2003

156. Meyers made numerous requests of McGinn and Smith to give him an estimate of the value of his equity in FICC by email and registered mail.

157. Meyers learned, on or around July, 2003 via the FBR website that the IPO was scheduled "firm" for 7/23/2003 after the website had previously posted a "TBD" transaction date.

158. Despite due demand by Meyers in July, 2003, FICC's General Counsel, Defendant Mary Ann McGinn (Timothy McGinn's wife) refused to reveal any detail about the IASG IPO's impact upon FICC's common shareholders.

159. On July 17, 2003 Meyers obtained copies of McGinn's correspondence with the preferred shareholders.

160. On July 23, 2003, IASG went public at a price of \$9.25 per share.

161. Based upon the valuation that McGinn accorded FICC's preferred shareholders in correspondence that was concealed from Meyers, Meyers would have been entitled to, at a minimum, 145,728 IASG shares with a market value of \$1,347,984.

September 12, 2003

162. After receiving no response to the demand letter, Meyers, through counsel, contacted FICC General Counsel Mary Ann McGinn inquiring as to FICC's assets and his shares therein.

163. On September 12, 2003, Ms. McGinn informed James Dodrill, Esq.: "His stock isn't worth anything" "None of the other common shareholders have been converted, and neither will Ian [Meyers]."

164. The underwriters, auditors, legal counsel and Founders had a fiduciary duty to the common shareholders of FICC to ensure that adequate and fair consideration was paid to FICC for the assets which it sold in the IASG IPO and to insure not only the fairness of the series of transactions, but that such transactions had been approved by FICC's Board of Directors.

165. Instead, with the help of the lawyers, auditors, Founders and officers of IASG, IASG simply stole the assets of FICC and resold them to the public to enrich themselves and the Founders.

AS AND FOR A FIRST CLAIM

FILING A FALSE REGISTRATION STATEMENT

166. Plaintiff repleads and realleges each of the preceding paragraphs as if fully alleged herein.

167. This claim is brought under Section 22(a) of the Securities Act of 1933, as amended (the "Securities Act") 15 U.S.C. §77v(a), to enforce a liability created by Section 11 of the Securities Act, 15 U.S.C. § 77k.

168. On or around June 27, 2003, there became effective a registration statement on Forms S-1 (the "Registration Statement") filed with the Securities Exchange Commission (the "SEC") pursuant to the Securities Act covering a public offering (the "IASG IPO").

169. This action arises from offers and sales of the shares in the IASG IPO and other acts and transaction relating thereto.

170. Upon information and belief, each Defendant participated in such offers and sales within the meaning of Section 22(a) of the Securities Act, 15 U.S.C. § 77v(a).

171. On information and belief, when the Registration Statement became effective and at all

times relevant in this action, the Registration Statement and the prospectus included therein (the "Prospectus") contained untrue statements of material facts and omitted to state material facts required to be stated therein or necessary to make the statements therein not misleading.

172. These material untruths and omissions included, but may not have been limited to, those stated in the preceding paragraphs.

173. Each Defendant permitted its name to be included in such Registration Statement.

174. Plaintiff has brought this action within one year after the discovery of the untrue statements and omissions, or after such discovery should have been made by the exercise of reasonable diligence; within three years after the securities were offered bona fide to the public; and in general within the time prescribed by law.

175. As a result of the foregoing, Plaintiff demands payment in an amount to be determined at trial against Defendants jointly and severally but in no case less than THREE MILLION (\$3,000,000) DOLLARS, plus interest, attorneys fees and punitive damages.

AS AND FOR A SECOND CLAIM:

CONTROLLING PERSON LIABILITY

176. Plaintiff repleads and realleges each of the preceding paragraphs as if fully alleged herein.

177. This claim is brought under Section 22(a) of the Securities Act, 15 U.S.C. § 77v(a) to enforce a liability created by Sections 11 and 15 of the Securities Act, 15 U.S.C. § 77k and o.

178. McGinn, MaryAnn McGinn, Smith and Lynn A. Smith each own of record or beneficially substantial amounts of IASG stock and hold management and other interests in IASG.

179. By reasons of such holdings, management positions and ownership, McGinn, MaryAnn

McGinn, Smith and Lynn A. Smith jointly and severally controlled IASG within the meaning of Section 15 of the Securities Act.

180. On information and belief, all of the defendants named in this Claim controlled IASG by or through stock ownership, agency or otherwise or pursuant to or in connection with an agreement or understanding, direct or indirect, with one or more other persons or with one or more of each other, within the meaning of Section 15 of the Securities Act; and each of these defendants severally participated in such control.

181. On information and belief, at all times relevant in this action, each of the defendants named in this count had knowledge of or reasonable grounds to believe in the existence of the facts by reason of which the liability of the controlled person or persons is alleged to exist.

182. As a result of the foregoing, Plaintiff demands payment in an amount to be determined at trial against Defendants jointly and severally but in no case less than THREE MILLION (\$3,000,000) DOLLARS, plus interest, attorneys fees and punitive damages.

AS AND FOR A THIRD CLAIM:

UNDERWRITER LIABILITY

183. Plaintiff incorporates by reference the allegations set forth in paragraphs 1 through 100 as though set forth fully at length herein.

184. This count is brought under Section 22(a) of the Securities Act, 15 U.S.C. § 77v(a) against each of the above-named underwriters to enforce a liability created by Section 12(2) of the Securities Act, 15 U.S.C. § 771(2).

185. Plaintiff was to receive shares in the IASG IPO pursuant to the Prospectus in exchange for his shares in FICC.

186. On information and belief, each of the underwriters, in connection with its offers and sales of the Shares, sent through the mails copies of the Prospectus and otherwise used means or instruments of transportation or communication in interstate commerce.

187. Each of the underwriters offered and sold the shares by means of the Prospectus.

188. On information and belief, and as more fully set forth above, the Prospectus contained untrue statements of material facts and omitted to state material facts necessary to make the statements therein not misleading; and no circumstances existed which detracted from or mitigated the untruthfulness or misleading character of such statements and omissions.

189. Plaintiff has brought this action within one year after the discovery of the untrue statements and omissions, or after such discovery of the untrue statements and omissions, or after such discovery should have been made by the exercise of reasonable diligence and in general within the time prescribed by law.

190. As a result of the foregoing, Plaintiff demands payment in an amount to be determined at trial against Defendants jointly and severally but in no case less than THREE MILLION (\$3,000,000) DOLLARS, plus interest, attorneys fees and punitive damages.

AS AND FOR A FOURTH CLAIM

VIOLATION OF SECURITIES LAW 10B-5

191. Plaintiff incorporates by reference the allegations set forth in paragraphs 1 through 100 as though set forth fully at length herein.

192. This claim is brought under Section 27 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), 15 U.S.C. §78aa, against each of the defendants to enforce rights arising under Section 10(b) of the Exchange Act 15 U.S.C. §78j(b) and Rule 10b-5 promulgated

thereunder, 17 C.F.R. §240.10b-5.

193. As set forth above, Defendants purported to sell assets to the investing public that belonged to FICC.

194. The defendants employed and caused others to employ means or instrumentalities of interstate commerce or the mails in effecting the sale of common shares sold in the IASG IPO.

195. Defendants knew of the untrue statements or omissions in the Registration Statement; and each of the Defendants knew or should have known of such untrue statements or omissions in the Registration Statement.

196. Plaintiff is entitled to a share of the assets described in the Registration Statement by virtue of his ownership of 275,000 shares of FICC, which shares were not purchased or converted by IASG following the IPO.

197. Defendants concealed from the investing public the insolvent nature of the bundle of assets to enrich themselves and to take from FICC valuable, cash-producing assets without consideration or approval by FICC's Board of Directors or shareholders.

198. As set forth above with particularity, Defendants made false and misleading statements in connection with the sale of securities to the public with the intent of defrauding Plaintiff of the value of his shares in FICC.

199. Plaintiff relied on such statements.

200. Such false and misleading statements caused Plaintiff's valuable FICC shares to be rendered worthless.

201. Defendants knew such statements to be false at the time such statements were made and intended Plaintiff to rely on such statements.

202. Defendants actively concealed material information from the shareholders of FICC and from the investing public and knowingly failed to exercise due diligence in preparing the IASG IPO in exchange for being paid off in self-dealing transactions and receiving excessive fees, commissions and legal fees in connection with the IASG IPO, with the intent of deceiving the public and the shareholders of FICC.

203. Due to such fraudulent statements and transactions, which were contained, inter alia, in the above-referenced filings with the SEC, FICC's assets were converted and its stock rendered valueless.

204. Such fraudulent statements and omissions were made by instrumentalities of interstate commerce and through the facilities of a national security exchange.

205. Such fraudulent statements and omissions were made with the intent to mislead purchasers of securities.

206. Plaintiff has brought this action within the time prescribed by law.

207. As a result of the foregoing, Plaintiff demands payment of the lost value of the assets represented by his ownership of FICC stock in an amount to be determined at trial against Defendants jointly and severally but in no case less than THREE MILLION (\$3,000,000) DOLLARS, plus interest, attorneys fees and punitive damages.

AS AND FOR A FIFTH CLAIM:

BREACH OF FIDUCIARY DUTY

208. Plaintiff repleads and realleges each of the preceding paragraphs as if fully alleged herein.

209. Defendants McGinn, MaryAnn McGinn, Brian Shea, Smith and Lynn Smith were

shareholders, directors and officers of FICC and a network of closely-held corporations and were under a duty to deal fairly in good faith and with loyalty to FICC and not to compete with FICC or profit at FICC's expense or place private interests before those of FICC or in conflict with those of FICC. Ability Search v. Lawson, 556 F. Supp. 9 (S.D.N.Y. 1981) aff'd (2d Cir. 1982).

210. By engaging in the transactions set forth more fully above from the period October, 2000 to the present and setting up entities such as Morlyn LLC and using a series of companies to originate retail alarm contracts, to purchase alarm monitoring contracts and pay themselves vast consulting fees, said Defendants breached their duty of good faith and fair dealing with FICC.

211. As a result of the foregoing, Plaintiff has been damaged by Defendants acting jointly and severally in an amount to be determined at trial but no less than THREE MILLION (\$3,000,000) DOLLARS, plus interest, damages, attorneys fees and punitive damages.

AS AND FOR A SIXTH CLAIM:

SELF-DEALING IN BREACH OF THE CORPORATE OPPORTUNITY DOCTRINE

212. Plaintiff repleads and realleges each of the preceding paragraphs as if fully alleged herein.

213. Defendants McGinn, MaryAnn McGinn, Brian Shea, Smith were employed by FICC and were under an obligation not to appropriate business opportunities belonging to FICC. American Federal Group, Ltd. v. Rothenberg, 136 F.3d 897 (2d Cir. 1998).

214. From October, 2000 to the present, during the course of their employment with FICC, said Defendants learned of business opportunities to originate retail alarm contracts, acquire wholesale monitoring contracts and otherwise engage in lucrative opportunities in businesses related to FICC.

215. As more fully set forth above, said Defendants usurped such lucrative opportunities,

siphoning off cash-generating assets into entities not owned by FICC's minority common shareholders.

216. Such transactions were to the detriment of FICC and to Plaintiff.

217. As a result of the foregoing, Plaintiff has been damaged by Defendants acting jointly and severally in an amount to be determined at trial but no less than THREE MILLION (\$3,000,000) DOLLARS, plus interest, damages, attorneys fees and punitive damages.

AS AND FOR A SEVENTH CLAIM

CONVERSION

218. Plaintiff repleads and realleges each of the preceding paragraphs as if fully alleged herein.

219. As set forth above, Defendants Integrated Alarm Services Group, Inc., McGinn Smith & Company, Inc., M&S Partners, McGinn, Smith, First Integrated Capital Corp., PricewaterhouseCoopers LLP, Gersten Savage and Lynn A. Smith did, without authority, intentionally exercise control over the property of Plaintiff by transferring the assets of FICC without consideration.

220. As a result of the foregoing, Plaintiff has been damaged by Defendants acting jointly and severally in an amount to be determined at trial but no less than THREE MILLION (\$3,000,000) DOLLARS, plus interest, damages, attorneys fees and punitive damages.

AS AND FOR AN EIGHTH CLAIM:

FRAUD

221. Plaintiff repleads and realleges each of the preceding paragraphs as if fully alleged herein.

222. As set forth more fully above, Plaintiff Ian Meyers went to work for FICC and gave up

valuable employment opportunities in exchange for, inter alia, 275,000 shares of FICC and the position of Vice Chairman.

223. As set forth more fully above, McGinn and Smith represented to Plaintiff that FICC owned valuable assets, including a 20% interest in King Central, one of the largest and most respected (alarm monitoring) contract central stations” b. a 50% interest in various retail alarm monitoring contracts created through joint ventures between Tom Few and M&S Partners (the “retail contracts”) and four million dollars worth of SAI stock..

224. Defendants McGinn and Smith made such statements with intent to defraud Meyers.

225. Relying on such representations, Plaintiff joined FICC, believing FICC’s assets to be substantial.

226. Without consulting Meyers or FICC’s Board of Directors or shareholders, McGinn and Smith conspired with the other Defendants to subsequently transfer FICC’s assets to IASG without providing fair and just consideration.

227. As a result of the foregoing, Plaintiff has been damaged in an amount to be determined at trial but not less than THREE MILLION (\$3,000,000) DOLLARS, plus interest, attorneys fees, and damages.

AS AND FOR A NINTH CLAIM:

FRAUDULENT CONVEYANCE

VIOLATION OF DEBTOR/CREDITOR LAW § 274

228. Plaintiff repleads and realleges each of the preceding paragraphs as if fully alleged herein.

229. Defendants made the aforementioned transfers without transfer of fair consideration.

230. The capital remaining in FICC is unreasonably small.

231. By Defendants' actions, Plaintiff has been damaged in an amount to be determined but not less than THREE MILLION (\$3,000,000) DOLLARS plus interest, attorneys fees and punitive damages.

AS AND FOR A TENTH CLAIM:
VIOLATION OF DEBTOR/CREDITOR LAW § 273

232. Plaintiff repleads and realleges each of the preceding paragraphs as if more fully alleged herein.

233. Defendants made the aforementioned transfers with actual intent to render FICC insolvent.

234. Defendants transferred and received assets without fair consideration which rendered the corporation insolvent and / or made the transfers while the corporation was insolvent.

235. By reason of the foregoing, Plaintiff is entitled to Judgment declaring that all transfers made between any Defendant without fair consideration or which rendered any Defendant insolvent void and the Judgment herein be declared a lien on said property.

236. As a result of the foregoing, Plaintiff has suffered damages to be determined at trial, but not less than THREE MILLION (\$3,000,000) DOLLARS, plus interest, attorneys fees and punitive damages.

AS AND FOR A ELEVENTH CLAIM:

VIOLATION OF DEBTOR/CREDITOR LAW § 275

237. Plaintiff repleads and realleges each of the preceding paragraphs as if more fully alleged herein.

238. Defendants made the aforementioned transfers believing that they would render FICC insolvent.

239. Defendants transferred and received assets without fair consideration which rendered the corporation insolvent and / or made the transfers while the corporation was insolvent.

240. By reason of the foregoing, Plaintiff is entitled to Judgment declaring that all transfers made between any Defendant without fair consideration or which rendered any Defendant insolvent void and the Judgment herein be declared a lien on said property.

241. As a result of the foregoing, Plaintiff has suffered damages to be determined at trial, but not less than THREE MILLION (\$3,000,000) DOLLARS, plus interest, attorneys fees and punitive damages.

AS AND FOR A TWELFTH CLAIM:

RESCISSION

242. Plaintiff repleads and realleges each of the preceding paragraphs as if fully alleged herein.

243. Plaintiff never received notice of FICC's intention to sell all or substantially all of its

assets nor did Plaintiff receive notice of the terms of such sale.

244. Any such sale was a fraudulent transfer under the applicable provisions of N.Y.S. Bus. Corp. Law.

245. Based on the foregoing, Plaintiff shareholder is entitled to the equitable remedy of rescission and the return of all FICC assets to FICC and the fees and other emoluments garnered therefrom to be disgorged by the various Defendants. Cachules v. 116 East 57th Street, Inc., 125 N.Y.S.2d 97 (Sup. Ct. Spec. Term N.Y. Co. 1953).

AS AND FOR A THIRTEENTH CLAIM:

APPRAISAL AND PAYMENT FOR SHARES

246. Plaintiff repleads and realleges each of the preceding paragraphs as if fully alleged herein.

247. Plaintiff never received notice of any proposed transaction regarding the sale or transfer of FICC's assets.

248. Plaintiff demands an appraisal and judgment in the amount of the fair market value of his 275,000 shares in FICC as of July 28, 2003, in an amount to be determined at trial, but in any event in an amount not less than THREE MILLION (\$3,000,000) DOLLARS.

AS AND FOR A FOURTEENTH CLAIM

UNJUST ENRICHMENT / QUANTUM MERUIT

249. Plaintiff repleads and realleges each of the preceding paragraphs as if fully alleged

herein.

250. Defendants' self-dealing, breaches of trust, breaches of fiduciary duty, usurpation of corporate opportunities have unjustly enriched Defendants at the expense of Plaintiff.

251. Due to Defendants' self-dealing, breaches of trust, breaches of fiduciary duty, usurpation of corporate opportunities, Plaintiff's 275,000 shares of FICC have been rendered worthless.

252. Plaintiff demands judgment in the amount by which Defendants were unjustly enriched, in an amount to be determined at trial, but not less than THREE MILLION (\$3,000,000).

AS AND FOR A FIFTEENTH CLAIM
SELF DEALING
(8 Del.C. § 144(a))

253. Plaintiff repleads and realleges each of the preceding paragraphs as if fully alleged herein.

254. By virtue of their positions of control and authority as officers and/or directors and/or controlling persons of FICC and IASG, Defendants were able to control the contents of the financial reports and financing documents and presentations to analysts pertaining to FICC and IASG and substantially participated in all aspects of the acts and conduct complained of including, but not limited to, the preparation, issuance and dissemination of materially false and misleading information to Plaintiff.

255. Defendants' selective and misleading dissemination of the terms of any transactions between the various entities permitted Defendants to engage in self-dealing transactions, breaches of fiduciary duties, breaches of trust, and usurpation of corporate opportunities outlined above.

256. The personal gains realized by Defendants' actions constitute self-dealing under the

common law and according to 8 Del. C. § 144(a).

257. IASG sacrificed the rights of the minority shareholders for the benefit of the officers and directors of the company.

258. By reason of the foregoing, Plaintiff is entitled to damages against Defendants in an amount not yet ascertained, but which will be proved at trial, in no case less than THREE MILLION (\$3,000,000) DOLLARS together with interest thereon.

AS AND FOR A SIXTEENTH
CLAIM
BREACH OF FIDUCIARY DUTY

259. Plaintiff repleads and realleges each of the preceding paragraphs as if fully alleged herein.

260. The relationship between McGinn and Smith, with the aid of Defendants, and Directors of FICC and Defendant IASG its officers, directors and/or majority shareholders of IASG is fiduciary in nature and imposes on Defendants the obligation of the highest loyalty and utmost good faith to Plaintiff, who is a common minority shareholders of FICC, in all matters affecting the management, administration and control of Plaintiffs' interest in FICC including, but not limited to, the management, administration, and control of Plaintiffs' Common Shares in FICC.

261. The actions and conduct of Defendants as set forth above constitute a breach of their fiduciary duties to Plaintiff.

262. Defendants' actions and conduct as aforesaid were wanton, willful and intentional, and were undertaken by Defendants in a callous and intentional disregard of Plaintiff's good faith and

economic and physical well being.

263. The relationship between the Defendants as the officers, directors and/or majority shareholders of FICC imposes on Defendants the obligation of the highest duty of loyalty and utmost due care to Plaintiff, who is a common minority shareholder of FICC, in all matters affecting the management, administration and control of Plaintiff's interest in FICC including, but not limited to, the management, administration, and control of Plaintiff's Common Shares in FICC.

264. The actions and conduct of Defendants as set forth above constitute a breach of the implied obligations of loyalty and due care Defendants owed to Plaintiff.

265. By reason of the foregoing, Plaintiff is entitled to damages against Defendants in an amount not yet ascertained, but which will be proved at trial, together with interest thereon, but in no case less than THREE MILLION (\$3,000,000) DOLLARS and Plaintiff is further entitled to exemplary and punitive damages against Defendants.

AS AND FOR A SEVENTEENTH CLAIM
ACCOUNTANT MALPRACTICE
AGAINST PRICEWATERHOUSE COOPERS LLP

266. Plaintiff repleads and realleges each of the preceding paragraphs as if fully alleged herein.

267. As set forth above, Defendant PricewaterhouseCoopers LLP was retained by IASG to audit its books and failed to communicate with Plaintiff, an FICC director or to ascertain that FICC assets had been acquired by IASG prior to approving an IPO and signing off on a prospectus.

268. PricewaterhouseCoopers LLP was retained from funds flowing from assets owned by

FICC creating a fiduciary relationship between the minority shareholders of FICC and PricewaterhouseCoopers LLP.

269. PricewaterhouseCoopers LLP's knowledge may not be imputed to the minority shareholders of FICC, since PricewaterhouseCoopers LLP was acting adversely to FICC and on behalf of McGinn, Smith and its own account all of which were adverse to the interests of the FICC shareholders.

270. The representations and/or omissions made by Defendants were known by Defendants to be false when made and PricewaterhouseCoopers LLP had knowledge that the IASG IPO would render FICC's common shares owned by Meyers worthless.

271. Defendants' aforesaid conduct was intentional, transgressed generally accepted standards of morality and/or was willful, wanton and malicious and was intended to harm Meyers .

272. By reason of the foregoing, Meyers is entitled to damages against PricewaterhouseCoopers LLP in an amount not yet ascertained, but which will be proved at trial, and in no case less than THREE MILLION (\$3,000,000) DOLLARS together with interest thereon, and Plaintiff is further entitled to exemplary and punitive damages against Defendants.

**AS AND FOR A EIGHTEENTH CLAIM:
ATTORNEY MALPRACTICE: GERSTEN SAVAGE**

273. Plaintiff repleads and realleges each of the preceding paragraphs as if fully alleged herein..

274. Gersten Savage had knowledge or should have known of IASG's lack of title to the FICC assets.

275. Gersten Savage was retained by IASG from funds flowing from assets owned by FICC, creating an attorney/client relationship and fiduciary relationship between Gersten Savage and the minority shareholders of FICC.

276. Gersten Savage failed to review the FICC documentation which would have uncovered that IASG did not have title to FICC's assets.

277. By its actions and omissions, as set forth more fully above, Gersten Savage permitted IASG to sell assets to the public which FICC owned, to the detriment of FICC minority shareholders.

278. By reason of the foregoing, Plaintiff is entitled to damages against Gersten Savage in an amount not yet ascertained, but which will be proved at trial, and in no case less than THREE MILLION (\$3,000,000) DOLLARS together with interest thereon, and Plaintiff is further entitled to exemplary and punitive damages.

AS AND FOR A NINETEENTH
CLAIM:
ULTRA VIRES ACT:
RESTRUCTURING AND CHANGE OF CONTROL WITHOUT SHAREHOLDER
NOTIFICATION AND APPROVAL

VIOLATION OF DEL. GENERAL CORPORATION LAW 242

279. Plaintiff repleads and realleges each of the preceding paragraphs as if fully alleged herein.

280. Defendants consummation of the IASG IPO constitutes a change of control and restructuring of FICC.

281. By virtue of the IASG IPO, new entities control FICC including the board of directors.

282. By virtue of the IASG IPO, the articles of incorporation of the company were amended and altered so as to change the voting rights and value of stock.

283. Defendants failed to provide proper notice to the FICC shareholders of the transaction.

284. Defendants failed to allow the Plaintiff and other minority shareholders to vote on the transaction.

285. Pursuant to Delaware General Corporations Law, a corporation must notice a special meeting of the shareholders entitled to vote if the certificate of incorporation is amended to alter the corporate structure.

286. Upon information and belief, the IASG IPO substantially altered the corporate structure including diluting common shareholders, issuing additional shares, issuing additional classes of shares, and changing corporate control and management.

287. The Plaintiff as a minority shareholder, failed to approve the issue of the IASG IPO.

288. Defendants failed to call a shareholders meeting for the purpose of the vote.

289. As a result, the actions taken by Defendant in the IASG IPO were ultra vires and void.

290. As a result of the foregoing, Plaintiff demands compensation in the amount of dilution caused by the IASG IPO entered into without shareholder approval or notice in an amount to be determined but in no case less than THREE (\$3,000,000) DOLLARS.

AS AND FOR A TWENTIETH
CLAIM
APPRAISAL RIGHTS OF MINORITY SHAREHOLDERS
8 Del. 262

291. Plaintiff repleads and realleges each of the preceding paragraphs as if fully alleged herein.

292. Plaintiffs as minority shareholders have the right to a court determination as to the value of their shares, and the valuation of their shares in the IASG IPO.

293. As previously alleged IASG failed to consider the companies fundamentals including its assets when determining the valuation of shares for the IASG IPO.

294. IASG failed to consider the equity already invested in the company. IASG failed to consider its income, good will, and customers base.

295. Upon information and belief, IASG failed to obtain an opinion from an professional or expert in valuation.

296. Plaintiff demands that the court appraise, evaluate and set the value of the shares of IASG pre- IASG IPO, and issue an order compensating Plaintiff for the loss in value equity in the Company due to the IASG IPO.

AS AND FOR A TWENTY-FIRST CLAIM:

PIERCING THE CORPORATE VEIL

297. Plaintiff repleads and realleges each of the preceding paragraphs as if fully alleged herein.

298. Defendants McGinn, MaryAnn McGinn, Brian Shea, Smith and Lynn Smith controlled FICC and and a number of competing entities more fully set forth above in which they

owned interests which interests conflicted with the interests of the minority shareholders of FICC.

299. Said Defendants exercised such control over FICC and the conflicted entities that FICC became the mere instrumentality of such Defendants, who are the real actors.

300. Said Defendants used such control to commit fraud and other wrongs as set forth above.

301. As set forth above, Plaintiff suffered unjust loss and injuries due to such fraud warranting disregard of the corporate form and imposition of personal liability on Defendants. In re: Vebeliunas, 332 F.3d 85 (2d Cir. 2003).

302. By reason of the foregoing, Plaintiff is entitled to damages against Defendants jointly and severally in an amount not yet ascertained, but which will be proved at trial, in no case less than THREE MILLION (\$3,000,000) DOLLARS together with interest thereon.

WHEREFORE, Plaintiff prays for judgment against Defendants:

On the First Cause of Action, Plaintiff demands judgment in an amount to be determined at trial but not less than THREE MILLION (\$3,000,000) DOLLARS, together with interest, attorneys fees and punitive damages.

On the Second Cause of Action, Plaintiff demands judgment in an amount to be determined at trial but not less than THREE MILLION (\$3,000,000) DOLLARS, together with interest, attorneys fees and punitive damages.

On the Third Cause of Action, Plaintiff demands judgment in an amount to be determined at trial but not less than THREE MILLION (\$3,000,000) DOLLARS, together with interest, attorneys

fees and punitive damages.

On the Fourth Cause of Action, Plaintiff demands judgment in an amount to be determined at trial but not less than THREE MILLION (\$3,000,000) DOLLARS, together with interest, attorneys fees and punitive damages.

On the Fifth Cause of Action, Plaintiff demands judgment in an amount to be determined at trial but not less than THREE MILLION (\$3,000,000) DOLLARS, together with interest, attorneys fees, and punitive damages.

On the Sixth Cause of Action, Plaintiff demands judgment in an amount to be determined at trial but not less than THREE MILLION (\$3,000,000) DOLLARS, together with interest, attorneys fees and punitive damages.

On the Seventh Cause of Action, Plaintiff demands judgment in an amount to be determined at trial but not less than THREE MILLION (\$3,000,000) DOLLARS, together with interest, attorneys fees and punitive damages.

On the Eight Cause of Action, Plaintiff demands judgment in an amount to be determined at trial but not less than THREE MILLION (\$3,000,000) DOLLARS, together with interest, attorneys fees and punitive damages.

On the Ninth Cause of Action, Plaintiff demands judgment in an amount to be determined at trial but not less than THREE MILLION (\$3,000,000) DOLLARS, together with interest, attorneys fees and punitive damages..

On the Tenth Cause of Action, Plaintiff demands judgment in an amount to be determined at trial but not less than THREE MILLION (\$3,000,000) DOLLARS, together with interest, attorneys

fees and punitive damages.

On the Eleventh Cause of Action, Plaintiff demands judgment in an amount to be determined at trial but not less than THREE MILLION (\$3,000,000) DOLLARS, together with interest, attorneys fees and punitive damages.

On the Twelfth Cause of Action, Plaintiff demands rescission and the return of all FICC assets to FICC and the fees and other emoluments garnered therefrom to be disgorged by the various Defendants.

On the Thirteenth Cause of Action, Plaintiff demands judgment in an amount to be determined at trial but not less than THREE MILLION (\$3,000,000) DOLLARS.

On the Fourteenth Cause of Action, Plaintiff demands judgment in an amount to be determined at trial but not less than THREE MILLION (\$3,000,000) DOLLARS.

On the Fifteenth Cause of Action, Plaintiff demands judgment in an amount to be determined at trial but not less than THREE MILLION (\$3,000,000) DOLLARS, together with interest.

On the Sixteenth Cause of Action, Plaintiff demands judgment in an amount to be determined at trial but not less than THREE MILLION (\$3,000,000) DOLLARS in addition to exemplary and punitive damages against Defendants.

On the Seventeenth Cause of Action, Plaintiff demands judgment in an amount to be determined at trial but not less than THREE MILLION (\$3,000,000) DOLLARS together with interest, and in addition to exemplary and punitive damages against Defendants.

On the Eighteenth Cause of Action, Plaintiff demands judgment in an amount to be determined at trial but not less than THREE MILLION (\$3,000,000) DOLLARS together with interest, and in

addition to exemplary and punitive damages.

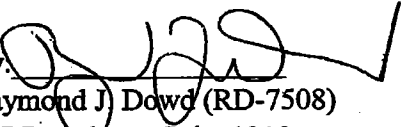
On the Nineteenth Cause of Action, Plaintiff demands judgment in an amount to be determined at trial but not less than THREE MILLION (\$3,000,000) DOLLARS.

On Twentieth Cause of Action, Plaintiff demands that the court appraise, evaluate and set the value of the shares of IASG pre-IASG IPO, and issue an order compensating Plaintiff for the loss in value equity in the Company due to the IASG IPO.

On the Twenty-First Cause of Action, Plaintiff demands judgment in an amount to be determined at trial but not less than THREE MILLION (\$3,000,000) DOLLARS together with interest thereon.

Dated: December 9, 2003
New York, New York

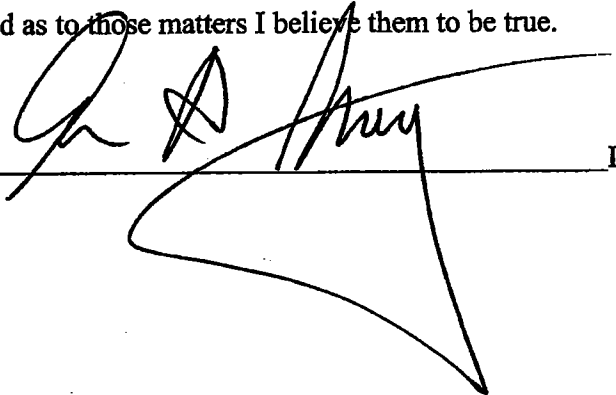
Respectfully submitted,
DOWD & MAROTTA LLC

By: 
Raymond J. Dowd (RD-7508)
277 Broadway, Suite 1310
New York, New York 10007
Counsel for Plaintiff
Tel: (212) 349-1200
Fax: (212) 349-4056

DECLARATION

IAN MEYERS, being duly sworn, deposes and says:


1. That I am the Plaintiff in the above-referenced action herein.
2. I swear under penalties of perjury of the laws of the United States of America that I have read the annexed Complaint and know of the contents thereof and the same are true to my knowledge, except those matters therein which are stated to be alleged on information and belief, and as to those matters I believe them to be true.



Ian Meyers

CERTIFIED AS A TRUE COPY ON

THIS DATE 7/14/10

BY 

Clerk
 Deputy