

ATTACHMENT 1

CONSOLIDATED FINANCIAL STATEMENTS

TFS Energy, LLC and Subsidiaries
Year Ended December 31, 2008
With Report of Independent Auditors

Redacted

TFS Energy, LLC and Subsidiaries

Consolidated Financial Statements

Year Ended December 31, 2008

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Redacted



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Report of Independent Auditors

To the Members of
TFS Energy, LLC and Subsidiaries

We have audited the accompanying consolidated balance sheet of TFS Energy, LLC and Subsidiaries (the Company) as of December 31, 2008, and the related consolidated statements of income, changes in members' capital and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of TFS Energy, LLC and Subsidiaries at December 31, 2008, and the consolidated results of their operations and their cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

Ernst & Young LLP

July 28, 2009

TFS Energy, LLC and Subsidiaries

Consolidated Balance Sheet

December 31, 2008

Assets

Cash and cash equivalents	\$	
Commissions receivable		
Fixed assets (net of accumulated depreciation of \$ [REDACTED])		
Due from affiliate		
Deferred compensation		
Other assets		
Total assets	\$	

Liabilities and members' capital

Liabilities:

Accrued compensation	\$	
Bank loan payable		
Accrued expenses and accounts payable		
Due to member		
Total liabilities		
Minority interests		
Members' capital		
Total liabilities and members' capital	\$	

The accompanying notes are an integral part of these financial statements.

TFS Energy, LLC and Subsidiaries

Consolidated Statement of Income

Year Ended December 31, 2008

Revenues:

Commission
Other income
Total revenues

\$ [REDACTED]
[REDACTED]

Expenses:

Compensation and benefits
Communications
Business development
General and administrative
Depreciation
Total expenses

[REDACTED]
[REDACTED]

Income before minority interests
Minority interests in net income of subsidiary (*Note 1*)
Net income

[REDACTED]
\$ [REDACTED]

The accompanying notes are an integral part of these financial statements.

TFS Energy, LLC and Subsidiaries

Consolidated Statement of Changes in Members' Capital

Year Ended December 31, 2008

	Class A Members	Class B Members	Total
Balance – January 1, 2008	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
Net income	[REDACTED]	[REDACTED]	[REDACTED]
Special Allocation of Net Income (<i>Note 1</i>)	[REDACTED]	[REDACTED]	[REDACTED]
Distributions	[REDACTED]	[REDACTED]	([REDACTED])
Balance – December 31, 2008	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]

The accompanying notes are an integral part of these financial statements.

TFS Energy, LLC and Subsidiaries
 Consolidated Statement of Cash Flows

Year Ended December 31, 2008

Cash flows from operating activities	
Net income	\$ [REDACTED]
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	[REDACTED]
Minority interests in net income	[REDACTED]
(Increase) decrease in operating assets:	
Commissions receivable	([REDACTED])
Due from affiliate	([REDACTED])
Deferred compensation	([REDACTED])
Other assets	([REDACTED])
Increase (decrease) in operating liabilities:	
Accrued compensation	[REDACTED]
Accrued expenses and accounts payable	[REDACTED]
Due to member	[REDACTED]
Due to affiliate	([REDACTED])
Net cash provided by operating activities	<u>[REDACTED]</u>
Cash flows from investing activities	
Acquisition of fixed assets	<u>([REDACTED])</u>
Net cash used in investing activities	<u>([REDACTED])</u>
Cash flows from financing activities	
Distributions to members	<u>([REDACTED])</u>
Net cash used in financing activities	<u>([REDACTED])</u>
Net decrease in cash	([REDACTED])
Cash and cash equivalents at beginning of year	[REDACTED]
Cash and cash equivalents at end of year	<u>\$ [REDACTED]</u>
Supplemental disclosures of cash flow information	
Cash paid during the year for:	
Unincorporated business tax	\$ [REDACTED]
Interest on line of credit	\$ [REDACTED]

The accompanying notes are an integral part of these financial statements.

TFS Energy, LLC and Subsidiaries
Notes to Consolidated Financial Statements

December 31, 2008

1. Organization and Related Matters

[REDACTED]

TFS Energy, LLC and Subsidiaries

Notes to Consolidated Financial Statements (continued)

1. Organization and Related Matters (continued)

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

2. Summary of Significant Accounting Policies

Principles of Consolidation

[Redacted]

Use of Estimates

[Redacted]

TFS Energy, LLC and Subsidiaries

Notes to Consolidated Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

[REDACTED]

Cash Equivalents

[REDACTED]

[REDACTED]

Fixed Assets

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Deferred Compensation

[REDACTED]

TFS Energy, LLC and Subsidiaries

Notes to Consolidated Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Revenue Recognition

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Income Taxes

[REDACTED]

TFS Energy, LLC and Subsidiaries

Notes to Consolidated Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

[Redacted]

Recent Accounting Pronouncements

[Redacted]

[Redacted]

[Redacted]

[Redacted]

TFS Energy, LLC and Subsidiaries

Notes to Consolidated Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

[Redacted]

3. Related Party Transactions

[Redacted]

[Redacted]

[Redacted]

[Redacted]

TFS Energy, LLC and Subsidiaries

Notes to Consolidated Financial Statements (continued)

4. Fixed Assets



The table for Fixed Assets is almost entirely redacted with black bars. A small portion of the table is visible on the right side, showing a column with a dollar sign (\$) at the bottom, indicating monetary values. The redaction covers the majority of the rows and columns.

5. Net Capital



The table for Net Capital is almost entirely redacted with black bars. Only a few small white rectangular shapes are visible within the redacted area, but no text or numerical data is discernible.

6. Concentration of Credit Risk



The table for Concentration of Credit Risk is almost entirely redacted with black bars. A few small white rectangular shapes are visible within the redacted area, but no text or numerical data is discernible.

TFS Energy, LLC and Subsidiaries

Notes to Consolidated Financial Statements (continued)

7. Commitments and Contingencies

[Redacted]

8. Employee Compensation and Benefit Plan

[Redacted]

[Redacted]

9. Estimated Fair Value of Financial Instruments

[Redacted]

10. Subsequent Event

[Redacted]