

**William J. Brown, as Receiver  
of McGinn, Smith & Co., Inc., et al.**

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April 24, 2012

**Via First Class Mail**

Re: *Securities and Exchange Commission v. McGinn, Smith & Co. Inc., et al.*  
Case No. 1:10-CV-457  
Claims Procedure and Bar Date for Filing Claims

Dear Investor or Creditor:

The records of McGinn, Smith & Co. Inc. and other entities controlled or owned by Timothy M. McGinn and David L. Smith (collectively, "MS Entities") indicate that you may have a claim against one or more of the MS Entities. If you believe you have a claim against any of the MS Entities, you should read this letter and the enclosures carefully.

Posted to a secure website within the Receiver's website at [www.mcginnsmithreceiver.com](http://www.mcginnsmithreceiver.com) are schedules of claims which include your name and address, the nature of your investment or claim, and the principal amount of your claim, all as reflected in the Receiver's records ("Claims Website"). The Claims Website contains multiple tabs to review. You may access the Claims Website with the following password:

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**THE CLAIMS WEBSITE IS INTENDED TO BE CONFIDENTIAL. YOU SHOULD NOT SHARE YOUR PASSWORD EXCEPT AS NECESSARY TO ALLOW YOU ACCESS FOR YOUR OWN PERSONAL USE.**

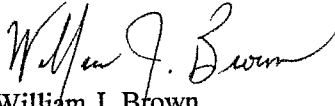
The amounts listed on the Claims Website are principal balances. If you received one or more payments which were characterized as interest but did not receive an IRS Form 1099, then those amounts have been treated as principal.

Enclosed with this letter is a Court-approved Notice of Claims Bar Date and Claims Procedure describing the Court-approved procedure for filing claims. If you disagree with the description or amount of your claim as listed on the Claims Website, or your claim is listed as disputed, contingent or unliquidated, you **MUST** file a paper Claim Form. One is enclosed for that purpose.

As indicated in the enclosed Notice, all Claim Forms must be delivered by first-class mail, overnight courier, or hand-delivery to Phillips Lytle LLP, Attn: Jourdan L. Stevenson, 3400 HSBC Center, Buffalo, New York 14203, so as to be actually received by 5:00 p.m. (Eastern Time) on **June 19, 2012**.

The enclosed Claim Form and Notice are self-explanatory, but if you have questions as to the claims procedure (not the calculation of your claim), you may contact Jourdan L. Stevenson, paralegal, Phillips Lytle LLP, at (716) 504-5758 or [jstevenson@phillipslytle.com](mailto:jstevenson@phillipslytle.com). You may also obtain information at the Receiver's website: <http://www.mcginnsmithreceiver.com>.

Very truly yours,

  
William J. Brown  
Receiver

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF NEW YORK

-----X  
SECURITIES AND EXCHANGE COMMISSION :

*Plaintiff,*

vs.

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

McGINN, SMITH & CO., INC., :  
McGINN, SMITH ADVISORS, LLC :  
McGINN, SMITH CAPITAL HOLDINGS CORP., :  
FIRST ADVISORY INCOME NOTES, LLC, :  
FIRST EXCELSIOR INCOME NOTES, LLC, :  
FIRST INDEPENDENT INCOME NOTES, LLC, :  
THIRD ALBANY INCOME NOTES, LLC, :  
TIMOTHY M. MCGINN, AND :  
DAVID L. SMITH, GEOFFREY R. SMITH, :  
Individually and as Trustee of the David L. and :  
Lynn A. Smith Irrevocable Trust U/A 8/04/04, :  
LAUREN T. SMITH, and NANCY MCGINN, :

*Defendants,*

LYNN A. SMITH and  
NANCY MCGINN,

*Relief Defendants,*

- and-

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

*Intervenor.*

-----X  
**NOTICE OF CLAIMS BAR DATE  
AND CLAIMS PROCEDURE**

NOTICE IS HEREBY GIVEN that William J. Brown, as Receiver (“Receiver”) in this action, with approval of the Court, has established a procedure for asserting claims against McGinn, Smith & Co. Inc. and the other entities listed on attached Schedule 1 (collectively, the “MS Entities”) to this Notice.

**1. Filing Deadline**

The deadline for filing claims against any of the MS Entities is **June 19, 2012** (“Claims Bar Date”).

**2. Procedure for Review and Filing of Claims**

The Receiver will establish schedules (“Schedules”) of all known claims against the MS Entities. Each known creditor or investor listed on the Schedules established by the Receiver should receive a letter postmarked on or before May 1, 2012, which will contain, among other things, a password and instructions for access to a secure website maintained by the Receiver (“Access Notice”). The website will contain Schedules listing the names, addresses, the nature of the claim or investment, the amount of the claim as reflected in the Receiver’s records, and whether the claim is contingent, disputed, or unliquidated. **If the creditor or investor agrees with the description for their claim(s) and the amount(s) as scheduled by the Receiver on the Schedules on the website and the claim(s) is/are not listed as disputed, contingent or unliquidated, the creditor or investor does not need to take any further action.** The claims in that event will be treated in the amount set forth on the Schedules, subject to the right of the Receiver to object to any claim at a later date or amend the amount of any claim, but only after giving notice by first class mail of such an intention with an opportunity to object to any such creditor.

The Receiver also reserves right to modify or reduce any claim or distribution based on a determination of interest payments received by an investor or creditor vis-à-vis the principal amount of the investment and taking into consideration the goal of fairness to investors as a whole. The Receiver's rights also include the right to commence avoidance actions against anyone receiving more than 100% of the principal amount of their claim.

**3. Who Must File a Claim Form**

Each creditor or investor **MUST** submit a properly completed claim form to the Receiver if the creditor or investor: (A) does not receive the Access Notice and, therefore, the claim is not scheduled by the Receiver or the address of the creditor or investor on the Receiver's records is incorrect; (B) is the holder of a claim which is listed on the Schedules as contingent, disputed, or unliquidated; or (C) objects to the amount or description listed on the Schedules in respect of any claim.

Claim is defined as: (A) right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured; or (B) right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured.

**4. When and Where to File a Claim Form**

All claim forms must be delivered by first-class mail, overnight courier, or hand-delivery to Phillips Lytle LLP, Attn: Jourdan L. Stevenson, 3400 HSBC Center, Buffalo, New York 14203, **so as to be actually received** by 5:00 p.m. (Eastern Time) on the Claims Bar Date. Claim forms **may not** be delivered by facsimile or electronic mail.

**5. What to File**

The form for submitting any such claim is available on the Receiver's website ([www.mcginnsmithreceiver.com](http://www.mcginnsmithreceiver.com)) in the 'Claims' section at the top of the page. A copy of the form may also be requested in writing addressed to:

Phillips Lytle LLP  
Attn: Jourdan L. Stevenson  
3400 HSBC Center  
Buffalo, NY 14203

If you require a receipt for your claim, please enclose an extra copy of the claim form (without exhibits) and a stamped, self-addressed envelope.

Dated: April 24, 2012

PHILLIPS LYTLE LLP

By /s/ William J. Brown  
William J. Brown (Bar Roll #601330)  
Joshua P. Fleury (Bar Roll #515418)  
Attorneys for Receiver  
Omni Plaza  
30 South Pearl Street  
Albany, New York 12207  
Telephone No. (518) 472-1224

and

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

Doc # 01-2553708.6

## Schedule of Receivership Entities

107th Associates LLC Trust 07  
107th Associates LLC  
74 State Street Capital LP  
Acquisition Trust 03  
Capital Center Credit Corporation  
CMS Financial Services  
Cruise Charter Ventures LLC dba YOLO  
Cruises  
Cruise Charter Ventures Trust 08  
First Advisory Income Notes LLC  
First Commercial Capital Corp.  
First Excelsior Income Notes LLC  
First Independent Income Notes LLC  
FirstLine Junior Trust 07  
FirstLine Senior Trust 07  
FirstLine Trust 07  
Fortress Trust 08  
Integrated Excellence Junior Trust  
Integrated Excellence Junior Trust 08  
Integrated Excellence Senior Trust  
Integrated Excellence Senior Trust 08  
IP Investors  
James J. Carroll Charitable Fund  
JGC Trust 00  
KC Acquisition Corp.  
KMB Cable Holdings LLC  
Luxury Cruise Center, Inc.  
Luxury Cruise Holdings, LLC  
Luxury Cruise Receivables, LLC  
M & S Partners  
McGinn, Smith & Co.  
McGinn, Smith Acceptance Corp.  
McGinn, Smith Advisors  
McGinn, Smith Alarm Trading  
McGinn, Smith Asset Management Corp.  
McGinn, Smith Capital Holdings  
McGinn, Smith Capital Management LLC  
McGinn, Smith Financial Services Corp.  
McGinn, Smith FirstLine Funding LLC  
McGinn, Smith Funding LLC  
McGinn, Smith Group LLC  
McGinn, Smith Holdings LLC  
McGinn, Smith Independent Services Corp.  
McGinn, Smith Licensing Co.  
McGinn, Smith Transaction Funding Corp.

Mr. Cranberry LLC  
MS Partners  
MSFC Security Holdings LLC  
NEI Capital LLC  
Pacific Trust 02  
Point Capital LLC  
Prime Vision Communications LLC  
Prime Vision Communications Management  
Keys Cove LLC  
Prime Vision Communications of Cutler  
Cay LLC  
Prime Vision Funding of Cutler Cove LLC  
Prime Vision Funding of Key Cove LLC  
RTC Trust 02  
SAI Trust 00  
SAI Trust 03  
Security Participation Trust I  
Security Participation Trust II  
Security Participation Trust III  
Security Participation Trust IV  
Seton Hall Associates  
TDM Cable Funding LLC  
TDM Cable Trust 06  
TDM Luxury Cruise Trust 07  
TDM Verifier Trust 07  
TDM Verifier Trust 07R  
TDM Verifier Trust 08  
TDM Verifier Trust 08R  
TDM Verifier Trust 09  
TDM Verifier Trust 11  
TDMM Benchmark Trust 09  
TDMM Cable Funding LLC  
TDMM Cable Jr Trust 09  
TDMM Cable Sr Trust 09  
Third Albany Income Notes LLC  
Travel Liquidators, LLC  
White Glove Cruises LLC  
White Glove LLC

Name of Debtor: (check box next to the entity you are making a claim against):

McGinn, Smith & Co. Inc., et al.

Case Number:

1:10-cv-00457-GLS-DRH

Name of Creditor (The person or other entity to whom the debtor owes money or property):

Name and address where notices should be sent:

TEL: ( ) -

Email Address:

Check box to indicate that this claim amends a previously filed claim.

Claim Number: ( )

(If known)

Filed On: / /

Name and address where payment should be sent (if different from above):

Name:

Address 1:

Address 2:

Address 3:

Address 4:

Address 5:

TEL: ( ) -

Email Address:

Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach a copy of statement giving particulars.

Carefully read instructions included with this Claim Form before completing. In order to have your claim considered for payment, complete ALL applicable questions. The original of this Claim Form must be sent to: Phillips Lytle LLP, Attn: Jourdan L. Stevenson, 3400 HSBC Center, Buffalo, New York 14203. In order for the claim to be processed, it must be received on or before JUNE 19, 2012 at 5:00 p.m. E.S.T.

1. Amount of Claim or Investment:

\$ .

Please list total amount of claim or investment.

Please check this box if claim includes amount other than investment (interest or other charges in addition to the principal amount invested). Attach an itemized statement detailing additional amounts.

2. Please provide last four digits of social security number:

( )

and/or account number which identifies creditor to debtor:

( )

3. Total Payments Received:

\$ .

Please list the total amount of payments received from the MS Entity during the period of investment. A separate claim must be filed for each claim or investment held.

4. Documentation. Please attach all evidence which supports your claim. Please include copies of items such as cancelled checks, brokerage statements, promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments and security agreements. You may also attach a summary describing your claim and cataloging attached documents.

THIS SPACE IS FOR COURT USE ONLY

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING. If the documents are not available, please explain.

Date / /

Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.

I assert this claim against the entity whose name is on the documents I am attaching. I understand and agree that all of my claims will be adjudicated by the Court presiding in this matter. I declare that the information contained herein is true and correct under penalties of perjury.

Signature

( )

( )

Printed Name

Title