

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

3400 HSBC Center
Buffalo, NY 14203

Tel: 716.847.7089
www.mcginnsmithreceiver.com

November 7, 2012

Via First Class Mail

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

Dear Equity Holder:

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 an equity claim against one or more of the MS Entities. If you believe you have an equity 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 are schedules of equity claims which include your name and address, a description of your equity claim, and the amount of your interest, all as reflected in the Receiver's records ("Equity Claims Website"). You may access the Equity Claims Website with the following password: _____.

THE EQUITY 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.

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

As indicated in the enclosed Equity Claims Notice, all Equity Claim Forms must be delivered by first-class mail, overnight courier, or hand-delivery to Phillips Lytle LLP, Attn: Karen M. Ludlow, 3400 HSBC Center, Buffalo, New York 14203, so as to be actually received by 5:00 p.m. (Eastern Time) on **December 17, 2012**.

The enclosed Equity Claim Form and Equity Claims Notice are self-explanatory, but if you have questions as to the equity claims procedure (not the calculation of your claim), you may contact Karen M. Ludlow, Phillips Lytle LLP, at (716) 218-4404 or kludlow@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

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SECURITIES AND EXCHANGE COMMISSION :

Plaintiff,

vs.

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

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 EQUITY CLAIMS BAR
DATE AND 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 equity claims against McGinn, Smith & Co., Inc. and the other entities listed on Schedule 1 (collectively, the

“MS Entities”) to this Notice. This procedure does not involve creditors or investors who hold non-equity claims (such as money claims) against the MS Entities since those claims were part of a prior process which had a June 19, 2012 bar date.

1. Filing Deadline

The deadline for filing equity claims against any of the MS Entities is **December 17, 2012.**

2. Procedure for Review and Filing of Claims

The Receiver will establish schedules (“Equity Schedules”) of all known interests against the MS Entities. Each known equity interest holder listed on the Equity Schedules established by the Receiver should receive a letter postmarked on or before **November 7, 2012**, which will contain, among other things, a password and instructions for access to a secure website maintained by the Receiver (“Equity Claims Site Access Notice”). The website will contain Equity Schedules listing the names and addresses of equity interest holders, the nature of the equity interest, a description of the interest as reflected in the Receiver’s records, and whether the interest is contingent, disputed, or unliquidated. If the equity interest holder agrees with the description (including their address) for their interest(s) and the description(s) as scheduled by the Receiver on the Equity Schedules on the website and the interest(s) is/are not listed as disputed, contingent or unliquidated, the equity interest holder does not need to take any further action. The interests in that event will be treated in accordance with the rights due the equity interest, subject to the right of the Receiver to object to the interest at a later date or amend the description of the interest, but only after giving notice by first class mail of such an intention with an opportunity to object to any such equity interest holder.

3. Who Must File a Claim Form

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

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: Karen M. Ludlow, 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) in the 'Equity Interests' section at the top of the first page. A copy of the form may also be requested in writing addressed to:

Phillips Lytle LLP
Attn: Karen M. Ludlow
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: November 7, 2012

PHILLIPS LYTTLE 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 # 01-2553708.8

Schedule of Receivership Entities

107th Associates LLC Trust 07	Mr. Cranberry LLC
107th Associates LLC	MS Partners
74 State Street Capital LP	MSFC Security Holdings LLC
Acquisition Trust 03	NEI Capital LLC
Capital Center Credit Corporation	Pacific Trust 02
CMS Financial Services	Point Capital LLC
Cruise Charter Ventures LLC dba YOLO	Prime Vision Communications LLC
Cruises	Prime Vision Communications Management Keys Cove LLC
Cruise Charter Ventures Trust 08	Prime Vision Communications of Cutler Cay LLC
First Advisory Income Notes LLC	Prime Vision Funding of Cutler Cove LLC
First Commercial Capital Corp.	Prime Vision Funding of Key Cove LLC
First Excelsior Income Notes LLC	RTC Trust 02
First Independent Income Notes LLC	SAI Trust 00
FirstLine Junior Trust 07	SAI Trust 03
FirstLine Senior Trust 07	Security Participation Trust I
FirstLine Trust 07	Security Participation Trust II
Fortress Trust 08	Security Participation Trust III
Integrated Excellence Junior Trust	Security Participation Trust IV
Integrated Excellence Junior Trust 08	Seton Hall Associates
Integrated Excellence Senior Trust	TDM Cable Funding LLC
Integrated Excellence Senior Trust 08	TDM Cable Trust 06
IP Investors	TDM Luxury Cruise Trust 07
James J. Carroll Charitable Fund	TDM Verifier Trust 07
JGC Trust 00	TDM Verifier Trust 07R
KC Acquisition Corp.	TDM Verifier Trust 08
KMB Cable Holdings LLC	TDM Verifier Trust 08R
Luxury Cruise Center, Inc.	TDM Verifier Trust 09
Luxury Cruise Holdings, LLC	TDM Verifier Trust 11
Luxury Cruise Receivables, LLC	TDMM Benchmark Trust 09
M & S Partners	TDMM Cable Funding LLC
McGinn, Smith & Co.	TDMM Cable Jr Trust 09
McGinn, Smith Acceptance Corp.	TDMM Cable Sr Trust 09
McGinn, Smith Advisors	Third Albany Income Notes LLC
McGinn, Smith Alarm Trading	Travel Liquidators, LLC
McGinn, Smith Asset Management Corp.	White Glove Cruises LLC
McGinn, Smith Capital Holdings	White Glove LLC
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.	

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

Diversified Lending Group, Inc. **Applied Equities, Inc.**

Case Number:

CV 09-01533-R-SS

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: **Diversified Lending Group, Inc., c/o Omni Management Group, LLC, 16161 Ventura Boulevard, Ste. C PMB #608, Encino, CA 91436.** In order for the claim to be processed it must be received on or before MM DD, 2010 at 5:00 p.m. P.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 debtor during the period of investment.

4. Documentation: Please attach all evidence which supports your claim. Please include copies of items such as 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 documentation.

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

THIS SPACE IS FOR COURT USE ONLY

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 Debtor whose name I have checked above. 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 as true and correct under penalties of perjury.

Signature _____

Printed Name

Title