

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

Tel: 716.847.7089
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One Canalside
125 Main Street
Buffalo, NY 14203

October 13, 2022

**Re: McGinn, Smith & Co. Inc. - Potential Fourth Distribution to Investors with
Allowed Claims**

Dear Investor:

In my capacity as Receiver, I am happy to let you know that we recently discovered and successfully recovered a former McGinn Smith investment which was being held by the State of New York.

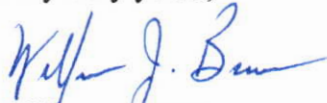
Consequently, the Receiver intends to make a Fourth Distribution to investors with allowed claims. I estimate that the distribution will be in the range of 1.264%, for a total of approximately \$1.4 million. If made, this would bring total investor recoveries to 25.104%.

Unfortunately, the timing of the distribution will be delayed as a result of David L. Smith's continued litigation with the Securities and Exchange Commission ("SEC"). On June 3, 2021, Mr. Smith filed a motion to vacate the disgorgement judgment the SEC had obtained against him in 2015. In February 2022, the District Court ruled against Mr. Smith's motion, but he subsequently filed a Notice of Appeal with the United States Court of Appeals for the Second Circuit. The SEC's appeal brief is due to be filed later this month. I would expect a decision from the Second Circuit sometime in late Winter or early Spring 2023. Assuming Mr. Smith does not appeal further, a distribution to investors with allowed claims should be made promptly after that.

Other than this potential Fourth Distribution, I do not anticipate that there will be any further distributions in this case. Following the potential fourth distribution, I expect to close the estate.

**PLEASE CONTINUE TO REVIEW THE RECEIVER'S WEBSITE AT
WWW.MCGINNSMITHRECEIVER.COM FOR FURTHER UPDATES. IF YOUR
ADDRESS OR ACCOUNT INFORMATION HAS CHANGED IN ANY WAY, YOU
MUST PROMPTLY NOTIFY ME IN WRITING BY MAILED LETTER SIGNED BY
ALL OWNERS OF THE INVESTMENT(S), SENT TO THE ABOVE ADDRESS.**

Very truly yours,



William J. Brown
Receiver