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February 15, 2012

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DAVID R. HOMER
UNITED STATE MAGISTRATE JUDGE
ALBANY, NEW YORK

Honorable David R. Homer
U.S. Magistrate Judge
445 Broadway, Room 411
Albany, NY 12207

RE: McGinn Smith claims managed by the receiver

Re 10 cv 457

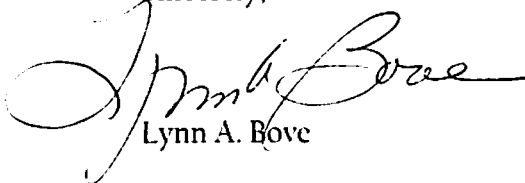
Dear Judge Homer:

I purchased a McGinn Smith Third Albany Income Note that is classified Secured Senior. The offering memorandum clearly states that in a liquidation, investors that are Secured Senior will be paid first. I am very concerned that the receiver is not going to honor the priority of the Secured Senior investors. I invested monies that were to be used for my son's benefit. I know there are many McGinn Smith investors who have been devastated with the McGinn Smith investments. Many people who invested in the Secured Senior notes felt that in a worst case scenario, the notes would pay most of the principal if you were holding a Secured Senior note.

I and numerous investors have tried to get assurances from the receiver that he will honor the priorities of the respective investors. My understanding was that in the Third Albany investment, as long as \$0.25 on the dollar was realized by liquidation, then I would have received 100% of my money. Therefore, if only \$0.10 were raised with the liquidation of Third Albany, I would at least get \$0.40 on the dollar if my math is correct.

I implore you to have the receiver honor the priorities that were spelled out in the offering memorandum. If the receiver were to lump all investments in one pot, then it would be a further travesty on the investors. Please give this your highest priority and have some assurance made to the investors that the priorities will be honored.

Sincerely,



Lynn A. Bove

LAB/da