

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/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.

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**ORDER APPROVING MOTION OF WILLIAM J. BROWN, AS RECEIVER, FOR AN
ORDER APPROVING (I) SALE AND BIDDING PROCEDURES WITH RESPECT TO
THE SALE OF CERTAIN FLORIDA CABLE, INTERNET AND PHONE SERVICE
RIGHTS AND ASSETS AND RELATED INTERESTS AND THE ASSIGNMENT OF
CERTAIN AGREEMENTS RELATED THERETO, (II) TIME, DATE, PLACE AND
MANNER OF NOTICE FOR EACH OF THE AUCTION AND SALE HEARING, (III)
AN ORDER APPROVING THE SALE OF THE RECEIVER'S INTERESTS FREE AND
CLEAR OF LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS, AND
RESOLUTION OF THE CLAIMS OF SHOMA GROUP**

Upon the Motion of William J. Brown, as Receiver, for an Order Approving (I) Sale and
Bidding Procedures With Respect to the Sale of Certain Florida Cable, Internet and Phone
Service Rights and Assets and Related Interests and the Assignment of Certain Agreements
Related Thereto, (II) Time, Date, Place and Manner of Notice for Each of the Auction and Sale

Hearing, (III) an Order Approving the Sale of the Receiver's Interests Free and Clear of Liens, Claims, Encumbrances, and Other Interests, and Resolution of the Claims of Shoma Group (Docket No. 454) ("Motion"), and a hearing having been held on March 19, 2012 at which the Receiver placed on the record that (i) no competing offers had been received and (ii) the transactions which are the subject of the Motion are in good faith and at arms length for fair consideration, and no objections having been filed or sustained by the Court, and sufficient notice of the Motion having been given, upon due deliberation and for good cause shown, it is hereby

ORDERED, that the Motion is approved; and it is further

ORDERED, that the Receiver's interest in the Assets (as defined in the Motion) shall be sold and assigned to the Buyer (as defined in the Motion) without recourse, representation or warranty and free and clear of all liens, claims, encumbrances and other interests, with such liens and claims, if any, attaching to the net proceeds of sale; and it is further

ORDERED, that the Receiver is authorized to deliver and exchange the Releases and resolve the Shoma Group's interests as provided for in the Motion including the surrender by transfer of the Shoma Group's interests to the Receiver or his nominee.

Dated: March ¹⁹__, 2012


HON. DAVID R. HOMER
UNITED STATES MAGISTRATE JUDGE