IMET PARTICIPANT UPDATE

September 26, 2017

Dear IMET Liquidating Trust Participant:

The following is to update you on certain developments relating to the First Farmers Financial repo matter.

Update on USDA Litigation

As we previously advised you, on August 31, 2016, IMET and six other direct investors victimized by the First Farmers’ fraud filed a lawsuit against the USDA in the United States District Court for the Northern District of Florida. IMET and the other investors alleged that the USDA was negligent, among other things, in approving First Farmers as a certified lender under the USDA’s Business and Industry Guaranteed Loan Program.

On December 5, 2016, the USDA filed a Motion to Dismiss asserting, among other things, that the Court lacks subject matter jurisdiction to hear the claim, that the complaint fails to state a claim upon which relief can be granted and that the venue in Florida is improper. IMET’s outside counsel in the matter, René A. Torrado, Jr. of Corboy & Demetrio P.C., was granted leave to take certain limited depositions of USDA officials in order to respond to the USDA’s Motion to Dismiss. On July 17, 2017, Mr. Torrado, on behalf of IMET and other investors, filed a 39 page response to the USDA’s Motion to Dismiss. On August 24, 2017, the USDA filed a Reply in Support of its Motion to Dismiss.

On September 18, 2017, the Court granted the USDA’s Motion to Dismiss. The Court held that the investor’s claim is barred by the discretionary function exception to the grant of sovereign immunity in the Federal Tort Claims Act. As a result of this ruling, IMET and the other investors must either appeal the Court’s decision or abandon the claim against the USDA. IMET and the other investors are consulting with Mr. Torrado regarding next steps.

Update on Criminal Proceedings Against Nikesh Patel and Timothy Fisher

The sentencing hearing for Nikesh Patel who plead guilty to five counts of wire fraud has been continued until November 2, 2017 at 9:45 am. at the United States District Court for the Northern District of Illinois, 219 S. Dearborn Street, Chicago, Courtroom 2325.

The sentencing hearing for Timothy Fisher who plead guilty to one count of money laundering has been continued until November 14, 2017 at 9:45 a.m. at the United States District Court for the Northern District of Illinois, 219 S. Dearborn Street, Chicago, Courtroom 2325.

At the sentencing hearings for both Mr. Patel and Mr. Fisher, victims of their fraud, including IMET and its participants, may be permitted to make statements regarding the impact of their crimes. If you would like to make such a victim impact statement at the sentencing hearings of Mr. Patel and/or Mr. Fisher, please contact Felice D. Weiler, the Victim Witness Coordinator for the United States Attorney’s Office at 312-886-4196.

Update on Overall Receivership Cash on Hand

As of September 26, 2017, the Overall Receiver had a cash balance on hand of approximately $80 million. As previously reported, distributions by the Overall Receiver cannot be made until the Overall Receiver resolves potential priority claims of the USDA and the IRS. Assuming such priority claims are successfully resolved, IMET’s share of the recoveries are approximately 29%.

Should you have any questions, don’t hesitate to call Sofia Anastopoulos at IMET or IMET’s outside counsel, Randall Lending of Vedder Price (312-609-7500).