



UNITED STATES OF AMERICA
SECURITIES AND EXCHANGE COMMISSION

ICP FAIR FUND

SEC v. ICP Asset Management, LLC, et al.
1:10-cv-04791 (S.D.N.Y.)



Distribution Agent

Fair Fund Notice

Dear Investor:

This notice is to inform you of the existence of the Fair Fund (the "ICP Fair Fund") created in the above-referenced U.S. Securities and Exchange Commission's ("SEC" or "Commission") case against ICP Asset Management, LLC, ICP Securities, LLC, Institutional Credit Partners, LLC, Thomas C. Priore ("Priore") (collectively the "Defendants") and the relief defendants. The ICP Fair Fund was established on February 10, 2017 by Court Order to distribute the collected disgorgement, prejudgment interest, and civil penalties to investors that were harmed by fraudulent practices and misrepresentations made in connection with the collateralized debt obligations ("CDO") known as the Triaxx CDOs: Triaxx Prime CDO 2006-1, Ltd.; Triaxx Prime CDO 2006-2, Ltd.; Triaxx Prime CDO 2007-1, Ltd.; and Triaxx Funding High Grade I, Ltd. The ICP Fair Fund currently holds more than \$22 million and is held in an interest-bearing account at the U.S. Treasury's Bureau of Fiscal Service.

The SEC filed a complaint in the U.S. District Court for the Southern District of New York (the "Court") against the Defendants alleging they violated Section 17(a) of the Securities Act of 1933, Section 10(b) of the Securities Exchange Act of 1934, and Rule 10b-5 thereunder, by, among other things, performing improper transactions that defrauded the Triaxx CDOs, causing them to overpay for securities, pay improper fees, and ultimately lose millions of dollars. By Amended Complaint filed on June 30, 2011, the SEC further alleged that, in March 2010, Priore transferred assets into trusts that he had created during the SEC's investigations and the SEC named, as relief defendants, the trustees of those trusts. The litigation has since been resolved. By stipulation entered on September 6, 2012, the SEC dismissed its fraudulent conveyance claims (Counts X-XV of the Amended Complaint), resolving the charges with respect to the relief defendants. The Defendants consented to the entry of a Final Judgment that required them to collectively pay more than \$22 million.

This notice is being sent to investor participants in the Triaxx CDOs to notify you that you may be able to recover from the ICP Fair Fund for losses suffered as a result of your investment.

Who is Potentially Eligible?

The Commission has not yet determined how the ICP Fair Fund will be distributed and/or what economic losses will be compensable under a distribution plan. The pool of potentially eligible investors **may** include any person (which shall include natural persons and entities) who purchased an interest in



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the Triaxx CDOs, and believes they have suffered an economic loss as a result of that investment. In order to be considered for eligibility for a recovery from the ICP Fair Fund, the investor must prove that he, she, or it suffered an economic loss as a result of its investment in the Triaxx CDOs by providing documentation of the original investment(s), as well as all other cash flows relating to the investment (e.g., interest payments, premium payments, principal repayments, other recoveries received).

The Triaxx CDO investments include the following:

Triaxx Prime CDO 2006-1	Class A-1, A-2, B, X and C Notes
Triaxx Prime CDO 2006-2	Class A-1A, A-1B1, A-1B2, A-1BV, A-2, X and C Notes
Triaxx Prime CDO 2007-1	Class A-1T, A-1D, A-2, B, X and C Notes
Triaxx Funding High Grade I, Ltd. CDO	

How Will the Process Work?

In advance of preparing a plan of distribution for the ICP Fair Fund (the “Distribution Plan”), the Distribution Agent is inviting investors to provide information regarding their investments in the Triaxx CDOs. Using the information received from these submissions, the Distribution Agent, in consultation with the SEC and the economic expert retained by the SEC, will develop the Distribution Plan for the ICP Fair Fund. The Distribution Plan will be formulated in the interests of justice, with a goal of providing a fair and reasonable distribution of the ICP Fair Fund assets to those investors that suffered economic losses as a result of the Defendants’ misconduct as described in the complaints. The Distribution Plan will be filed with the Court for approval.

In order to be considered for a recovery from the ICP Fair Fund, please provide us with information regarding your investment(s) in the Triaxx CDOs. Please include information regarding all of your investments in the Triaxx CDOs. Your submission should include the following information and documentation:

1. A completed Claim Form, a copy of which is available on the ICP Fair Fund website at www.icpfairfund.com.
2. A detailed statement with supporting documentation, where relevant, pertaining to:
 - A. Background information about the investor entity, including information such as: the entity type (i.e., whether it is a bank, pension plan, insurance company, hedge fund, or other type of financial institution), the domicile of the entity, and the nature of the entity’s business;
 - B. An explanation of the investment in the Triaxx CDOs generally, including factors such as: when the initial investment was made and the tranche, the total amount of the investment, how long the investor held the investment, whether the assets purchased were incorporated into another CDO, and the investor’s strategy in connection with the Triaxx CDO investments; and



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- C. The investor's role in the structured finance markets generally (*e.g.*, investor's percentage of total revenues earned from structured finance activities, investor's activity in the market, whether the investor or any of its subsidiaries or affiliates acted as a collateral manager, issuer, or arranger of structured finance products).
3. Disclosure of any cash flows relating to the Triaxx CDO investment received by the investor (including any parent entity, subsidiary or affiliate of the investor), and the dates and the amounts of such payments (*e.g.*, interest payments, premium payments, principal repayments);
4. Disclosure of any lawsuits or other proceedings the investor pursued to recover losses from its investments in the Triaxx CDOs and any payments received by the investor (including any parent entity, subsidiary, or affiliate of the investor) in connection with such lawsuits or proceedings; and
5. Disclosure of any other payments received by the investor (including any parent entity, subsidiary, or affiliate of the investor) that constitute a recovery for the investor's losses from its investments in the Triaxx CDOs (*e.g.*, insurance recoveries).

The submission should be submitted to the ICP Fair Fund via email at: info@icpfairfund.com. If you wish to mail your submission, please direct the submission to the ICP Fair Fund, 17 Technology Place, Suite 1, Syracuse, NY 13057. All submissions are to be made under penalty of perjury under the laws of the United States of America stating that the information supplied is true, correct, and complete, and that all documents submitted in support of the information are true and correct copies of what they purport to be.

What is the Deadline for Making a Submission?

Submissions must be postmarked or submitted no later than March 12, 2021. If you need assistance or if you have any questions regarding this notice, please contact the Distribution Agent at info@icpfairfund.com. You may also visit www.icpfairfund.com for additional information regarding the ICP Fair Fund.