

**Illinois Metropolitan Investment Fund (“IMET”) Convenience Fund  
Frequently Asked Questions Regarding First Farmers Financial, LLC (“FAQs”)  
December 4, 2014**

IMET is in receipt of additional questions from participants in IMET’s Convenience Fund (the “Convenience Fund”) related to the Convenience Fund’s investment in repurchase agreements backed by First Farmers Financial, LLC (“FFF”) loans (the “FFF Repo”). IMET has prepared the following FAQs to address many of your questions. IMET will continue to keep you apprised of any material developments. These FAQs reflect the most current information to date. Please be assured that IMET is working diligently to recover the Convenience Fund’s investment in the FFF Repo.

**Participant Questions**

***What are the current investments in the Convenience Fund?***

IMET's Convenience Fund portfolio consists of bank deposits which are collateralized by FDIC Insurance, government securities at 110 percent or Federal Home Loan Bank letters of credit.

***What is the status of your 9/30/14 audit?***

We are in the midst of our 9/30/14 audit now. Our Comprehensive Annual Financial Report is expected to be available by February 2015.

***What is the status of IMET’s decision regarding intervening in the Pennant Litigation?***

On November 20, 2014, IMET filed its Motion to Intervene in Pennant Management, Inc.’s (“Pennant”) case against FFF, Nikesh Patel, Trisha Patel, and related entities involved in the fraud (Case No. 14 CV 7581) (the “Pennant Litigation”). Pennant did not oppose IMET’s intervention petition. On November 24, 2014, the Court granted IMET’s Motion to Intervene in the Pennant Litigation. IMET is currently a Plaintiff-Intervenor in the Pennant Litigation and is assisting in the recovery of assets.

***Has IMET sued FFF?***

On November 24, 2014, immediately after the Court granted IMET leave to intervene in the Pennant Litigation, IMET filed a direct complaint against FFF, Nikesh Patel and Trisha Patel (collectively, the “Patels”), and the Patels’ related entities, Alena Hospitality, LLC, Alena Laboratories, LLC, Alena Aviation, LLC, Able Connection, LLC, NPSSS, LLC, Kuber Capital Funding, LLC, Kuber Consulting, Suri Hospitality, LLC, and Suri Hospitality International, LLC (collectively, the “Patel Entities”). IMET’s complaint alleges causes of action of fraud, unjust enrichment, piercing the corporate veil, and violations of the Illinois Consumer Fraud and Deceptive Practices Act against FFF, the Patels, and the Patel Entities.

***Have you considered joining with others in a class action lawsuit against Pennant?***

IMET is considering all options. IMET is working cooperatively with the University of Wisconsin Credit Union, which has the largest impairment of approximately \$53 million in connection with the FFF Repo, to explore all avenues and options for recovery.

***What is the status of IMET's claims against Pennant?***

Effective November 13, 2014, IMET entered a Tolling Agreement with Pennant, Great Banc Trust Company and US Fiduciary Services, Inc. The Tolling Agreement allows Pennant and IMET to cooperatively focus on the immediate pursuit of assets in order to maximize recovery, while preserving any claims IMET may choose to assert against Pennant at a later date. It is IMET's desire to have Pennant focus its efforts and energies at this time on the recovery of assets from the Patels and others that assisted the Patels in the fraud rather than focus its efforts and energies on defending litigation claims brought against them. IMET has reserved all of its rights and claims against Pennant, Great Banc and US Fiduciary and applicable statutes of limitations for IMET to bring its claims against these entities do not run during the period of the tolling agreement.

***What is the status of the Pennant Litigation and related efforts to recover assets?***

On November 13, 2014, Pennant amended its complaint to include claims against new defendants Timothy Glenn Fisher ("Fisher"), Translucent Entertainment, LLC, Alena Production, LLC and ASL Pictures, LLC (collectively, the "Fisher Entities.") In connection with Pennant's Amended Complaint and related filings, on November 13, 2014, the Court ordered that Fisher and the Fisher entities, their respective officers, agents, representatives, relatives, attorneys, other professionals, all persons in active concert or participation with them, and any others with actual notice of the order are restrained and enjoined from removing, transferring, or otherwise disposing of any of the assets currently believed to be held in accounts in the name of Fisher and/or any of the Fisher entities at Citibank and/or Wells Fargo, which contain funds that are allegedly the proceeds of the FFF Repo fraud. In addition to freezing the funds in Fisher and the Fisher Entities bank accounts, the Court restrained Fisher and the Fisher Entities from transferring or otherwise disposing of certain real property located at 2853 Pinelawn Drive, La Crescenta, California 31214, and interests held by Fisher in companies he controls, including Translucent Entertainment, Alena Production, and ASL Pictures. Pennant believes that Fisher and the Fisher Entities will generate significant assets towards recovery of the FFF Repo impairments, in addition to the assets previously seized from FFF, the Patels, and the Patel Entities. We expect to supplement this disclosure shortly with additional information we expect to receive from Pennant concerning the recovery efforts.

***What is the status of the other investments in IMET's Convenience Fund portfolio?***

IMET has reviewed all other investments in its portfolio and is confident that its current investments, which consist of collateralized bank deposits, will not be impacted by any third party misconduct. Out of an abundance of caution, IMET sold all of its other repo investments at full value.

***Why should participants remain invested in the Convenience Fund?***

The Convenience Fund serves as a great alternative to other investment products available to public funds in Illinois with average maturities and returns generally greater than those of money market instruments. The FFF Repo fraud is an isolated incident in an otherwise 18-year successful history of investing. Further, IMET has liquidated at full value all other repurchase agreements it purchased and is currently not investing in repurchase agreements. In addition, the Convenience Fund is no longer accepting any investment advice or recommendations from Pennant.

***Is IMET committed to the Convenience Fund?***

Yes. IMET has a long history of providing outstanding investment returns to its participants. IMET will seek to maintain a high quality portfolio of safe and prudent investments.