UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

[x] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended **December 31, 2017**

or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ______ to ______

Commission file number: **000-53189**

ICON Leasing Fund Twelve Liquidating Trust
(Exact name of registrant as specified in its charter)

Delaware	**81-7012783**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
3 Park Avenue, 36th Floor, New York, New York	**10016**
(Address of principal executive offices)	(Zip Code)

(212) 418-4700
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act: **None**

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☐ No ☑

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.*

No ☑
Yes ☐

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.*

Yes ☑
No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).*

Yes ☑ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

☑

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☑
	Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

Yes ☐ No ☑

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant’s most recently completed second fiscal quarter: **Not applicable. There is no established market for the beneficial interests of the registrant.**

Number of outstanding beneficial interests of the registrant on March 27, 2018 is 348,335.

DOCUMENTS INCORPORATED BY REFERENCE

None.

*ICON Leasing Fund Twelve Liquidating Trust is the transferee of the assets and liabilities of ICON Leasing Fund Twelve, LLC and files reports under the Commission file number for ICON Leasing Fund Twelve, LLC.

ICON Leasing Fund Twelve Liquidating Trust
Table of Contents

PART I

Forward-Looking Statements

Certain statements within this Annual Report on Form 10-K may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 ("PSLRA"). These statements are being made pursuant to the PSLRA, with the intention of obtaining the benefits of the "safe harbor" provisions of the PSLRA, and, other than as required by law, we assume no obligation to update or supplement such statements. Forward-looking statements are those that do not relate solely to historical fact. They include, but are not limited to, any statement that may predict, forecast, indicate or imply future results, performance, achievements or events. You can identify these statements by the use of words such as "may," "would," "could," "anticipate," "believe," "estimate," "expect," "continue," "further," "plan," "seek," "intend," "predict" or "project" and variations of these words or comparable words or phrases of similar meaning. These forward-looking statements reflect our current beliefs and expectations with respect to future events. They are based on assumptions and are subject to risks and uncertainties and other factors outside our control that may cause actual results to differ materially from those projected. We undertake no obligation to update publicly or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

Item 1. Business

Our History

ICON Leasing Fund Twelve Liquidating Trust (the "Liquidating Trust"), a Delaware statutory trust, was transferred all of the assets and liabilities of ICON Leasing Fund Twelve, LLC (the "LLC" or "Fund Twelve"), a Delaware limited liability company, as of December 31, 2016. When used in this Annual Report on Form 10-K, the terms "we," "us," "our" or similar terms refer to (i) the LLC and its consolidated subsidiaries for all periods prior to the transfer of the assets and liabilities of the LLC to the Liquidating Trust and (ii) the Liquidating Trust and its consolidated subsidiaries as of December 31, 2016 and thereafter. The terms "LLC" and "Liquidating Trust" are interchangeable, as the context so requires, when used in this Annual Report on Form 10-K.

Prior to the transfer of the assets and liabilities of the LLC to the Liquidating Trust, the manager of the LLC was ICON Capital, LLC, a Delaware limited liability company (the "Manager"). As of December 31, 2016 and thereafter, our Manager became the managing trustee of the Liquidating Trust (the "Managing Trustee"). The terms "Manager" and "Managing Trustee" are interchangeable, as the context so requires, when used in this Annual Report on Form 10-K.

The Liquidating Trust is governed by a Liquidating Trust Agreement (the "Trust Agreement") that appointed our Manager as Managing Trustee of the Liquidating Trust. Prior to the transfer of the assets and liabilities of the LLC to the Liquidating Trust, the LLC's assets included investments in ICON Radiance, LLC, ICON Siva, LLC, ICON Victorious, LLC, ICON Mauritius MI, LLC, ICON Mauritius MI II, LLC, ICON Blackhawk, LLC, ICON Murray VII, LLC and a subordinated term loan to four affiliates of Técnicas Maritimas Avanzadas, S.A. de C.V. (collectively, "TMA"). These investments, as well as all other assets and liabilities of the LLC, were transferred to the Liquidating Trust from the LLC on December 31, 2016 in order to reduce expenses and to maximize potential distributions to beneficial owners of the Liquidating Trust. On December 31, 2016, all Shares (as defined below) were exchanged for an equal number of beneficial interests (the "Interests") in the Liquidating Trust.

Our Managing Trustee manages and controls our business affairs, including, but not limited to, our equipment leases and other financing transactions. Additionally, our Managing Trustee has a 1% interest in our profits, losses, distributions and liquidation proceeds.

Our offering period commenced on May 7, 2007 and ended on April 30, 2009. We offered shares of limited liability company interests ("Shares") on a "best efforts" basis with the intention of raising up to $410,800,000 of capital. Our initial closing date was May 25, 2007 (the "Commencement of Operations"), the date on which we raised $1,200,000, the minimum offering amount. Through the end of our offering period on April 30, 2009, we sold 348,826 Shares, representing $347,686,947 of capital contributions and admitted 6,503 additional members. In addition, pursuant to the terms of our offering, we established a cash reserve in the amount of 0.5% of the gross offering proceeds. As of December 31, 2017, the cash reserve was $1,738,435. Through December 31, 2017, we repurchased 491 Shares pursuant to our repurchase plan. Beginning with the Commencement of Operations through April 30, 2009, we paid $26,995,024 of sales commissions to third parties, $5,488,440 of organizational and offering expenses to our Managing Trustee and $6,748,756 of dealer-manager fees to CION Securities, LLC, our dealer-manager in the offering and an affiliate of our Managing Trustee.

Our operating period commenced on May 1, 2009 and ended on April 30, 2014. Our liquidation period commenced on May 1, 2014, during which we have sold and will continue to sell our assets and/or let our investments mature in the ordinary course of business.

On May 30, 2017, our Managing Trustee retained ABN AMRO Securities (USA) LLC ("ABN AMRO Securities") as its financial advisor to assist our Managing Trustee and us in identifying, evaluating and executing a potential sale of certain shipping and offshore energy assets currently included within our investment portfolio. We, however, cannot assure that the identification or evaluation to be performed will result in any specific sale transaction or series of transactions.

In accordance with U.S. generally accepted accounting principles ("U.S. GAAP") pertaining to transactions amongst entities under common control, the financial position and results of operations of the LLC are presented as those of the Liquidating Trust retroactively to the beginning of the earliest period presented.

Our Business

We operated as an equipment leasing and finance program in which the capital our beneficial owners invested was pooled together to make investments, pay fees and establish a small reserve. We primarily acquired equipment subject to lease, purchased equipment and leased it to third-party end users or financed equipment for third parties and, to a lesser degree, acquired ownership rights to items of leased equipment at lease expiration. Some of our equipment leases were acquired for cash and were expected to provide current cash flow, which we refer to as "income" leases. For our other equipment leases, we financed the majority of the purchase price through borrowings from third parties. We refer to these leases as "growth" leases. These growth leases generated little or no current cash flow because substantially all of the rental payments we received from the lessee were used to service the indebtedness associated with acquiring or financing the lease. For these leases, we anticipated that the future value of the leased equipment would exceed our cash portion of the purchase price.

We divide the life of the LLC into three distinct phases:

(1) *Offering Period*: The period during which we offered and sold Shares to investors. We invested most of the net proceeds from the sale of Shares in equipment leases and other financing transactions.

(2) *Operating Period*: After the close of the offering period, we reinvested the cash generated from our investments to the extent that cash was not needed for our expenses, reserves and distributions to beneficial owners. Our operating period ended on April 30, 2014.

(3) *Liquidation Period*: On May 1, 2014, we commenced our liquidation period, during which we have sold and will continue to sell our assets and/or let our investments mature in the ordinary course of business. On December 31, 2016, the LLC transferred all of its assets and liabilities to the Liquidating Trust.

At December 31, 2017 and 2016, we had total assets of $72,721,157 and $131,086,803, respectively. For the year ended December 31, 2017, we had four lessees that accounted for 92.3% of our total rental and finance income of $8,698,870. Net loss attributable to us for the year ended December 31, 2017 was $30,364,456. For the year ended December 31, 2016, we had five lessees that accounted for 78.3% of our total rental and finance income of $20,920,499. Net loss attributable to us for the year ended December 31, 2016 was $3,689,159. Our time charter revenue for the year ended December 31, 2016 was solely generated from two vessels that we operated and leased on a time charter basis.

At December 31, 2017, our portfolio, which we hold either directly or through joint ventures, consisted of the following investments:

Marine Vessels

- A 75% ownership interest in two LPG tanker vessels, the EPIC Bali and the EPIC Borneo (f/k/a the SIVA Coral and the SIVA Pearl, respectively) (collectively, the "EPIC Vessels"), which were subject to eight-year bareboat charters that were scheduled to expire in March 2022 and April 2022, respectively. The EPIC Vessels were sold to an affiliate of Foreguard Shipping I Global Ships Ltd. (f/k/a Siva Global Ships Limited) ("Foreguard Shipping") in February 2018.
- A 75% ownership interest in an offshore supply vessel, the Crest Olympus, which is subject to a 10-year bareboat charter that expires in June 2024.

Note Receivable

- A subordinated term loan to TMA secured by, among other things, a first priority security interest in and earnings from platform supply vessels, which matures in August 2019.

For a discussion of the significant transactions that we engaged in during the years ended December 31, 2017 and 2016, please refer to “Item 7. Managing Trustee’s Discussion and Analysis of Financial Condition and Results of Operations.”

Segment Information

We engaged in one business segment, the business of purchasing equipment and leasing it to third parties, providing equipment and other financing, acquiring equipment subject to lease and, to a lesser degree, acquiring ownership rights to items of leased equipment at lease expiration.

Competition

The commercial leasing and financing industry is highly competitive and is characterized by competitive factors that vary based upon product and geographic region. When we made our investments we competed, and as we seek to liquidate our portfolio we compete, with a variety of competitors including other equipment leasing and finance funds, hedge funds, private equity funds, captive and independent finance companies, commercial and industrial banks, manufacturers and vendors. Such competitors may have been and/or may be in a position to offer equipment to prospective customers on financial terms that were or are more favorable than those that we could have offered or that we can currently offer in liquidating our portfolio, which may have affected our ability to make our investments and may affect our ability to liquidate our portfolio, in each case, in a manner that would enable us to achieve our investment objectives. In addition, increased competition in the equipment financing business caused us to encounter significant challenges. Specifically, we suffered from increasing competition over the last few years from larger alternative lenders that had not historically competed with us for investment opportunities.

Employees

We have no direct employees. Our Managing Trustee has full and exclusive control over our management and operations.

Available Information

Our Annual Report on Form 10-K, our most recent Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K, and any amendments to those reports, are available free of charge on our Managing Trustee's internet website at http://www.iconinvestments.com as soon as reasonably practicable after such reports are electronically filed with or furnished to the Securities and Exchange Commission (the “SEC”). The information contained on our Managing Trustee’s website is not deemed part of this Annual Report on Form 10-K. Our reports are also available on the SEC’s website at http://www.sec.gov.

Financial Information Regarding Geographic Areas

Certain of our investments generate revenue in geographic areas outside of the United States. For additional information, see Note 13 to our consolidated financial statements.

Item 1A. Risk Factors

Smaller reporting companies are not required to provide the information required by this item.

Item 1B. Unresolved Staff Comments

Not applicable.

Item 2. Properties

We neither own nor lease office space or any other real property in our business at the present time.

Item 3. Legal Proceedings

In the ordinary course of conducting our business, we may be subject to certain claims, suits, and complaints filed against us. In our Managing Trustee's opinion, the outcome of such matters, if any, will not have a material impact on our consolidated financial position or results of operations. We are not aware of any material legal proceedings that are currently pending against us or against any of our assets.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Securities, Related Security Holder Matters and Issuer Purchases of Equity Securities

Overview

Title of Class	Number of Beneficial Owners as of March 27, 2018
Managing Trustee (as a beneficial owner)	1
Additional beneficial owners	8,698

We, at our Managing Trustee's discretion, paid monthly distributions to each of our beneficial owners beginning the first month after each such beneficial owner was admitted to the LLC through the end of our operating period, which was on April 30, 2014. During our liquidation period, we have paid and will continue to pay distributions in accordance with the terms of our Trust Agreement. We expect that distributions paid during our liquidation period will vary, depending on the timing of the sale of our assets and/or the maturity of our investments, and our receipt of rental, finance and other income from our investments. We paid distributions to our additional beneficial owners totaling $6,000,175 and $33,391,113 for the years ended December 31, 2017 and 2016, respectively. Additionally, we paid our Managing Trustee distributions of $ 60,608 and $337,284 for the years ended December 31, 2017 and 2016, respectively.

Our Interests are not publicly traded and there is no established public trading market for our Interests. Given that it is unlikely that any such market will develop, our Interests are generally considered illiquid. Even if an additional beneficial owner is able to sell our Interests, the price received may be less than our estimated value (“Estimated Value”) per Interest indicated below.

Our Estimated Value per Interest as of December 31, 2017 (the “Valuation Date”) has been determined to be $85.80 per Interest. The Estimated Value per Interest is based upon the estimated fair value of our assets less the estimated fair value of our liabilities as of the Valuation Date, divided by the total number of our Interests outstanding as of the Valuation Date. To the extent an investment is owned by a joint venture, we only include our share of assets and liabilities based on our ownership percentage in such joint venture.* The information used to generate the Estimated Value per Interest, including, but not limited to, market information, investment and asset-level data and other information provided by third parties, was the most recent information practically available as of the Valuation Date. This Estimated Value per Interest is provided to assist (i) plan fiduciaries in fulfilling their annual valuation obligations as required by The Employee Retirement Income Security Act of 1974, as amended ("ERISA") and (ii) broker-dealers that participated in our offering of Interests in meeting their customer account statement reporting obligations as required by the Financial Industry Regulatory Authority, Inc. (“FINRA”).

The Estimated Value per Interest was calculated by our Managing Trustee primarily based on the fair values provided by Duff & Phelps, LLC ("Duff & Phelps") and an additional shipping valuation firm (together, the "Valuation Firms"), both third-party independent valuation and consulting firms engaged by our Managing Trustee to provide material assistance related to the valuation of certain of our assets and liabilities, as further described below. The engagement of the Valuation Firms was approved by our Managing Trustee. Our Managing Trustee engaged Duff & Phelps to provide valuations for certain investments included in our portfolio. The additional shipping valuation firm was engaged by our Managing Trustee to provide a valuation for a specific marine vessel underlying an investment in our portfolio due to its familiarity with such asset. Duff & Phelps is a global valuation and corporate finance advisor with expertise in complex valuation. The shipping valuation firm is a reputable valuation firm in the shipping industry that has been consistently engaged by our Managing Trustee to provide valuations for a specific marine vessel for a period of time.

[*] An investment or a long-term debt obligation described in this Item 5 may not be consolidated and presented on our consolidated balance sheet as of December 31, 2017, but rather included as part of investment in joint ventures on our consolidated balance sheet as of December 31, 2017.

Process and Methodology

Our Managing Trustee established the Estimated Value per Interest as of the Valuation Date primarily based on the fair values of certain of our assets and liabilities provided by the Valuation Firms. In arriving at its fair value, the Valuation Firms utilized valuation methodologies that both our Managing Trustee and the Valuation Firms believe are standard and acceptable in the equipment financing industry for the types of assets and liabilities held by us. The valuations were performed in accordance with standard industry practice and the provisions of NASD Rule 2340 and FINRA Rule 2310. The basis of fair values provided by the Valuation Firms are in accordance with the definition of fair value in Accounting Standards Codification 820. For investments that were subsequently sold or settled after the Valuation Date but before the filing of this report, fair values are estimated by our Managing Trustee to approximate the sale proceeds or settlement amounts, as applicable. For investments that had non-recourse long-term obligations higher than the value of the related assets, the net asset value of the investment was deemed to be zero.

A summary of the methodology used by the Valuation Firms, as well as the assumptions and limitations of their work for us and of our determination of the Estimated Value, are presented below.

Discounted Cash Flow

The discounted cash flow (“DCF”) method was used to estimate value using the concept of the time value of money. All projected future cash flows accruing to an asset or liability were estimated and discounted to give their present values. The sum of all projected future cash flows, both incoming and outgoing, comprises the net present value, which was recognized as the value or price of the cash flows.

Sales Comparison

The sales comparison method compares similar assets recently sold in the market and adjust the value for differences in the subject asset and the comparable assets as well as for the current market conditions.

Valuation of Note Receivable

The estimated fair value of our note receivable at the Valuation Date was derived by using the DCF method. Under the DCF method, the discount rate reflects the risks associated with the borrower and the time value of money, and was applied to the projected cash flows associated with the note receivable. The discounted projected cash flows included all unpaid principal, interest, and fee payments for the scheduled term period of the note receivable. An analysis of the borrower was conducted to determine viability of payment and total debt coverage, as well as to ascertain each borrower's risk level, with such considerations reflected in the implied discount rate used in discounting the cash flows.

The discount rates used ranged from 14.0% to 16.0%.

Valuation of Operating Lease

The estimated fair value of our operating lease at the Valuation Date was derived by using the fair values provided by the Valuation Firms. The Valuation Firms utilized one or a combination of the market and income approaches. Projected cash flows used under the DCF method included all lease payments, fees and residual value assumptions for purchase at the end of the lease term. Under the DCF method, the projected cash flows were discounted at the Valuation Date using discount rates reflecting the risks associated with the asset and the time value of money.

The discount rates used ranged from 9.0% to 14.0%.

Valuation of Finance Leases

The estimated fair value of our finance leases at the Valuation Date was estimated by our Managing Trustee to approximate the settlement amount for an investment that was sold after the Valuation Date but before the filing of this report.

Valuation of Long-term Obligations

The estimated fair value at the Valuation Date of one of our long-term obligations was derived by applying the DCF method to the projected cash flows accruing to such obligation, using a discount rate reflecting the risks associated with such obligation and the time value of money. The discounted projected cash flows included all unpaid principal, interest, and fee payments for the scheduled term period of the obligation. An analysis of the borrower was conducted to determine viability of payment, total debt coverage as well as to ascertain the borrower's risk level, with such considerations reflected in the implied discount rate used in discounting the cash flows. The estimated fair value of our other long-term obligation at the Valuation Date was estimated by our Managing Trustee to approximate the carrying value as it was settled after the Valuation Date but before the filing of this report.

The discount rates used ranged from 6.1% to 6.4%.

Cash, Other Assets and Other Liabilities

Cash, other assets and other liabilities (collectively, “Other Net Assets”) include our share of items of tangible or monetary value as of the Valuation Date. The fair values of Other Net Assets as of the Valuation Date were estimated by our Managing Trustee to approximate their carrying values because of their nature or short-term maturities. Excluded from Other Net Assets is our share of deferred financing costs, which our Managing Trustee estimated as having a minimal fair value as of the Valuation Date.

Assumptions and Limitations

As with any valuation methodology, the methodologies used to determine our Estimated Value per Interest are based upon a number of estimates and assumptions that may prove later to be inaccurate or incomplete. Further, different market participants using different estimates and assumptions could derive different estimated values. Our Estimated Value per Interest may also not represent the price that our Interests would trade at on a national securities exchange, the amount realized in a sale, merger or liquidation, or the amount an additional beneficial owner would realize in a private sale of our Interests.

The Estimated Value per Interest calculated by our Managing Trustee is based on economic, market and other conditions and the information available to us and the Valuation Firms as of the Valuation Date. The Estimated Value per Interest is expected to fluctuate over time in response to future events, including, but not limited to, changes in market interest rates, changes in economic, market and regulatory conditions, the prospects of the asset sectors in general or in particular, or the special purpose vehicles in which the assets may be held, rental and growth rates, returns on competing investments, changes in administrative expenses and other costs, and the amount of distributions paid on our Interests. The Estimated Value per Interest may also change as a result of changes in the circumstances of the risks associated with each investment.

There is no assurance that the methodologies used to calculate the Estimated Value per Interest would be acceptable to FINRA or in compliance with guidelines promulgated under ERISA with respect to their respective reporting requirements.

Our Managing Trustee is ultimately and solely responsible for the establishment of our Estimated Value per Interest. In arriving at its determination of the Estimated Value per Interest, our Managing Trustee considered all information provided in light of its own familiarity with our assets and liabilities and the estimated fair values recommended by the Valuation Firms.

We currently expect that our next Estimated Value per Interest will be based upon our assets and liabilities as of December 31, 2018 and such value will be included in our Annual Report on Form 10-K for the year ending December 31, 2018. We intend to publish an updated Estimated Value per Interest annually in our subsequent Annual Reports on Form 10-K.

Item 6. Selected Financial Data

Smaller reporting companies are not required to provide the information required by this item.

Item 7. Managing Trustee's Discussion and Analysis of Financial Condition and Results of Operations

Our Managing Trustee's Discussion and Analysis of Financial Condition and Results of Operations relates to our consolidated financial statements and should be read in conjunction with our consolidated financial statements and notes thereto appearing elsewhere in this Annual Report on Form 10-K. Statements made in this section may be considered forward-looking. These statements are not guarantees of future performance and are based on current expectations and assumptions that are subject to risks and uncertainties. Actual results could differ materially because of these risks and assumptions, including, among other things, factors discussed in "Part I. Forward-Looking Statements" located elsewhere in this Annual Report on Form 10-K.

Overview

We operated as an equipment leasing and finance program in which the capital our beneficial owners invested was pooled together to make investments, pay fees and establish a small reserve. We primarily acquired equipment subject to lease, purchased equipment and leased it to third-party end users or financed equipment for third parties and, to a lesser degree, acquired ownership rights to items of leased equipment at lease expiration. Some of our equipment leases were acquired for cash and were expected to provide current cash flow, which we refer to as "income" leases. For our other equipment leases, we financed the majority of the purchase price through borrowings from third parties. We refer to these leases as "growth" leases. These growth leases generated little or no current cash flow because substantially all of the rental payments we received from the lessee were used to service the indebtedness associated with acquiring or financing the lease. For these leases, we anticipated that the future value of the leased equipment would exceed our cash portion of the purchase price.

Our Managing Trustee manages and controls our business affairs, including, but not limited to, our equipment leases and other financing transactions, under the terms of our Trust Agreement.

Our offering period ended on April 30, 2009 and our operating period commenced on May 1, 2009. During our offering period, we raised total equity of $347,686,947. Our operating period ended on April 30, 2014 and our liquidation period commenced on May 1, 2014. During our liquidation period, we have sold and will continue to sell our assets and/or let our investments mature in the ordinary course of business.

The Liquidating Trust is governed by the Trust Agreement that appointed our Manager as Managing Trustee of the Liquidating Trust. Prior to the transfer of the assets and liabilities of the LLC to the Liquidating Trust, the LLC's assets included investments in ICON Radiance, LLC, ICON Siva, LLC, ICON Victorious, LLC, ICON Mauritius MI, LLC, ICON Mauritius MI II, LLC, ICON Blackhawk, LLC, ICON Murray VII, LLC and a subordinated term loan to TMA. These investments, as well as all other assets and liabilities of the LLC, were transferred to the Liquidating Trust from the LLC on December 31, 2016 in order to reduce expenses and to maximize potential distributions to beneficial owners of the Liquidating Trust. On December 31, 2016, all Shares were exchanged for an equal number of Interests in the Liquidating Trust.

On May 30, 2017, our Managing Trustee retained ABN AMRO Securities as its financial advisor to assist our Managing Trustee and us in identifying, evaluating and executing a potential sale of certain shipping and offshore energy assets currently included within our investment portfolio. We, however, cannot assure that the identification or evaluation to be performed will result in any specific sale transaction or series of transactions.

The financial position and results of operations of the LLC are presented as those of the Liquidating Trust retroactively to the beginning of the earliest period presented.

Current Business Environment

Recent trends indicate that domestic and global equipment financing volume is correlated to overall business investments in equipment, which are typically impacted by general economic conditions. As the economy slows or builds momentum, the demand for productive equipment generally slows or builds and equipment financing volume generally decreases or increases, depending on a number of factors. These factors include the availability of liquidity to provide equipment financing and/or provide it on terms satisfactory to borrowers, lessees, and other counterparties, as well as the desire to upgrade equipment and/or expand operations during times of growth, but also in times of recession in order to, among other things, seize the opportunity to obtain competitive advantage over distressed competitors and/or increase business as the economy recovers.

Our Managing Trustee believes that the overall economic outlook for 2018 and 2019 appears moderately favorable, supported by increasing consumer spending and strong fundamentals. The recent business tax cuts could further encourage capital spending by businesses. While commodity prices have continued to grow throughout 2017, our Managing Trustee is cautious about sustained increases. The Federal Reserve's strategy with monetary policy to reach its inflation target, as well as geopolitical instability, among other things, will have an effect on the long-term economic outlook.

The equipment financing industry has encountered significant challenges over the past several years as a result of, among other things, an unprecedented and prolonged weakness in global shipping and offshore markets. These challenges, among other factors, have caused us to record credit losses and/or impairment charges on certain of our investments (see "Significant Transactions" below).

Significant Transactions

We engaged in the following significant transactions during the years ended December 31, 2017 and 2016:

Marine Vessels

On March 24, 2009, we and Swiber Engineering Ltd. ("Swiber") entered into a joint venture owned 51% by us and 49% by Swiber for the purpose of purchasing a 300-man accommodation and work barge, the Swiber Chateau (f/k/a the Swiber Victorious). Simultaneously with the purchase, the barge was chartered to Swiber Offshore Marine Pte. Ltd., an affiliate of Swiber ("Swiber Offshore"), for 96 months, which expired on March 23, 2017. The Swiber Chateau was purchased for $42,500,000, which was funded by (i) a $19,125,000 equity investment from us, (ii) a $18,375,000 contribution-in-kind by Swiber and (iii) a $5,000,000 subordinated, non-recourse and unsecured payable from Swiber. The payable bore interest at 3.5% per year and was recorded within seller's credits on our consolidated balance sheet as of December 31, 2016. Due to various defaults by Swiber Offshore under the charter, the joint venture was not required to pay to Swiber principal and interest outstanding under the payable as further described below. Swiber Holdings Ltd. ("Swiber Holdings"), the parent company of Swiber and Swiber Offshore (together with Swiber and Swiber Offshore, the "Swiber Group"), guaranteed the payment and performance obligations of Swiber Offshore and its affiliates under all transaction documents.

During the three months ended June 30, 2016, we obtained a third-party appraisal indicating that the fair market value of the barge as of June 27, 2016 was $17,875,000, which was below the net carrying value. As a result, we performed an impairment test on the barge. Based on such test, we recorded an impairment loss of $5,218,643 during the three months ended June 30, 2016. Swiber Offshore failed to make its monthly charter payments to the joint venture from July 2016 through the expiration of the charter in March 2017. Pursuant to the joint venture's operating agreement, in the event that, among other things, (i) there was a default by Swiber Offshore under the charter, or (ii) the fair market value of the barge was less than $21,000,000, all of Swiber's interests in the distributions, net cash flow, net profits and net proceeds resulting from the joint venture would be subordinated to our rights in such distributions, net cash flow, net profits and net proceeds until such time that we received in distribution the return of the full amount of our contribution to the joint venture and a return at a monthly compounded rate equal to 15.51% per year (the "Preferred Equity Interest"). As the then current fair market value of the barge was less than $21,000,000, our Managing Trustee concluded that, commencing June 27, 2016, Swiber's rights to the distributions, net cash flow, net profits and net proceeds were subordinated and Swiber should incur first loss resulting from the joint venture. Accordingly, the impairment loss recorded as of June 30, 2016 of $5,218,643 was allocated entirely to Swiber, the noncontrolling interest holder.

On July 27, 2016, Swiber Holdings filed a petition in Singapore to wind up and liquidate the company. On July 29, 2016, Swiber Holdings withdrew its petition for winding up and liquidation and submitted an application for court-supervised judicial management. In November 2016, we obtained an updated third-party appraisal indicating that the fair market value of the barge decreased to $14,770,000, which was below the net carrying value. As a result, we recorded an additional impairment loss of $3,105,000 during the three months ended September 30, 2016, which was allocated entirely to Swiber due to our Preferred Equity Interest.

On November 28, 2016, Swiber Offshore filed an application for voluntary winding up and liquidation in Singapore. Our Managing Trustee engaged in discussions with the court-appointed judicial manager of Swiber Holdings to, among other things, communicate our intention to sell the barge. During the three months ended December 31, 2016, our Managing Trustee commenced the process of marketing the barge for sale and as a result, the barge met the criteria to be classified as asset held for sale on our consolidated balance sheet as of December 31, 2016. As a result of (i) Swiber Offshore's and Swiber Holdings' default on their respective obligations under the charter and the guaranty, respectively, (ii) Swiber Offshore and Swiber Holdings being subject to voluntary winding up and judicial management proceedings, respectively, (iii) a decrease in the fair market value of the Swiber Chateau and (iv) the barge being classified as asset held for sale as of December 31, 2016, we recorded an additional impairment loss of $7,170,000 during the remainder of 2016 to write down the barge to its estimated fair value less cost to sell of $7,600,000, of which only $383,329 was allocated to Swiber as the balance of its noncontrolling interest in the joint venture had been reduced to zero.

During 2017, we repossessed the Swiber Chateau. As a result of advanced negotiations for the sale of the Swiber Chateau to a potential third-party purchaser, we further wrote down the barge by $900,000 during the three months ended March 31, 2017 to its estimated fair value less cost to sell based on the negotiated purchase price. Subsequently, this proposed sale transaction fell through. During the three months ended June 30, 2017, we resumed marketing the Swiber Chateau for sale and were in negotiations with another potential purchaser. Based on such negotiations, our Managing Trustee determined to record an additional impairment loss of $1,700,000 during the three months ended June 30, 2017. Subsequently, this proposed sale transaction also fell through. During the three months ended September 30, 2017, our Managing Trustee resumed marketing the Swiber Chateau for sale and entered into a memorandum of agreement to sell the barge. As a result, we recorded an additional impairment loss of $2,024,000 during the three months ended September 30, 2017 based on the estimated fair value less cost to sell. On December 29, 2017, we sold the Swiber Chateau to a third-party purchaser for $3,175,000. As a result, we recognized a gain on sale of $59,730.

Pursuant to the purchase and charter agreement, upon expiration of the charter on March 23, 2017, the joint venture's obligation to pay to Swiber principal and interest outstanding under the payable of $5,131,250 was extinguished as a result of the continuing defaults under the transaction documents by the Swiber Group. The gain on extinguishment of the seller's credit and the related interest payable of $5,131,250 was allocated entirely to us during 2017 due to our Preferred Equity Interest.

On March 29, 2011, we and ICON Equipment and Corporate Infrastructure Fund Fourteen, L.P. ("Fund Fourteen"), an entity also managed by our Managing Trustee, entered into a joint venture, ICON AET Holdings, LLC ("ICON AET"), which was owned 25% by us and 75% by Fund Fourteen, for the purpose of acquiring two aframax tankers and two very large crude carriers (the "VLCCs"). Our contribution to the joint venture was $12,166,393. The VLCCs, the Eagle Vermont and the Eagle Virginia, were each acquired for $72,000,000 and were simultaneously bareboat chartered to AET Inc. Limited ("AET") for a period of 10 years. During 2014, the two aframax tankers were sold to third-party purchasers and all related debt obligations associated with such aframax tankers were satisfied in full. On June 8, 2016, an unaffiliated third party purchased 100% of the limited liability company interests of ICON AET for net sales proceeds of $48,798,058. As a result, we recorded a gain on sale of investment in joint venture of $2,012,669.

On April 1, 2014, the Aegean Express and the Cebu Trader (f/k/a the Arabian Express) were returned to us in accordance with the terms of the charters. Upon redelivery, the bareboat charters were terminated and we assumed the underlying time charters for the vessels. As we assumed operational responsibility for the vessels, we simultaneously contracted with Fleet Ship Management Inc. to manage the vessels on our behalf.

During the year ended December 31, 2015, our Managing Trustee noted indicators of impairment related to the Aegean Express and the Cebu Trader and as a result, our Managing Trustee performed impairment analyses. Based on such analyses, we recognized an aggregate impairment loss of $11,149,619. As of June 30, 2016, the Aegean Express and the Cebu Trader met the criteria to be classified as assets held for sale and no further depreciation was recorded on the vessels. In September 2016, the Aegean Express and the Cebu Trader were sold to unaffiliated third parties for a gross purchase price of $3,000,000 and $3,200,000, respectively. After deducting selling costs of $353,444, we recorded an aggregate gain on sale of $303,943 during the year ended December 31, 2016.

On March 21, 2014, a joint venture owned 75% by us, 12.5% by Fund Fourteen and 12.5% by ICON ECI Fund Fifteen, L.P. ("Fund Fifteen"), an entity also managed by our Managing Trustee, through two indirect subsidiaries, entered into memoranda of agreement to purchase the EPIC Vessels from Foreguard Shipping for an aggregate purchase price of $41,600,000. The EPIC Bali and the EPIC Borneo were delivered on March 28, 2014 and April 8, 2014, respectively. The EPIC Vessels were bareboat chartered to an affiliate of Foreguard Shipping for a period of eight years upon the delivery of each respective vessel. The EPIC Vessels were each acquired for approximately $3,550,000 in cash, $12,400,000 of financing through a senior secured loan from DVB Group Merchant Bank (Asia) Ltd. (“DVB Asia”) and $4,750,000 of financing through a subordinated, non-interest-bearing seller’s credit. During the year ended December 31, 2016, an event of default was continuing under the bareboat charters, as well as the loan agreement with DVB Asia, as a result of a change of control of the bareboat charter guarantor, an affiliate of Foreguard Shipping. On December 26, 2017, the indirect subsidiaries amended the bareboat charters with Foreguard Shipping to, among other things, waive the continuing event of default and increase the monthly charter hire payable by Foreguard Shipping for each vessel. In addition, Foreguard Shipping paid an aggregate amendment fee of $1,087,512. On December 26, 2017, the indirect subsidiaries also amended the loan agreement with DVB Asia to, among other things, waive the continuing event of default and provide for an aggregate partial prepayment on the senior secured loan of $1,240,000.

On June 12, 2014, a joint venture owned 75% by us, 12.5% by Fund Fourteen and 12.5% by Fund Fifteen purchased an offshore supply vessel from Pacific Crest Pte. Ltd. (“Pacific Crest”) for $40,000,000. Simultaneously, the vessel was bareboat chartered to Pacific Crest for ten years. The vessel was acquired for approximately $12,000,000 in cash, $26,000,000 of financing through a senior secured loan from DVB Asia and $2,000,000 of financing through a subordinated, non-interest-bearing seller’s credit. Since July 2017, Pacific Crest has failed to make its monthly charter payments and our Managing Trustee was advised in July 2017 that Pacific Crest is engaged in discussions with its lenders regarding a potential restructuring of its outstanding debt obligations. As a result, we performed an impairment test on the vessel. Based on such test, we recorded an impairment loss of $14,661,525 during the three months ended June 30, 2017. During the three months ended September 30, 2017, we ceased recognizing rental income on the lease.

As part of our annual assessment of asset impairment, our Managing Trustee obtained third-party valuations related to the offshore supply vessel. Based on such valuations, our Managing Trustee concluded that an impairment existed and as a result, we recorded an additional impairment loss of $4,633,705 during the three months ended December 31, 2017. The fair market value of the vessel was based on third-party valuations using a combination of the market approach and the income approach.

Manufacturing Equipment

During 2008, ICON EAR, LLC (“ICON EAR”), a joint venture owned 55% by us and 45% by ICON Leasing Fund Eleven Liquidating Trust (formerly, ICON Leasing Fund Eleven, LLC) (“Fund Eleven”), an entity also managed by our Managing Trustee, purchased and simultaneously leased semiconductor manufacturing equipment to Equipment Acquisition Resources, Inc. (“EAR”) for $15,729,500. On October 23, 2009, EAR filed a petition for reorganization under Chapter 11 of the U.S. Bankruptcy Code. On October 21, 2011, the Chapter 11 bankruptcy trustee for EAR filed an adversary complaint against ICON EAR seeking the recovery of the lease payments that the trustee alleged were fraudulently transferred from EAR to ICON EAR. The complaint also sought the recovery of payments made by EAR to ICON EAR during the 90-day period preceding EAR’s bankruptcy filing, alleging that those payments constituted a preference under the U.S. Bankruptcy Code. Additionally, the complaint sought the imposition of a constructive trust over certain real property and the proceeds from the sale that ICON EAR received as security in connection with its investment. Our Managing Trustee filed an answer to the complaint that included certain affirmative defenses. Since that time, substantial discovery was completed.

Given the risks, costs and uncertainty surrounding litigation in bankruptcy, our Managing Trustee engaged in mediation with the trustee to resolve this matter, which resulted in a tentative settlement in May 2016 subject to bankruptcy court approval. On July 5, 2016, the U.S. Bankruptcy Court approved the settlement. The settlement released all claims against ICON EAR, Fund Eleven and us for an aggregate settlement payment of $3,100,000. As a result, we recorded our proportionate share of the litigation settlement expense of $1,209,000 during the three months ended March 31, 2016. The settlement amount was paid on July 15, 2016.

On January 4, 2012, MW Universal, Inc. (“MWU”) and certain of its subsidiaries satisfied their obligations relating to two of the three lease schedules. On August 20, 2012, we sold the automotive manufacturing equipment subject to lease with LC Manufacturing, LLC, a wholly-owned subsidiary of MWU (“LC Manufacturing”), and terminated warrants issued to us for aggregate proceeds of $8,300,000. As a result, based on our 93.67% ownership interest in ICON MW, LLC (“ICON MW”), our joint venture with Fund Eleven, we received proceeds in the amount of $7,774,610 and recognized a loss on the sale of $88,786. In addition, our Managing Trustee evaluated the collectability of the personal guaranty of a previous owner of LC Manufacturing and, based on the findings, ICON MW recorded a credit loss of $5,411,484, of which our portion was $5,068,937. In February 2013, ICON MW commenced an action against the guarantor. On October 5, 2015, ICON MW received summary judgment against the guarantor on the issue of liability. A hearing to determine damages was held in July 2016. In September 2016, the court referee issued a report recommending a judgment in favor of ICON MW for (i) $5,660,000 in damages; (ii) $120,000 in attorney's fees; and (iii) $540,000 in prejudgment interest. The court confirmed the report and the recommended judgment in January 2017.

Mining Equipment

On March 4, 2014, a joint venture owned 60% by us, 15% by Fund Fourteen, 15% by Fund Fifteen and 10% by ICON ECI Fund Sixteen ("Fund Sixteen"), an entity also managed by our Managing Trustee, purchased mining equipment from an affiliate of Blackhawk Mining, LLC ("Blackhawk"). Simultaneously, the mining equipment was leased to Blackhawk and its affiliates for four years. The aggregate purchase price for the mining equipment of $25,359,446 was funded by $17,859,446 in cash and $7,500,000 of non-recourse long-term debt with People's Capital and Leasing Corp. ("People's Capital"). The loan bore interest at a rate of 6.5% per year and was scheduled to mature on February 1, 2018. On December 7, 2016, the joint venture amended the lease with Blackhawk to, among other things, add, revise and/or waive Blackhawk's breach of certain financial covenants and received an amendment fee of $150,000.

On July 21, 2017, Blackhawk satisfied its remaining lease obligations by making a prepayment of $7,753,666. As a result, we recognized finance income of $353,373. We used a portion of the proceeds from the prepayment to satisfy in full our remaining non-recourse long-term debt obligations to People's Capital of $1,204,661.

On September 18, 2014, a joint venture owned 55.817% by us and 44.183% by Hardwood Partners, LLC purchased mining equipment for $6,789,928. The equipment was subject to a 36-month lease with Murray Energy Corporation and certain of its affiliates (collectively, "Murray"), which was scheduled to expire on September 30, 2017. On October 3, 2017, Murray purchased the equipment pursuant to the terms of the lease for $1,949,583. As a result, we recognized a gain on sale of assets of $201,680. Pursuant to a remarketing agreement with a third party, we paid a remarketing fee of $100,841 as part of the transaction.

Trucks and Trailers

On March 28, 2014, a joint venture owned 60% by us, 27.5% by Fund Fifteen and 12.5% by Fund Sixteen purchased trucks, trailers and other equipment from subsidiaries of D&T Holdings, LLC ("D&T") for $12,200,000. Simultaneously, the trucks, trailers and other equipment were leased to D&T and its subsidiaries for 57 months. On September 15, 2014, the lease agreement with D&T was amended to allow D&T to increase its capital expenditure limit. In consideration for agreeing to such increase, lease payments of $1,480,000 that were scheduled to be paid in 2018 were paid by October 31, 2014. In addition, the joint venture received an amendment fee of $100,000, which was recognized as finance income throughout the remaining lease term. On January 14, 2016, D&T satisfied its remaining lease obligations by making a prepayment of $8,000,000. In addition, D&T exercised its option to repurchase all assets under the lease for $1, upon which title was transferred. As a result of the prepayment, we recognized finance income of approximately $1,400,000.

Notes Receivable

On April 5, 2013, we made a secured term loan in the amount of $3,870,000 to Lubricating Specialties Company ("LSC") as part of an $18,000,000 facility. The loan bore interest at 13.5% per year and was scheduled to mature on August 1, 2018. The loan was secured by, among other things, a second priority security interest in LSC's liquid storage tanks, blending lines, packaging equipment, accounts receivable and inventory. On December 30, 2016, LSC satisfied its obligations in connection with the loan by making a prepayment of $2,954,424, comprised of all outstanding principal, accrued interest and a prepayment fee of $57,930. The prepayment fee was recognized as additional finance income.

On December 22, 2011, a joint venture owned 25% by us and 75% by Fund Fourteen made a $20,124,000 subordinated term loan to Jurong Aromatics Corporation Pte. Ltd. ("JAC") as part of a $171,050,000 term loan facility. Our initial contribution to this joint venture was $6,313,875. On May 15, 2013, a joint venture owned 21% by us, 39% by Fund Eleven and 40% by Fund Fifteen purchased a portion of a $208,038,290 subordinated credit facility for JAC from Standard Chartered Bank for $28,462,500. Our initial contribution to this joint venture was $6,456,034. The loan and the facility initially bore interest at rates ranging between 12.5% and 15% per year and were scheduled to mature in January 2021. As a result of JAC's failure to make an expected payment that was due to the joint ventures during the three months ended March 31, 2015, the interest rate payable by JAC under the loan and the facility increased from 12.5% to 15.5%. The loan and the facility were secured by a second priority security interest in all of JAC's assets, which included, among other things, all equipment, plant and machinery associated with a condensate splitter and aromatics complex.

During 2015, JAC experienced liquidity constraints as a result of a general economic slow-down in China and India, which led to lower demand from such countries, as well as the price decline of energy and other commodities. As a result, JAC's manufacturing facility ceased operations and JAC was not able to service interest payments under the loan and the facility. In addition, an expected tolling arrangement with JAC's suppliers that would have allowed JAC's manufacturing facility to resume operations did not commence in 2015 as originally anticipated. Discussions among the senior lenders and certain other stakeholders of JAC regarding a restructuring plan ended as the senior lenders did not agree to amendments to their credit facilities as part of the broader restructuring that was being contemplated. As a result, JAC entered receivership on September 28, 2015.

As a result of these factors, during the three months ended June 30, 2015, our Managing Trustee determined that there was doubt regarding the joint ventures' ultimate collectability of the loan and facility and commenced recording credit losses. Commencing with the three months ended June 30, 2015 and on a quarterly basis thereafter, our Managing Trustee reassessed the collectability of the loan and facility by considering the following factors, among others (i) what a potential buyer may be willing to pay to acquire JAC based on a comparable enterprise value derived from EBITDA multiples and (ii) the average trading price of unsecured distressed debt in comparable industries. During the year ended December 31, 2015, the joint ventures recorded an aggregate credit loss of $60,258,883 related to JAC based on our Managing Trustee's quarterly collectability analyses, of which our share was $14,010,881. Our Managing Trustee also assessed impairment under the equity method of accounting for our investment in the joint ventures and concluded that there was no impairment.

In January 2016, our Managing Trustee engaged in further discussions with JAC's other subordinated lenders and the Receiver regarding a near term plan for JAC's manufacturing facility. Based upon such discussions, our Managing Trustee anticipated that a one-year tolling arrangement with JAC's suppliers would be implemented to allow JAC's manufacturing facility to recommence operations. In July 2016, the tolling arrangement was implemented and the manufacturing facility resumed operations. Although JAC's manufacturing facility resumed operations, no debt payments were made by JAC to the joint ventures while operating under the tolling arrangement. As part of the tolling arrangement and the receivership process, JAC incurred additional senior debt, which could have been up to $55,000,000, to fund its operations as well as any receivership-related costs. As a result, our Managing Trustee determined that the joint ventures' ultimate collectability of the loan and the facility was further in doubt. As of June 30, 2016, our Managing Trustee updated its quarterly assessment by considering (i) a comparable enterprise value derived from EBITDA multiples; (ii) the average trading price of unsecured distressed debt in comparable industries and (iii) the additional senior debt incurred by JAC, which had priority over the joint ventures' loan and facility. Based upon this reassessment, our Managing Trustee determined that the joint ventures should fully reserve the outstanding balance of the loan and facility due from JAC as of June 30, 2016. As a result, the joint ventures recorded an additional total credit loss of $10,137,863 for the three months ended June 30, 2016, of which our share was $2,319,835. During the fourth quarter of 2016, the Receiver formally commenced the process of marketing JAC's manufacturing facility for sale.

On September 12, 2017, our Managing Trustee received a formal notice from the Receiver notifying us that on August 28, 2017, the Receiver concluded a sale of substantially all of the assets of JAC (including the manufacturing facility) to a third party and confirmed that no sales proceeds would be distributed to the subordinated lenders, including the joint ventures. As a result, the joint ventures wrote off an aggregate credit loss reserve and corresponding balances related to the loan and the facility of $70,396,746 during the three months ended September 30, 2017. The joint ventures did not recognize any finance income related to JAC for the years ended December 31, 2017 and 2016. As of December 31, 2016, the total net investment in notes receivable held by the joint ventures was $0 and our total investment in the joint ventures was $0.

On July 14, 2014, we, Fund Fourteen and Fund Fifteen (collectively, "ICON") entered into a secured term loan credit facility agreement with TMA to provide a credit facility of up to $29,000,000 (the "ICON Loan"), of which our commitment of $21,750,000 was funded on August 27, 2014 (the "TMA Initial Closing Date"). The facility was used by TMA to acquire and refinance two platform supply vessels. At inception, the loan bore interest at LIBOR, subject to a 1% floor, plus a margin of 17%. Upon the acceptance of both vessels by TMA's sub-charterer on September 19, 2014, the margin was reduced to 13%. On November 24, 2014, ICON entered into an amended and restated senior secured term loan credit facility agreement with TMA pursuant to which an unaffiliated third party (the "Senior Lender") agreed to provide a senior secured term loan in the amount of up to $89,000,000 (the "Senior Loan," and collectively with the ICON Loan, the "TMA Facility") to acquire two additional vessels. The TMA Facility has a term of five years from the TMA Initial Closing Date. As a result of the amendment, the margin for the ICON Loan increased to 15% and repayment of the ICON Loan became subordinated to the repayment of the Senior Loan. The TMA Facility is secured by, among other things, a first priority security interest in the four vessels and TMA's right to the collection of hire with respect to earnings from the sub-charterer related to the four vessels. As a condition to the amendment and increased size of the TMA Facility, TMA was required to cause all four platform supply vessels to be under contract by March 31, 2015. Due to TMA's failure to meet such condition, TMA was in technical default and in payment default while available cash was swept by the Senior Lender and applied to the Senior Loan in accordance with the loan agreement. As a result, the principal balance of the Senior Loan was paid down at a faster rate. In January 2016, the remaining two previously unchartered vessels had commenced employment. Based on, among other things, TMA's payment history and estimated collateral value as of December 31, 2016, our Managing Trustee believed it was likely that all outstanding principal and accrued interest under the ICON Loan would be collectible. As a result, we continued to account for our net investment in note receivable related to TMA on an accrual basis as of December 31, 2016 despite a portion of the outstanding balance being over 90 days past due. Though on an accrual basis, default interest was not accrued on either the principal balance of the note receivable or the interest receivable. In addition, interest was not assessed on the overdue principal balance of the note receivable. Our Managing Trustee continued to assess the collectability of the note receivable at each reporting date as TMA's credit quality slowly deteriorated and the fair market value of the collateral continued to decrease. During the three months ended June 30, 2017, our Managing Trustee believed it was prudent to place the note receivable on non-accrual status. In September 2017, our Managing Trustee met with certain restructuring advisors engaged by TMA to discuss a potential restructuring of the company. In light of these developments and a decrease in the fair market value of the collateral, in which we have a second priority security interest, our Managing Trustee determined to record a credit loss of $10,500,000 during the three months ended September 30, 2017.

On December 26, 2017, ICON, the Senior Lender and TMA entered into a restructuring support and lock-up agreement to commit to a restructuring of TMA's outstanding debt obligations and to provide additional funding to TMA in exchange for an equity interest in certain affiliates of TMA and the Senior Loan being satisfied in full at a faster rate, subject to execution of definitive agreements. On January 5, 2018, definitive agreements were executed and as a result, we funded our proportionate share of the commitment and our note and interest receivables due from TMA was reduced (see Subsequent Events below). As a result of this restructuring, our Managing Trustee assessed the collectability of the note receivable as of December 31, 2017 and recorded an additional credit loss of $5,190,944 for the three months ended December 31, 2017. As of December 31, 2017 and 2016, our share of the collateral value, net of the balance of the Senior Loan, was estimated to be approximately $13,500,000 and $4,800,000, respectively. As of December 31, 2017 and 2016, our net investment in note receivable related to TMA was $11,700,000 and $21,002,939, respectively. In addition, as of December 31, 2017, we have an accrued interest receivable related to TMA of $6,388,005, which has been fully reserved, resulting in a net carrying value of $0. As of December 31, 2016, our accrued interest receivable related to TMA was $5,720,333. For the years ended December 31, 2017 and 2016, we recognized finance income of $667,672 and $2,953,064, respectively, of which no amount was recognized on a cash basis.

On September 24, 2014, we, Fund Fourteen, Fund Fifteen and Fund Sixteen entered into a secured term loan credit facility agreement with Premier Trailer Leasing, Inc. ("Premier Trailer") to provide a credit facility of up to $20,000,000, of which our commitment of $10,000,000 was funded on such date. The loan bore interest at LIBOR, subject to a 1% floor, plus 9% per year, and was scheduled to mature on September 24, 2020. The loan was secured by a second priority security interest in all of Premier Trailer's assets, including, without limitation, its fleet of trailers, and the equity interests of Premier Trailer. On August 9, 2016, Premier Trailer satisfied its obligations in connection with the loan by making a prepayment of $10,327,777, comprised of all outstanding principal, accrued interest and a prepayment fee of $200,000. The prepayment fee was recognized as additional finance income.

Subsequent Events

On January 5, 2018, ICON, the Senior Lender and TMA entered into a second amended and restated term loan credit facility agreement in connection with the restructuring of the TMA Facility (the "Second Amendment"). Under the Second Amendment, ICON funded a total of $8,000,000 in exchange for (i) all amounts payable under the Senior Loan will be satisfied in full at a faster rate, at which time ICON will become the senior lender and have a first priority security interest in the four vessels and TMA's right to the earnings generated by the vessels; and (ii) a 12.5% equity interest in two affiliates of TMA. Also as part of the Second Amendment, ICON agreed to reduce its notes and interest receivables to $20,000,000 in connection with the overall restructuring plan. As a result of the Second Amendment, on January 5, 2018, we funded our additional commitment of $6,000,000 and our note and interest receivables due from TMA was reduced to $15,000,000.

On February 14, 2018, Foreguard Shipping purchased the EPIC Vessels from the indirect subsidiaries for an aggregate purchase price of $32,412,488. A portion of the proceeds from the sale of the EPIC Vessels was used to satisfy in full the related outstanding non-recourse long-term debt obligations of $14,553,215.

Recent Accounting Pronouncements

Recently Adopted Accounting Pronouncements

In March 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-07, *Investments – Equity Method and Joint Ventures: Simplifying the Transition to the Equity Method of Accounting* ("ASU 2016-07"), which eliminates the retroactive adjustments to an investment upon it qualifying for the equity method of accounting as a result of an increase in the level of ownership interest or degree of influence by the investor. ASU 2016-07 requires that the equity method investor add the cost of acquiring the additional interest in the investee to the current basis of the investor's previously held interest and adopt the equity method of accounting as of the date the investment qualifies for equity method accounting. We adopted ASU 2016-07 on January 1, 2017, which did not have an effect on our consolidated financial statements.

In October 2016, FASB issued ASU No. 2016-17, *Consolidation* ("ASU 2016-17"), which amends the consolidation guidance on how a reporting entity that is the single decision maker of a variable interest entity should treat indirect interests in such entity held by related parties that are under common control with the reporting entity when determining whether it is the primary beneficiary of that variable interest entity. Under ASU 2016-17, a single decision maker is not required to consider indirect interests held by related parties that are under common control with the single decision maker to be the equivalent of direct interests in their entirety. We adopted ASU 2016-17 on January 1, 2017, which did not have an effect on our consolidated financial statements.

Other Recent Accounting Pronouncements

In May 2014, FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers* ("ASU 2014-09"), requiring revenue to be recognized in an amount that reflects the consideration expected to be received in exchange for goods and services. This new revenue standard may be applied retrospectively to each prior period presented, or retrospectively with the cumulative effect recognized as of the date of adoption. In August 2015, FASB issued ASU No. 2015-14, *Revenue from Contracts with Customers – Deferral of the Effective Date* ("ASU 2015-14"), which defers implementation of ASU 2014-09 by one year. Under such deferral, the adoption of ASU 2014-09 becomes effective for us on January 1, 2018, including interim periods within that reporting period. We have completed our evaluation of the impact of ASU 2014-09 on our consolidated financial statements. Since a substantial portion of our revenue is recognized from our leasing and lending contracts, which are not subject to ASU 2014-09, the adoption of ASU 2014-09 will not have a material effect on our consolidated financial statements.

In January 2016, FASB issued ASU No. 2016-01, *Financial Instruments – Overall: Recognition and Measurement of Financial Assets and Financial Liabilities* ("ASU 2016-01"), which provides guidance related to accounting for equity investments, financial liabilities under the fair value option, and the presentation and disclosure requirements for financial instruments. In addition, FASB clarified guidance related to the valuation allowance assessment when recognizing deferred tax assets resulting from unrealized losses on available-for-sale debt securities. The adoption of ASU 2016-01 becomes effective for us on January 1, 2018, including interim periods within that reporting period. We have completed our evaluation of the impact of ASU 2016-01 on our consolidated financial statements. Although certain disclosures related to methods and significant assumptions used to estimate fair value for financial instruments measured at amortized cost are no longer required, the adoption of ASU 2016-01 will not have a material effect on our consolidated financial statements.

In February 2016, FASB issued ASU No. 2016-02, *Leases* ("ASU 2016-02"), which requires lessees to recognize assets and liabilities for leases with lease terms greater than twelve months on the balance sheet and disclose key information about leasing arrangements. ASU 2016-02 implements changes to lessor accounting focused on conforming with certain changes made to lessee accounting and the recently released revenue recognition guidance. The adoption of ASU 2016-02 becomes effective for us on January 1, 2019. Early adoption is permitted. Based on our preliminary assessment, all of our leases are subject to lessor accounting and the accounting applied by a lessor is largely unchanged from that applied under current U.S. GAAP. In addition, since we are in our liquidation period and not expecting to enter into any new leases in the future and it is expected that we will apply the practical expedients as provided by the guidance, the adoption of ASU 2016-02 may not have a material effect on our consolidated financial statements. We continue to evaluate the impact of the adoption of ASU 2016-02 on our consolidated financial statements.

In June 2016, FASB issued ASU No. 2016-13, *Financial Instruments – Credit Losses* ("ASU 2016-13"), which modifies the measurement of credit losses by eliminating the probable initial recognition threshold set forth in current guidance, and instead reflects an entity's current estimate of all expected credit losses. The measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. An entity will apply the amendments within ASU 2016-13 through a cumulative-effect adjustment to retained earnings as of the beginning of the first reporting period in which the guidance is effective. The adoption of ASU 2016-13 becomes effective for us on January 1, 2020, including interim periods within that reporting period. Early adoption is permitted. We are currently in the process of evaluating the impact of the adoption of ASU 2016-13 on our consolidated financial statements.

In August 2016, FASB issued ASU No. 2016-15, *Statement of Cash Flows: Classification of Certain Cash Receipts and Cash Payments* ("ASU 2016-15"), which provides guidance on how certain cash receipts and cash payments are to be presented and classified in the statement of cash flows. The adoption of ASU 2016-15 becomes effective for us on January 1, 2018, including interim periods within that reporting period. Early adoption is permitted. An entity will apply the amendments within ASU 2016-15 using a retrospective transition method to each period presented. We have completed our evaluation of the impact of ASU 2016-15 on our consolidated financial statements. As a result, the adoption of ASU 2016-15 will not have a material effect on our consolidated financial statements.

In November 2016, FASB issued ASU No. 2016-18, *Statement of Cash Flows* ("ASU 2016-18"), which provides guidance on the presentation of restricted cash or restricted cash equivalents in the statement of cash flows. The adoption of ASU 2016-18 becomes effective for us on January 1, 2018, including interim periods within that reporting period. Early adoption is permitted. An entity will apply the amendments within ASU 2016-18 using a retrospective transition method to each period presented. As a result of the adoption of ASU 2016-18, beginning January 1, 2018, we will include restricted cash with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on our consolidated statements of cash flows.

In January 2017, FASB issued ASU No. 2017-01, *Business Combinations* ("ASU 2017-01"), which clarifies the definition of a business. ASU 2017-01 sets forth requirements to be met for a set to be deemed a business and establishes a practical way to determine when a set is not a business. To be considered a business, a set must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create an output, and removes the evaluation of whether a market participant could replace missing elements. In addition, ASU 2017-01 narrows the definition of outputs and aligns such definition with how outputs are described within the revenue guidance. The adoption of ASU 2017-01 becomes effective for us on January 1, 2018, including interim periods within that reporting period. Early adoption is permitted for transactions that occur before the issuance date or effective date of ASU 2017-01 to the extent that such transactions have not been reported in financial statements that have been issued or made available for issuance. We have completed our evaluation of the impact of ASU 2017-01 on our consolidated financial statements. As a result, the adoption of ASU 2017-01 will not have a material effect on our consolidated financial statements.

We do not believe any other recently issued, but not yet effective, accounting pronouncements, if currently adopted, would have a material effect on our consolidated financial statements.

Critical Accounting Policies

An understanding of our critical accounting policies is necessary to understand our financial results. The preparation of financial statements in conformity with U.S. GAAP requires our Managing Trustee to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates primarily include the determination of credit loss reserves, impairment losses, estimated useful lives and residual values. Actual results could differ from those estimates. We applied our critical accounting policies and estimation methods consistently in all periods presented. We consider the following accounting policies to be critical to our business:

- Lease classification and revenue recognition;
- Asset impairments;
- Depreciation;
- Notes receivable and revenue recognition; and
- Credit quality of notes receivable and finance leases and credit loss reserve.

Lease Classification and Revenue Recognition

Each equipment lease we enter into is classified as either a finance lease or an operating lease, based upon the terms of each lease. The estimated residual value is a critical component of and can directly influence the determination as to whether a lease is classified as an operating or a finance lease.

Our Managing Trustee has an investment committee that approves each new equipment lease and other financing transaction. As part of its process, the investment committee determines the estimated residual value, if any, to be used once the investment has been approved. The factors considered in determining the estimated residual value include, but are not limited to, the creditworthiness of the potential lessee, the type of equipment considered, how the equipment is integrated into the potential lessee's business, the length of the lease and the industry in which the potential lessee operates. Residual values are reviewed for impairment in accordance with our impairment review policy.

The residual value assumes, among other things, that the asset is utilized normally in an open, unrestricted and stable market. Short-term fluctuations in the marketplace are disregarded and it is assumed that there is no necessity either to dispose of a significant number of the assets, if held in quantity, simultaneously or to dispose of the asset quickly. The residual value is calculated using information from various external sources, such as trade publications, auction data, equipment dealers, wholesalers and industry experts, as well as inspection of the physical asset and other economic indicators.

For finance leases, we capitalize, at lease inception, the total minimum lease payments receivable from the lessee, the estimated unguaranteed residual value of the equipment at lease termination and the initial direct costs related to the lease, less unearned income. Unearned income represents the difference between the sum of the minimum lease payments receivable, plus the estimated unguaranteed residual value, minus the cost of the leased equipment. Unearned income is recognized as finance income over the term of the lease using the effective interest rate method.

For operating leases, rental income is recognized on a straight-line basis over the lease term. Billed operating lease receivables are included in accounts receivable until collected or written off. We record a reserve if we deem any receivable not collectible. The difference between the timing of the cash received and the income recognized on a straight-line basis is recognized as either deferred revenue or other assets, as appropriate. Initial direct costs are capitalized as a component of the cost of the equipment and depreciated over the lease term.

Asset Impairments

The significant assets in our portfolio are periodically reviewed, no less frequently than annually or when indicators of impairment exist, to determine whether events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. An impairment loss will be recognized only if the carrying value of a long-lived asset is not recoverable and exceeds its fair market value. If there is an indication of impairment, we will estimate the future cash flows (undiscounted and without interest charges) expected from the use of the asset and its eventual disposition. Future cash flows are the future cash inflows expected to be generated by an asset less the future outflows expected to be necessary to obtain those inflows. If an impairment is determined to exist, the impairment loss will be measured as the amount by which the carrying value of a long-lived asset exceeds its fair value and recorded in our consolidated statements of operations in the period the determination is made.

The events or changes in circumstances that generally indicate that an asset may be impaired are (i) the estimated fair value of the underlying asset is less than its carrying value or (ii) the lessee is experiencing financial difficulties and it does not appear likely that the estimated proceeds from the disposition of the asset will be sufficient to satisfy the residual position in the asset and, if applicable, the remaining obligation to the non-recourse lender. Generally in the latter situation, the residual position relates to equipment subject to third-party non-recourse debt where the lessee remits its rental payments directly to the lender and we do not recover our residual position until the non-recourse debt is repaid in full. The preparation of the undiscounted cash flows requires the use of assumptions and estimates, including the level of future rents, the residual value expected to be realized upon disposition of the asset, estimated downtime between re-leasing events and the amount of re-leasing costs. Our Managing Trustee's review for impairment includes a consideration of the existence of impairment indicators including third-party appraisals, published values for similar assets, recent transactions for similar assets, adverse changes in market conditions for specific asset types and the occurrence of significant adverse changes in general industry and market conditions that could affect the fair value of the asset.

Depreciation

We record depreciation expense on equipment when the lease is classified as an operating lease or vessel. In order to calculate depreciation, we first determine the depreciable base, which is the equipment cost less the estimated residual value at lease termination. Depreciation expense is recorded on a straight-line basis over the lease term.

Notes Receivable and Revenue Recognition

Notes receivable are reported in our consolidated balance sheets at the outstanding principal balance, plus costs incurred to originate the loans, net of any unamortized premiums or discounts on purchased loans. We use the effective interest rate method to recognize finance income, which produces a constant periodic rate of return on the investment. Unearned income, discounts and premiums are amortized to finance income in our consolidated statements of operations using the effective interest rate method. Interest receivable related to the unpaid principal is recorded separately from the outstanding balance in our consolidated balance sheets. Upon the prepayment of a note receivable, any prepayment penalties and unamortized loan origination, closing and commitment fees are recorded as part of finance income in our consolidated statements of operations. Our notes receivable may contain a paid-in-kind ("PIK") interest provision. Any PIK interest, if deemed collectible, will be added to the principal balance of the note receivable and is recorded as finance income.

Credit Quality of Notes Receivable and Finance Leases and Credit Loss Reserve

Our Managing Trustee monitors the ongoing credit quality of our financing receivables by (i) reviewing and analyzing a borrower's financial performance on a regular basis, including review of financial statements received on a monthly, quarterly or annual basis as prescribed in the loan or lease agreement, (ii) tracking the relevant credit metrics of each financing receivable and a borrower's compliance with financial and non-financial covenants, (iii) monitoring a borrower's payment history and public credit rating, if available, and (iv) assessing our exposure based on the current investment mix. As part of the monitoring process, our Managing Trustee may physically inspect the collateral or a borrower's facility and meet with a borrower's management to better understand such borrower's financial performance and its future plans on an as-needed basis.

As our financing receivables, generally notes receivable and finance leases, are limited in number, our Managing Trustee is able to estimate the credit loss reserve based on a detailed analysis of each financing receivable as opposed to using portfolio-based metrics. Our Managing Trustee does not use a system of assigning internal risk ratings to each of our financing receivables. Rather, each financing receivable is analyzed quarterly and categorized as either performing or non-performing based on certain factors including, but not limited to, financial results, satisfying scheduled payments and compliance with financial covenants. A financing receivable is usually categorized as non-performing only when a borrower experiences financial difficulties and has failed to make scheduled payments. Our Managing Trustee then analyzes whether the financing receivable should be placed on a non-accrual status, a credit loss reserve should be established or the financing receivable should be restructured. As part of the assessment, updated collateral value is usually considered and such collateral value can be based on a third party industry expert appraisal or, depending on the type of collateral and accessibility to relevant published guides or market sales data, internally derived fair value. Material events would be specifically disclosed in the discussion of each financing receivable held.

Financing receivables are generally placed on a non-accrual status when payments are more than 90 days past due. Additionally, our Managing Trustee periodically reviews the creditworthiness of companies with payments outstanding less than 90 days and based upon our Managing Trustee's judgment, these accounts may be placed on a non-accrual status.

In accordance with the cost recovery method, payments received on non-accrual financing receivables are applied to principal if there is doubt regarding the ultimate collectability of principal. If collection of the principal of non-accrual financing receivables is not in doubt, interest income is recognized on a cash basis. Financing receivables on non-accrual status may not be restored to accrual status until all delinquent payments have been received, and we believe recovery of the remaining unpaid receivable is probable.

When our Managing Trustee deems it is probable that we will not be able to collect all contractual principal and interest on a non-performing financing receivable, we perform an analysis to determine if a credit loss reserve is necessary. This analysis considers the estimated cash flows from the financing receivable, and/or the collateral value of the asset underlying the financing receivable when financing receivable repayment is collateral dependent. If it is determined that the impaired value of the non-performing financing receivable is less than the net carrying value, we will recognize a credit loss reserve or adjust the existing credit loss reserve with a corresponding charge to earnings. We then charge off a financing receivable in the period that it is deemed uncollectible by reducing the credit loss reserve and the balance of the financing receivable.

Results of Operations for the Years Ended December 31, 2017 ("2017") and 2016 ("2016")

The following percentages are only as of a stated period and are not expected to be comparable in future periods. Further, these percentages are only representative of the percentage of the carrying value of such assets, finance income or rental income as of each stated period, and as such are not indicative of the concentration of any asset type or customer by the amount of equity invested or our investment portfolio as a whole.

Financing Transactions

The following tables set forth the types of assets securing the financing transactions in our portfolio:

	December 31,			
	2017		2016	
Asset Type	Net Carrying Value	Percentage of Total Net Carrying Value	Net Carrying Value	Percentage of Total Net Carrying Value
Tanker vessels	$ 32,910,318	74%	$ 35,597,469	53%
Platform supply vessels	11,700,000	26%	21,002,939	31%
Mining equipment	—	—	10,273,851	16%
	$ 44,610,318	100%	$ 66,874,259	100%

The net carrying value of our financing transactions includes the balance of our net investment in notes receivable and our net investment in finance leases as of each reporting date.

During 2017 and 2016, certain customers generated significant portions (defined as 10% or more) of our total finance income as follows:

		Percentage of Total Finance Income	
Customer	Asset Type	2017	2016
Foreguard Shipping I Global Ships Ltd.	Tanker vessels	62%	28%
Blackhawk Mining, LLC	Mining equipment	24%	16%
Técnicas Maritimas Avanzadas, S.A. de C.V.	Platform supply vessels	14%	28%
D&T Holdings, LLC	Transportation	—	14%
		100%	86%

Interest income and prepayment fees from our net investment in notes receivable and finance income from our net investment in finance leases are included in finance income in our consolidated statements of operations.

Non-performing Assets within Financing Transactions

As of December 31, 2016, our net investment in note receivable and accrued interest related to TMA totaled $21,002,939 and $5,720,333, respectively. TMA was in technical default due to its failure to cause all four platform supply vessels to be under contract by March 31, 2015 and in payment default while available cash was swept by the Senior Lender and applied to the Senior Loan in accordance with the secured term loan credit facility agreement. As a result, the principal balance of the Senior Loan was paid down at a faster rate. Based on, among other things, TMA’s payment history and estimated collateral value as of December 31, 2016, our Managing Trustee believed it was likely that all outstanding principal and accrued interest under the ICON Loan would be collectible. As a result, we continued to account for our net investment in note receivable related to TMA on an accrual basis as of December 31, 2016 despite a portion of the outstanding balance being over 90 days past due. Though on an accrual basis, default interest was not accrued on either the principal balance of the note receivable or the interest receivable. In addition, interest was not assessed on the overdue principal balance of the note receivable. Our Managing Trustee continued to assess the collectability of the note receivable at each reporting date as TMA's credit quality slowly deteriorated and the fair market value of the collateral continued to decrease. During the three months ended June 30, 2017, our Managing Trustee believed it was prudent to place the note receivable on non-accrual status. In September 2017, our Managing Trustee met with certain restructuring advisors engaged by TMA to discuss a potential restructuring of the company. In light of these developments and a decrease in the fair market value of the collateral, in which we have a second priority security interest, our Managing Trustee determined to record a credit loss of $10,500,000 during the three months ended September 30, 2017. On December 26, 2017, ICON, the Senior Lender and TMA entered into a restructuring support and lock-up agreement to commit to a restructuring of TMA’s outstanding debt obligations and to provide additional funding to TMA in exchange for an equity interest in certain affiliates of TMA and the Senior Loan being satisfied in full at a faster rate, subject to execution of definitive agreements. On January 5, 2018, definitive agreements were executed and as a result, we funded our proportionate share of the commitment and our note and interest receivables due from TMA was reduced to $11,700,000. As a result of this restructuring, our Managing Trustee assessed the collectability of the note receivable as of December 31,2017 and recorded an additional credit loss of $5,190,944 for the three months ended December 31, 2017. As of December 31, 2017 and 2016, our share of the collateral value, net of the balance of the Senior Loan, was estimated to be approximately $13,500,000 and $4,800,000, respectively. As of

December 31, 2017, our net investment in note receivable related to TMA was $21,002,939, net of a credit loss reserve of $9,302,939. In addition, as of December 31, 2017, we have an accrued interest receivable related to TMA of $6,388,005, which has been fully reserved, resulting in a net carrying value of $0. During 2017 and 2016, we recognized finance income of $667,672 and $2,953,064, respectively, of which no amount was recognized on a cash basis.

Operating Lease Transactions

The following tables set forth the types of equipment subject to operating leases and charters in our portfolio:

	December 31,					
	2017			2016		
Asset Type	Net Carrying Value		Percentage of Total Net Carrying Value	Net Carrying Value		Percentage of Total Net Carrying Value
Offshore oil field services equipment	$	13,000,000	100%	$	41,518,994	93%
Mining equipment		—	—		3,042,302	7%
	$	13,000,000	100%	$	44,561,296	100%

The net carrying value of our operating lease transactions represents the balance of our leased equipment at cost and asset held for sale as of each reporting date.

During 2017 and 2016, certain customers generated significant portions (defined as 10% or more) of our total rental income as follows:

		Percentage of Total Rental Income	
Customer	Asset Type	2017	2016
Pacific Crest Pte. Ltd.	Offshore oil field services equipment	60%	44%
Murray Energy Corporation	Mining equipment	40%	21%
Swiber Holdings Limited	Offshore oil field services equipment	—	35%
		100%	100%

Impaired Leased Assets within Operating Lease Transactions

Swiber Offshore failed to make its monthly charter payments to the joint venture from July 2016 through the expiration of the charter in March 2017. On July 29, 2016, Swiber Holdings submitted an application for court-supervised judicial management in Singapore. During 2016, we obtained third-party appraisals indicating that the fair market value of the barge decreased below the net carrying value. As a result, we performed impairment analyses and recorded an aggregate impairment loss of $8,323,643 during the nine months ended September 30, 2016. As Swiber Offshore was in default of its obligations under the charter and the then current fair market value of the barge was less than $21,000,000, our Managing Trustee concluded that Swiber's rights to the distributions, net cash flow, net profits and net proceeds were subordinated and Swiber should incur first loss resulting from the joint venture until we achieved our return pursuant to the joint venture's operating agreement. As a result, the aggregate impairment loss was allocated entirely to Swiber, the noncontrolling interest holder.

On November 28, 2016, Swiber Offshore filed an application for voluntary winding up and liquidation in Singapore. Our Managing Trustee engaged in discussions with the court-appointed judicial manager of Swiber Holdings to, among other things, communicate our intention to sell the barge. During the three months ended December 31, 2016, our Managing Trustee commenced the process of marketing the barge for sale and as a result, the barge met the criteria to be classified as asset held for sale on our consolidated balance sheet as of December 31, 2016. As a result of (i) Swiber Offshore's and Swiber Holdings' default on their respective obligations under the charter and the guaranty, respectively, (ii) Swiber Offshore and Swiber Holdings being subject to voluntary winding up and judicial management proceedings, respectively, (iii) a decrease in the fair market value of the Swiber Chateau and (iv) the barge being classified as asset held for sale as of December 31, 2016, we recorded an additional impairment loss of $7,170,000 during the remainder of 2016 to write down the barge to its estimated fair value less cost to sell of $7,600,000, of which only $383,329 was allocated to Swiber as the balance of its noncontrolling interest in the joint venture had been reduced to zero. During 2017, we were marketing the Swiber Chateau for sale and based on negotiated purchase prices with potential third-party purchasers, we recorded an additional impairment loss of $4,624,000. Such additional impairment loss was allocated entirely to us as the balance of the noncontrolling interest in the joint venture had been reduced to zero. On December 29, 2017, we sold the Swiber Chateau to a third-party purchaser for $3,175,000. As a result, we recognized a gain on sale of $59,730. During 2017 and

2016, our Managing Trustee recorded an aggregate impairment loss related to the Swiber Chateau of $20,117,643, of which an aggregate of $8,706,972 was allocated to Swiber due to our Preferred Equity Interest. During 2017 and 2016, we recognized rental income of $0 and $3,652,500, respectively (see "Significant Transactions" above).

Since July 2017, Pacific Crest has failed to make its monthly charter payments and our Managing Trustee was advised in July 2017 that Pacific Crest is engaged in discussions with its lenders regarding a potential restructuring of its outstanding debt obligations. As a result, we performed an impairment test on the vessel during the three months ended June 30, 2017. Based on such test, as well as our annual assessment of asset impairment, we recorded an aggregate impairment loss of $19,295,230 during 2017. Commencing July 1, 2017, we ceased recognizing rental income on the lease. During 2017 and 2016, we recognized rental income of $2,466,746 and $4,657,575, respectively.

Revenue and other income for 2017 and 2016 is summarized as follows:

	Years Ended December 31,		
	2017	2016	Change
Finance income	$ 4,607,583	$ 10,444,370	$ (5,836,787)
Rental income	4,091,287	10,476,129	(6,384,842)
Time charter revenue	—	2,982,466	(2,982,466)
Loss from investment in joint ventures	(6,071)	(1,923,926)	1,917,855
Gain on sale of investment in joint venture	—	2,012,669	(2,012,669)
Gain on sale of assets, net	209,664	—	209,664
Gain on sale of vessels	59,730	303,943	(244,213)
Gain on extinguishment of seller's credit and interest payable	5,131,250	—	5,131,250
Other income	—	117,288	(117,288)
Total revenue and other income	$ 14,093,443	$ 24,412,939	$ (10,319,496)

Total revenue and other income for 2017 decreased $10,319,496, or 42.3%, as compared to 2016. The decrease was primarily attributable to decreases in (i) rental income due to no income recognition related to the Swiber Chateau and Pacific Crest as collectability of remaining charter payments has been in doubt since July 2016 and July 2017, respectively, (ii) finance income primarily due to our note receivable related to TMA being placed on non-accrual status commencing in April 2017 and prepayments on two notes receivable and two finance leases during and subsequent to 2016, (iii) time charter revenue due to the sale of the Aegean Express and the Cebu Trader in September 2016 and (iv) gain on sale of investment in joint venture as a result of the sale of our interests in ICON AET during 2016. The decrease was partially offset by the gain on extinguishment of seller's credit and interest payable associated with the Swiber Chateau in 2017 with no comparable gain recorded in 2016, and a decrease in loss from investment in joint ventures primarily due to no credit losses recorded by our joint ventures related to JAC during 2017 as compared to 2016.

Expenses for 2017 and 2016 are summarized as follows:

	Years Ended December 31,		
	2017	2016	Change
Management fees	$ 210,233	$ 944,577	$ (734,344)
Administrative expense reimbursements	943,163	1,214,904	(271,741)
General and administrative	1,308,973	2,516,058	(1,207,085)
Interest	2,825,023	3,374,848	(549,825)
Depreciation	2,926,149	5,865,927	(2,939,778)
Credit loss, net	15,690,944	—	15,690,944
Impairment loss	23,919,230	15,493,643	8,425,587
Vessel operating	627,401	3,278,094	(2,650,693)
Litigation settlement expense	—	1,209,000	(1,209,000)
Total expenses	$ 48,451,116	$ 33,897,051	$ 14,554,065

Total expenses for 2017 increased $14,554,065, or 42.9%, as compared to 2016. The increase was primarily attributable to the (i) credit loss of $15,690,944 recorded during 2017 related to TMA with no comparable credit loss recorded during 2016 and (ii) impairment loss of $19,295,230 recorded during 2017 related to the vessel on charter to Pacific Crest with no comparable impairment loss recorded during 2016, partially offset by a decrease in the impairment loss recorded related to the Swiber Chateau during 2017 as compared to 2016. This increase was partially offset by (i) lower depreciation recorded related to (a) the Swiber Chateau as such vessel was classified as asset held for sale as of December 31, 2016, (b) the assets previously on lease to Murray due to the sale of such assets in 2017 and (c) a lower depreciable base related to the vessel on charter to Pacific Crest subsequent to the impairment loss recorded during the three months ended June 30, 2017, (ii) lower vessel operating expenses incurred during 2017 associated with the Swiber Chateau as compared to higher expenses incurred during 2016 associated with the Aegean Express and the Cebu Trader, (iii) the litigation settlement expense related to ICON EAR that was recorded in 2016 with no comparable expense recorded in 2017, (iv) a decrease in general and administrative expense primarily due to less state income taxes, lower professional fees incurred as part of our management's cost savings effort and lower legal fees as a result of the settlement of the EAR litigation matter in July 2016 and (v) a decrease in management fees primarily due to the sale or prepayment of certain investments during 2016.

Net Loss Attributable to Noncontrolling Interests

Net loss attributable to noncontrolling interests decreased $1,801,736, from $5,794,953 in 2016 to $3,993,217 in 2017. The decrease was primarily due to no allocation of impairment loss associated with the Swiber Chateau to the noncontrolling interest holder during 2017 since the balance of the noncontrolling interest in the joint venture had been reduced to zero. The decrease was partially offset by the allocation of the impairment loss associated with the vessel on charter to Pacific Crest during 2017 with no comparable allocation of impairment loss during 2016.

Net Loss Attributable to Fund Twelve Liquidating Trust

As a result of the foregoing factors, net loss attributable to us for 2017 and 2016 was $30,364,456 and $3,689,159, respectively. Net loss attributable to us per weighted average additional Interest outstanding for 2017 and 2016 was $86.30 and $10.48, respectively.

Financial Condition

This section discusses the major balance sheet variances at December 31, 2017 compared to December 31, 2016.

Total Assets

Total assets decreased $58,365,646, from $131,086,803 at December 31, 2016 to $72,721,157 at December 31, 2017. The decrease was primarily due to the (i) impairment and credit losses recorded during 2017, (ii) depreciation recorded during 2017, (iii) use of cash to pay distributions to our beneficial owners and noncontrolling interests and (iv) use of cash to repay a portion of our non-recourse long-term debt. The decrease was partially offset by revenue generated from certain of our investments during 2017.

Current Assets

Current assets decreased $4,935,331, from $29,451,667 at December 31, 2016 to $24,516,336 at December 31, 2017. The decrease was primarily a result of the (i) $6,388,005 credit loss recorded during 2017 against the accrued interest receivable related to TMA and (ii) use of cash to pay distributions to our beneficial owners and noncontrolling interests and to repay a portion of our non-recourse long-term debt. The decrease was partially offset by cash generated or returned from certain of our investments during 2017.

Total Liabilities

Total liabilities decreased $12,926,778, from $56,206,142 at December 31, 2016 to $43,279,364 at December 31, 2017. The decrease was primarily due to the (i) repayment of a portion of our non-recourse long-term debt during 2017 and (ii) extinguishment of the seller's credit and the related interest payable due from our consolidated joint venture to Swiber during 2017 as a result of defaults by the Swiber Group.

Current Liabilities

Current liabilities decreased $5,943,473, from $29,187,558 at December 31, 2016 to $23,244,085 at December 31, 2017. The decrease was primarily due to the extinguishment of the seller's credit and the related interest payable due from our consolidated joint venture to Swiber during 2017 as a result of defaults by the Swiber Group.

Equity

Equity decreased $45,438,868, from $74,880,661 at December 31, 2016 to $29,441,793 at December 31, 2017. The decrease was primarily due to our net loss and distributions paid to our beneficial owners and noncontrolling interests during 2017.

Liquidity and Capital Resources

Summary

At December 31, 2017 and 2016, we had cash and cash equivalents of $12,974,467 and $10,255,053, respectively. Pursuant to the terms of our offering, we established a cash reserve in the amount of 0.5% of the gross offering proceeds. As of December 31, 2017, the cash reserve was $1,738,435. During our remaining liquidation period, we expect our main sources of cash will be from the collection of income and principal on our note receivable and proceeds from the sale of our investments. We expect our main use of cash will be for distributions to our beneficial owners and noncontrolling interests. Our liquidity will vary in the future, increasing to the extent cash flows from investments and proceeds from the sale of our investments exceed expenses and decreasing as we meet our debt obligations, pay distributions to our beneficial owners and noncontrolling interests and to the extent that expenses exceed cash flows from operations and proceeds from the sale of our investments.

We anticipate being able to meet our liquidity requirements into the foreseeable future through the expected results of our operating activities, as well as cash received from our investments at maturity or upon a sale. However, our equipment financing business has encountered significant challenges over the past several years. Specifically, we continue to suffer from an unprecedented and prolonged weakness in global shipping and offshore markets. Our ability to generate cash in the future is subject to general economic, financial, competitive, regulatory and other factors that affect us and our lessees' and borrowers' businesses that are beyond our control.

Cash Flows

The following table sets forth summary cash flow data:

	Years Ended December 31,	
	2017	2016
Net cash provided by (used in):		
Operating activities	$ 16,829,810	$ 18,919,721
Investing activities	4,979,240	30,485,015
Financing activities	(19,089,636)	(47,553,775)
Net increase in cash and cash equivalents	$ 2,719,414	$ 1,850,961

Note: See the Consolidated Statements of Cash Flows included in "Item 8. Consolidated Financial Statements and Supplementary Data" of this Annual Report on Form 10-K for additional information.

Operating Activities

Cash provided by operating activities decreased $2,089,911, from $18,919,721 in 2016 to $16,829,810 in 2017. The decrease was primarily due to a decrease in the collection of finance leases, rental income and finance income due to the decrease in the number of investments in our investment portfolio during our liquidation period, as well as the timing of the payment of certain liabilities.

Investing Activities

Cash provided by investing activities decreased $25,505,775, from $30,485,015 in 2016 to $4,979,240 in 2017. The decrease was primarily due to (i) the prepayment of two notes receivable and the sale of our interests in ICON AET during 2016 with no comparable proceeds received in 2017 and (ii) a decrease in proceeds received from the sale of vessels in 2017 from the sale of the Swiber Chateau as compared to the sale of the Aegean Express and the Cebu Trader in 2016. The decrease was partially offset by proceeds received from the sale of leased equipment to Murray in 2017 with no comparable proceeds received in 2016.

Financing Activities

Cash used in financing activities decreased $28,464,139, from $47,553,775 in 2016 to $19,089,636 in 2017. The decrease was primarily due to a decrease in distributions to our beneficial owners and noncontrolling interests during 2017 as compared to 2016, partially offset by an increase in the repayment of our non-recourse long-term debt during 2017 as compared to 2016.

Financings and Borrowings

Non-Recourse Long-Term Debt

We had non-recourse long-term debt obligations at December 31, 2017 and 2016 of $33,482,364 and $41,361,582, respectively. All of our non-recourse long-term debt obligations consist of notes payable in which the lender has a security interest in the underlying assets. If the lessee was to default on the underlying lease, resulting in our default on the non-recourse long-term debt, the assets could be foreclosed upon and the proceeds would be remitted to the lender in extinguishment of that debt. As of December 31, 2017 and 2016, the total carrying value of assets subject to non-recourse long-term debt was $45,910,318 and $79,790,314, respectively.

On October 20, 2016, we were notified of an event of default on the non-recourse senior debt associated with the EPIC Vessels as a result of a change of control of the bareboat charter guarantor, an affiliate of Foreguard Shipping. The lender reserved, but did not exercise, its rights under the loan agreement. As a result of such default, we classified the entire outstanding balance of the debt of $18,465,000 to current liabilities as of December 31, 2016. On December 26, 2017, we amended the loan agreement with DVB Asia to, among other things, waive the continuing event of default and provide for an aggregate partial prepayment of $1,240,000. As of December 31, 2017, we were in compliance with all covenants related to our non-recourse long-term debt associated with the EPIC Vessels.

On July 21, 2017, a portion of the proceeds from the prepayment made by Blackhawk was used to satisfy our remaining non-recourse long-term debt obligations to People’s Capital of $1,204,661.

On December 21, 2017, we were notified of an event of default on our non-recourse senior debt associated with the vessel on charter to Pacific Crest as a result of payment defaults and non-compliance with certain financial covenants. The lender has reserved, but not exercised, its rights under the loan agreement. As a result of such default, we classified the entire outstanding balance of the debt of $18,315,800 to current liabilities as of December 31, 2017.

At December 31, 2017, we were in compliance with all covenants related to our non-recourse long-term debt, except as disclosed above.

Distributions

We, at our Managing Trustee’s discretion, paid monthly distributions to each of our beneficial owners beginning with the first month after each such beneficial owner’s admission to the LLC through the end of our operating period, which was April 30, 2014. Distributions paid during our liquidation period will vary, depending on the timing of the sale of our assets and/or the maturity of our investments, and our receipt of rental, finance and other income from our investments. We paid distributions to our additional beneficial owners of $6,000,175 and $33,391,113 for the years ended December 31, 2017 and 2016, respectively. We paid distributions to our Managing Trustee of $60,608 and $337,284 for the years ended December 31, 2017 and 2016, respectively. We paid distributions to our noncontrolling interests of $ 5,020,412 and $7,595,100 for the years ended December 31, 2017 and 2016, respectively.

Commitments and Contingencies and Off-Balance Sheet Transactions

Commitments and Contingencies

At the time we acquire or divest of our interest in an equipment lease or other financing transaction, we may, under very limited circumstances, agree to indemnify the seller or buyer for specific contingent liabilities. Our Managing Trustee believes that any liability of ours that may arise as a result of any such indemnification obligation may or may not have a material adverse effect on our consolidated financial condition or results of operations taken as a whole. In addition, at times we may seek to enforce our rights under a personal guaranty in order to collect amounts from the guarantor that are owed to us by a defaulting borrower or lessee. Gain contingencies may arise from enforcement of such guaranty, but are not recognized until realizable. We are currently seeking to recover a judgment issued in our favor against a guarantor covering amounts owed to us related to a lease with MWU.

On December 26, 2017, ICON, the Senior Lender and TMA entered into a restructuring support and lock-up agreement under which ICON agreed to, among other things, commit to fund an additional $8,000,000 to TMA in exchange for (i) all amounts payable under the Senior Loan will be satisfied in full at a faster rate, at which time ICON will become the senior lender and have a first priority security interest in the four vessels and TMA’s right to the earnings generated by the vessels; and (ii) a 12.5% equity interest in two affiliates of TMA. The transactions contemplated by the restructuring support and lock-up agreement were subject to execution of definitive agreements. On January 5, 2018, definitive agreements were executed and as a result, we funded our additional commitment of $6,000,000 and our note and interest receivables due from TMA was reduced to $15,000,000.

At December 31, 2017, we had non-recourse long-term debt and seller's credit. Each lender has a security interest in the majority of the assets collateralizing each non-recourse debt instrument and an assignment of the rental payments under the lease associated with the assets. In such cases, the lender is being paid directly by the lessee. In other cases, we receive the rental payments and pay the lender. If the lessee defaults on the lease, the assets could be foreclosed upon and the proceeds would be remitted to the lender in extinguishment of the non-recourse debt. At December 31, 2017, our outstanding non-recourse long-term indebtedness and seller's credit totaled $45,310,800.

Principal and interest maturities of our debt, seller's credit and related interest consisted of the following at December 31, 2017:

	Payments Due by Period				
	Total	1 Year	2 - 3 Years	4 - 5 Years	Thereafter
Non-recourse long-term debt	$ 33,810,800	$ 22,335,800	$ 6,800,000	$ 4,675,000	$ —
Non-recourse long-term debt interest*	4,473,248	1,675,138	2,326,533	471,577	—
Seller's credit	11,500,000	—	—	—	11,500,000
	$ 49,784,048	$ 24,010,938	$ 9,126,533	$ 5,146,577	$ 11,500,000

*Based on fixed rates in effect at December 31, 2017.

In connection with certain debt obligations, we are required to maintain restricted cash accounts with certain banks. At December 31, 2017, we had restricted cash of $2,063,845.

Off-Balance Sheet Transactions

None.

Inflation and Interest Rates

The potential effects of inflation on us are difficult to predict. If the general economy experiences significant rates of inflation, however, it could affect us in a number of ways. We do not currently have rent escalation clauses tied to inflation in our leases and our only note receivable contains a fixed interest rate. The anticipated residual values to be realized upon the sale or re-lease of equipment upon lease termination (and thus the overall cash flow from our leases) may increase with inflation as the cost of similar new and used equipment increases.

If interest rates increase or decrease significantly, our leases and note receivable already in place would generally not be affected.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Smaller reporting companies are not required to provide the information required by this item.

Item 8. Consolidated Financial Statements and Supplementary Data

Report of Independent Registered Public Accounting Firm

To the Beneficial Owners of ICON Leasing Fund Twelve Liquidating Trust

Opinion on the Financial Statements
We have audited the accompanying consolidated balance sheet of ICON Leasing Fund Twelve Liquidating Trust and subsidiaries (the “Liquidating Trust”) as of December 31, 2017, the related consolidated statements of operations, changes in equity and cash flows, for the year then ended, and the related notes (collectively, the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Liquidating Trust as of December 31, 2017, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion
These financial statements are the responsibility of the Liquidating Trust's management. Our responsibility is to express an opinion on the Liquidating Trust's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Liquidating Trust in accordance with U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Liquidating Trust is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Liquidating Trust’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ RSM US LLP

We have served as the Liquidating Trust's auditor since 2017.

New York, New York
March 29, 2018

Report of Independent Registered Public Accounting Firm

The Beneficial Owners
ICON Leasing Fund Twelve Liquidating Trust

We have audited the accompanying consolidated balance sheet of ICON Leasing Fund Twelve Liquidating Trust (the "Liquidating Trust") as of December 31, 2016, and the related consolidated statements of operations, changes in equity and cash flows for the period ended December 31, 2016. These financial statements are the responsibility of the Liquidating Trust's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Liquidating Trust's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Liquidating Trust's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of ICON Leasing Fund Twelve Liquidating Trust at December 31, 2016, and the consolidated results of its operations and its cash flows for the period ended December 31, 2016, in conformity with U.S. generally accepted accounting principles.

/s/ ERNST & YOUNG LLP

New York, New York
March 29, 2017

ICON Leasing Fund Twelve Liquidating Trust
(A Delaware Statutory Trust)
Consolidated Balance Sheets

	December 31,	
	2017	2016
Assets		
Current assets:		
Cash and cash equivalents	$ 12,974,467	$ 10,255,053
Current portion of net investment in notes receivable	8,791,579	6,447,158
Current portion of net investment in finance leases	2,677,965	6,824,610
Other current assets	72,325	5,924,846
Total current assets	24,516,336	29,451,667
Non-current assets:		
Net investment in notes receivable, less current portion	2,908,421	14,555,781
Net investment in finance leases, less current portion	30,232,353	39,046,710
Leased equipment at cost (less accumulated depreciation of $8,055,357 and $10,247,365, respectively)	13,000,000	36,961,296
Asset held for sale	—	7,600,000
Restricted cash	2,063,845	3,471,147
Other non-current assets	202	202
Total non-current assets	48,204,821	101,635,136
Total assets	$ 72,721,157	$ 131,086,803
Liabilities and Equity		
Current liabilities:		
Current portion of non-recourse long-term debt	$ 22,335,800	$ 22,721,924
Deferred revenue	—	155,413
Due to Managing Trustee and affiliates, net	107,406	267,764
Accrued expenses and other current liabilities	800,879	1,042,457
Current portion of seller's credit	—	5,000,000
Total current liabilities	23,244,085	29,187,558
Non-current liabilities:		
Non-recourse long-term debt, less current portion	11,146,564	18,639,658
Seller's credits, less current portion	8,738,715	8,228,926
Other non-current liabilities	150,000	150,000
Total non-current liabilities	20,035,279	27,018,584
Total liabilities	43,279,364	56,206,142
Commitments and contingencies (Note 14)		
Equity:		
Beneficial owners' equity:		
Additional beneficial owners	30,414,292	66,475,278
Managing Trustee	(2,804,091)	(2,439,838)
Total beneficial owners' equity	27,610,201	64,035,440
Noncontrolling interests	1,831,592	10,845,221
Total equity	29,441,793	74,880,661
Total liabilities and equity	$ 72,721,157	$ 131,086,803

See accompanying notes to consolidated financial statements.

ICON Leasing Fund Twelve Liquidating Trust
(A Delaware Statutory Trust)
Consolidated Statements of Operations

	Years Ended December 31, 2017	Years Ended December 31, 2016
Revenue and other income:		
Finance income	$ 4,607,583	$ 10,444,370
Rental income	4,091,287	10,476,129
Time charter revenue	—	2,982,466
Loss from investment in joint ventures	(6,071)	(1,923,926)
Gain on sale of investment in joint venture	—	2,012,669
Gain on sale of assets, net	209,664	—
Gain on sale of vessels, net	59,730	303,943
Gain on extinguishment of seller's credit and interest payable	5,131,250	—
Other income	—	117,288
Total revenue and other income	14,093,443	24,412,939
Expenses:		
Management fees	210,233	944,577
Administrative expense reimbursements	943,163	1,214,904
General and administrative	1,308,973	2,516,058
Interest	2,825,023	3,374,848
Depreciation	2,926,149	5,865,927
Credit loss, net	15,690,944	—
Impairment loss	23,919,230	15,493,643
Vessel operating	627,401	3,278,094
Litigation settlement expense	—	1,209,000
Total expenses	48,451,116	33,897,051
Net loss	(34,357,673)	(9,484,112)
Less: net loss attributable to noncontrolling interests	(3,993,217)	(5,794,953)
Net loss attributable to Fund Twelve Liquidating Trust	$ (30,364,456)	$ (3,689,159)
Net loss attributable to Fund Twelve Liquidating Trust allocable to:		
Additional beneficial owners	$ (30,060,811)	$ (3,652,267)
Managing Trustee	(303,645)	(36,892)
	$ (30,364,456)	$ (3,689,159)
Weighted average number of additional beneficial interests outstanding	348,335	348,335
Net loss attributable to Fund Twelve Liquidating Trust per weighted average additional beneficial interest outstanding	$ (86.30)	$ (10.48)

See accompanying notes to consolidated financial statements.

ICON Leasing Fund Twelve Liquidating Trust
(A Delaware Statutory Trust)
Consolidated Statements of Changes in Equity

	Beneficial Owners' Equity					
	Additional Beneficial Interests	Additional Beneficial Owners	Managing Trustee	Total Beneficial Owners' Equity	Noncontrolling Interests	Total Equity
Balance, December 31, 2015	348,335	$ 103,518,658	$ (2,065,662)	$ 101,452,996	$ 24,235,274	$ 125,688,270
Net loss	—	(3,652,267)	(36,892)	(3,689,159)	(5,794,953)	(9,484,112)
Distributions	—	(33,391,113)	(337,284)	(33,728,397)	(7,595,100)	(41,323,497)
Balance, December 31, 2016	348,335	66,475,278	(2,439,838)	64,035,440	10,845,221	74,880,661
Net loss	—	(30,060,811)	(303,645)	(30,364,456)	(3,993,217)	(34,357,673)
Distributions	—	(6,000,175)	(60,608)	(6,060,783)	(5,020,412)	(11,081,195)
Balance, December 31, 2017	348,335	$ 30,414,292	$ (2,804,091)	$ 27,610,201	$ 1,831,592	$ 29,441,793

See accompanying notes to consolidated financial statements.

ICON Leasing Fund Twelve Liquidating Trust
(A Delaware Statutory Trust)
Consolidated Statements of Cash Flows

	Years Ended December 31,	
	2017	2016
Cash flows from operating activities:		
Net loss	$ (34,357,673)	$ (9,484,112)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Finance income	(3,940,929)	(6,068,564)
Loss from investment in joint ventures	6,071	1,923,926
Depreciation	2,926,149	5,865,927
Interest expense from amortization of debt financing costs	129,223	152,745
Net accretion of seller's credits and other	509,789	481,193
Gain on extinguishment of seller's credit and interest payable	(5,131,250)	—
Impairment loss	23,919,230	15,493,643
Credit loss, net	15,690,944	—
Gain on sale of investment in joint venture	—	(2,012,669)
Gain on sale of assets, net	(209,664)	—
Gain on sale of vessels, net	(59,730)	(303,943)
Changes in operating assets and liabilities:		
Collection of finance leases	16,901,931	17,339,960
Restricted cash	1,407,302	38,923
Other assets	(535,484)	(4,080,671)
Accrued expenses and other current liabilities	(110,328)	(517,041)
Deferred revenue	(155,413)	(3,575)
Due to Managing Trustee and affiliates, net	(160,358)	(170,161)
Distributions from joint ventures	—	264,140
Net cash provided by operating activities	16,829,810	18,919,721
Cash flows from investing activities:		
Net proceeds from sale of vessels	3,035,730	5,846,556
Proceeds from sale of leased assets	1,949,581	—
Investment in joint ventures	(6,071)	(13,915)
Distributions received from joint ventures in excess of profits	—	5,275
Proceeds from sale of investment in joint venture	—	12,067,099
Principal received on notes receivable	—	12,580,000
Net cash provided by investing activities	4,979,240	30,485,015
Cash flows from financing activities:		
Repayment of non-recourse long-term debt	(8,008,441)	(6,230,278)
Distributions to noncontrolling interests	(5,020,412)	(7,595,100)
Distributions to beneficial owners	(6,060,783)	(33,728,397)
Net cash used in financing activities	(19,089,636)	(47,553,775)
Net increase in cash and cash equivalents	2,719,414	1,850,961
Cash and cash equivalents, beginning of year	10,255,053	8,404,092
Cash and cash equivalents, end of year	$ 12,974,467	$ 10,255,053
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 2,156,901	$ 2,684,441

See accompanying notes to consolidated financial statements.

(1) Organization

ICON Leasing Fund Twelve Liquidating Trust (the "Liquidating Trust"), a Delaware statutory trust, was transferred all of the assets and liabilities of ICON Leasing Fund Twelve, LLC (the "LLC" or "Fund Twelve"), a Delaware limited liability company, as of December 31, 2016. When used in these notes to consolidated financial statements, the terms "we," "us," "our" or similar terms refer to (i) the LLC and its consolidated subsidiaries for all periods prior to the transfer of the assets and liabilities of the LLC to the Liquidating Trust and (ii) the Liquidating Trust and its consolidated subsidiaries as of December 31, 2016 and thereafter. The terms "LLC" and "Liquidating Trust" are interchangeable, as the context so requires, when used in the consolidated financial statements.

Prior to the transfer of the assets and liabilities of the LLC to the Liquidating Trust, the manager of the LLC was ICON Capital, LLC, a Delaware limited liability company (the "Manager"). As of December 31, 2016 and thereafter, our Manager became the managing trustee of the Liquidating Trust (the "Managing Trustee"). The terms "Manager" and "Managing Trustee" are interchangeable, as the context so requires, when used in the consolidated financial statements.

The Liquidating Trust is governed by a Liquidating Trust Agreement (the "Trust Agreement") that appointed our Manager as Managing Trustee of the Liquidating Trust. Prior to the transfer of the assets and liabilities of the LLC to the Liquidating Trust, the LLC's assets included investments in ICON Radiance, LLC, ICON Siva, LLC, ICON Victorious, LLC, ICON Mauritius MI, LLC, ICON Mauritius MI II, LLC, ICON Blackhawk, LLC, ICON Murray VII, LLC and a subordinated term loan to four affiliates of Técnicas Maritimas Avanzadas, S.A. de C.V. (collectively, "TMA"). These investments, as well as all other assets and liabilities of the LLC, were transferred to the Liquidating Trust from the LLC on December 31, 2016 in order to reduce expenses and to maximize potential distributions to beneficial owners of the Liquidating Trust. On December 31, 2016, all Shares (as defined below) were exchanged for an equal number of beneficial interests (the "Interests") in the Liquidating Trust.

We operated as an equipment leasing and finance program in which the capital our beneficial owners invested was pooled together to make investments, pay fees and establish a small reserve. We primarily acquired equipment subject to lease, purchased equipment and leased it to third-party end users or financed equipment for third parties and, to a lesser degree, acquired ownership rights to items of leased equipment at lease expiration.

Our Managing Trustee manages and controls our business affairs, including, but not limited to, our equipment leases and other financing transactions. Additionally, our Managing Trustee has a 1% interest in our profits, losses, distributions and liquidation proceeds.

Our offering period commenced on May 7, 2007 and ended on April 30, 2009. We offered shares of limited liability company interests (the "Shares") with the intention of raising up to $410,800,000 of capital. Our initial closing date was May 25, 2007, the date on which we raised $1,200,000, the minimum offering amount. Through April 30, 2009, we sold 348,826 Shares, representing $347,686,947 of capital contributions. Through December 31, 2017, 491 Shares were repurchased pursuant to our repurchase plan.

Our operating period commenced on May 1, 2009 and ended on April 30, 2014. Our liquidation period commenced on May 1, 2014, during which we have sold and will continue to sell our assets and/or let our investments mature in the ordinary course of business.

On May 30, 2017, our Managing Trustee retained ABN AMRO Securities (USA) LLC as its financial advisor to assist our Managing Trustee and us in identifying, evaluating and executing a potential sale of certain shipping and offshore energy assets currently included within our investment portfolio. We, however, cannot assure that the identification or evaluation to be performed will result in any specific sale transaction or series of transactions.

Beneficial owners' capital accounts are increased for their initial capital contribution plus their proportionate share of earnings and decreased by their proportionate share of losses and distributions. Profits, losses, distributions and liquidation proceeds are allocated 99% to the additional beneficial owners and 1% to our Managing Trustee until each additional beneficial owner has (a) received distributions and liquidation proceeds sufficient to reduce its adjusted capital account to zero and (b) received, in addition, other distributions and allocations that would provide an 8% per year cumulative return, compounded daily, on its outstanding adjusted capital account. After such time, distributions will be allocated 90% to the additional beneficial owners and 10% to our Managing Trustee.

In accordance with U.S. generally accepted accounting principles ("U.S. GAAP") pertaining to transactions amongst entities under common control, the financial condition and results of operations of the LLC are presented as those of the Liquidating Trust retroactively to the beginning of the earliest period presented.

(2) Summary of Significant Accounting Policies

Basis of Presentation and Consolidation

Our accompanying consolidated financial statements have been prepared in accordance with U.S. GAAP. In the opinion of our Managing Trustee, all adjustments, which are of a normal recurring nature, considered necessary for a fair presentation have been included.

The consolidated financial statements include our accounts and the accounts of our majority-owned subsidiaries and other controlled entities. All intercompany accounts and transactions have been eliminated in consolidation. In joint ventures where we have a controlling financial interest, the financial condition and results of operations of the joint venture are consolidated. Noncontrolling interest represents the minority owner's proportionate share of its equity in the joint venture. The noncontrolling interest is adjusted for the minority owner's share of the earnings, losses, investments and distributions of the joint venture.

We account for our noncontrolling interests in joint ventures where we have influence over financial and operational matters, generally 50% or less ownership interest, under the equity method of accounting. In such cases, our original investments are recorded at cost and adjusted for our share of earnings, losses, and distributions. We account for investments in joint ventures where we have virtually no influence over financial and operational matters using the cost method of accounting. In such cases, our original investments are recorded at cost and any distributions received are recorded as revenue. All of our investments in joint ventures are subject to our impairment review policy.

We report noncontrolling interests as a separate component of consolidated equity and net loss attributable to noncontrolling interests is included in consolidated net loss. The attribution of net loss between controlling and noncontrolling interests is disclosed on our accompanying consolidated statements of operations.

Net loss attributable to us per weighted average additional Interest outstanding is based upon the weighted average number of additional Interests outstanding during the year.

Certain reclassifications have been made to the accompanying consolidated financial statements in the prior year to conform to the current presentation.

Cash and Cash Equivalents

Cash and cash equivalents include cash in banks and highly liquid investments with original maturity dates of three months or less.

Our cash and cash equivalents are held principally at three financial institutions and at times may exceed insured limits. We have placed these funds in high quality institutions in order to minimize risk relating to exceeding insured limits.

Restricted Cash

Cash that is restricted from use in operations is generally classified as restricted cash. Classification of changes in restricted cash within the consolidated statements of cash flows depends on the predominant source of the related cash flows. For the years ended December 31, 2017 and 2016, the predominant cash generated from restricted cash was related to the release of restricted cash sourced from rental receipts associated with our leasing operations that was previously restricted pursuant to certain provisions in the applicable non-recourse long-term debt agreements. As a result, these changes in restricted cash were classified within net cash provided by operating activities for the years ended December 31, 2017 and 2016.

Debt Financing Costs

Debt financing costs associated with a recognized debt liability are netted against the carrying amount of the related debt liability and debt financing costs associated with a line of credit arrangement were capitalized and included as other assets. Such costs are amortized to interest expense over the term of the debt instrument using the effective interest rate method.

Leased Equipment at Cost

Investments in leased equipment are stated at cost less accumulated depreciation. Leased equipment is depreciated on a straight-line basis over the lease term, which typically ranges from 3 to 10 years, to the asset's residual value.

Our Managing Trustee has an investment committee that approves each new equipment lease and other financing transaction. As part of its process, the investment committee determines the estimated residual value, if any, to be used once the investment has been approved. The factors considered in determining the estimated residual value include, but are not limited to, the creditworthiness of the potential lessee, the type of equipment considered, how the equipment is integrated into the potential lessee's business, the length of the lease and the industry in which the potential lessee operates. Residual values are reviewed for impairment in accordance with our impairment review policy.

The residual value assumes, among other things, that the asset is utilized normally in an open, unrestricted and stable market. Short-term fluctuations in the marketplace are disregarded and it is assumed that there is no necessity either to dispose of a significant number of the assets, if held in quantity, simultaneously or to dispose of the asset quickly. The residual value is calculated using information from various external sources, such as trade publications, auction data, equipment dealers, wholesalers and industry experts, as well as inspection of the physical asset and other economic indicators.

Depreciation

We record depreciation expense on equipment when the lease is classified as an operating lease or vessel. In order to calculate depreciation, we first determine the depreciable base, which is the equipment cost less the estimated residual value at lease termination. Depreciation expense is recorded on a straight-line basis over the lease term.

Asset Impairments

The significant assets in our portfolio are periodically reviewed, no less frequently than annually or when indicators of impairment exist, to determine whether events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. An impairment loss will be recognized only if the carrying value of a long-lived asset is not recoverable and exceeds its fair market value. If there is an indication of impairment, we will estimate the future cash flows (undiscounted and without interest charges) expected from the use of the asset and its eventual disposition. Future cash flows are the future cash inflows expected to be generated by an asset less the future outflows expected to be necessary to obtain those inflows. If an impairment is determined to exist, the impairment loss will be measured as the amount by which the carrying value of a long-lived asset exceeds its fair value and recorded in our consolidated statements of operations in the period the determination is made.

The events or changes in circumstances that generally indicate that an asset may be impaired are (i) the estimated fair value of the underlying asset is less than its carrying value or (ii) the lessee is experiencing financial difficulties and it does not appear likely that the estimated proceeds from the disposition of the asset will be sufficient to satisfy the residual position in the asset and, if applicable, the remaining obligation to the non-recourse lender. Generally in the latter situation, the residual position relates to equipment subject to third-party non-recourse debt where the lessee remits its rental payments directly to the lender and we do not recover our residual position until the non-recourse debt is repaid in full. The preparation of the undiscounted cash flows requires the use of assumptions and estimates, including the level of future rents, the residual value expected to be realized upon disposition of the asset, estimated downtime between re-leasing events and the amount of re-leasing costs. Our Managing Trustee's review for impairment includes a consideration of the existence of impairment indicators including third-party appraisals, published values for similar assets, recent transactions for similar assets, adverse changes in market conditions for specific asset types and the occurrence of significant adverse changes in general industry and market conditions that could affect the fair value of the asset.

Lease Classification and Revenue Recognition

Each equipment lease we enter into is classified as either a finance lease or an operating lease, based upon the terms of each lease. The estimated residual value is a critical component and can directly influence the determination of whether a lease is classified as an operating or a finance lease.

For finance leases, we capitalize, at lease inception, the total minimum lease payments receivable from the lessee, the estimated unguaranteed residual value of the equipment at lease termination and the initial direct costs related to the lease, less unearned income. Unearned income represents the difference between the sum of the minimum lease payments receivable, plus the estimated unguaranteed residual value, minus the cost of the leased equipment. Unearned income is recognized as finance income over the term of the lease using the effective interest rate method.

For operating leases, rental income is recognized on a straight-line basis over the lease term. Billed operating lease receivables are included in accounts receivable until collected or written off. We record a reserve if we deem any receivable not collectible. The difference between the timing of the cash received and the income recognized on a straight-line basis is recognized as either deferred revenue or other assets, as appropriate. Initial direct costs are capitalized as a component of the cost of the equipment and depreciated over the lease term.

Accounting for Vessel Revenue and Expenses

Revenue generated from time charters is recognized over the term of the respective time charter agreements as service is provided. Under time charters, voyage expenses such as bunkers, port dues, cargo handling operations and brokerage commissions are paid by our customers. Vessel operating costs, including, without limitation, crewing, vessel maintenance, technical management costs and vessel insurance, are expensed by us as incurred on an accrual basis. Commercial management and technical management fees are expensed as incurred. Dry-docking costs are generally expensed as incurred as such costs primarily represent normal maintenance and repairs. To the extent dry-docking costs represent expenditures that add economic life to the vessel or improve the vessel's efficiency, such costs can be capitalized and depreciated over the life of the vessel.

Notes Receivable and Revenue Recognition

Notes receivable are reported in our consolidated balance sheets at the outstanding principal balance, plus costs incurred to originate the loans, net of any unamortized premiums or discounts on purchased loans. We use the effective interest rate method to recognize finance income, which produces a constant periodic rate of return on the investment. Unearned income, discounts and premiums are amortized to finance income in our consolidated statements of operations using the effective interest rate method. Interest receivable related to the unpaid principal is recorded separately from the outstanding balance in our consolidated balance sheets. Upon the prepayment of a note receivable, any prepayment penalties and unamortized loan origination, closing and commitment fees are recorded as part of finance income in our consolidated statements of operations. Our notes receivable may contain a paid-in-kind ("PIK") interest provision. Any PIK interest, if deemed collectible, will be added to the principal balance of the note receivable and is recorded as finance income.

Credit Quality of Notes Receivable and Finance Leases and Credit Loss Reserve

Our Managing Trustee monitors the ongoing credit quality of our financing receivables by (i) reviewing and analyzing a borrower's financial performance on a regular basis, including review of financial statements received on a monthly, quarterly or annual basis as prescribed in the loan or lease agreement, (ii) tracking the relevant credit metrics of each financing receivable and a borrower's compliance with financial and non-financial covenants, (iii) monitoring a borrower's payment history and public credit rating, if available, and (iv) assessing our exposure based on the current investment mix. As part of the monitoring process, our Managing Trustee may physically inspect the collateral or a borrower's facility and meet with a borrower's management to better understand such borrower's financial performance and its future plans on an as-needed basis.

As our financing receivables, generally notes receivable and finance leases, are limited in number, our Managing Trustee is able to estimate the credit loss reserve based on a detailed analysis of each financing receivable as opposed to using portfolio-based metrics. Our Managing Trustee does not use a system of assigning internal risk ratings to each of our financing receivables. Rather, each financing receivable is analyzed quarterly and categorized as either performing or non-performing based on certain factors including, but not limited to, financial results, satisfying scheduled payments and compliance with financial covenants. A financing receivable is usually categorized as non-performing only when a borrower experiences financial difficulties and has failed to make scheduled payments. Our Managing Trustee then analyzes whether the financing receivable should be placed on a non-accrual status, a credit loss reserve should be established or the financing receivable should be restructured. As part of the assessment, updated collateral value is usually considered and such collateral value can be based on a third party industry expert appraisal or, depending on the type of collateral and accessibility to relevant published guides or market sales data, internally derived fair value. Material events would be specifically disclosed in the discussion of each financing receivable held.

Financing receivables are generally placed on a non-accrual status when payments are more than 90 days past due. Additionally, our Managing Trustee periodically reviews the creditworthiness of companies with payments outstanding less than 90 days and based upon our Managing Trustee's judgment, these accounts may be placed on a non-accrual status.

In accordance with the cost recovery method, payments received on non-accrual financing receivables are applied to principal if there is doubt regarding the ultimate collectability of principal. If collection of the principal of non-accrual financing receivables is not in doubt, interest income is recognized on a cash basis. Financing receivables on non-accrual status may not be restored to accrual status until all delinquent payments have been received, and we believe recovery of the remaining unpaid receivable is probable.

When our Managing Trustee deems it is probable that we will not be able to collect all contractual principal and interest on a non-performing financing receivable, we perform an analysis to determine if a credit loss reserve is necessary. This analysis considers the estimated cash flows from the financing receivable, and/or the collateral value of the asset underlying the financing receivable when financing receivable repayment is collateral dependent. If it is determined that the impaired value of the non-performing financing receivable is less than the net carrying value, we will recognize a credit loss reserve or adjust the existing credit loss reserve with a corresponding charge to earnings. We then charge off a financing receivable in the period that it is deemed uncollectible by reducing the credit loss reserve and the balance of the financing receivable.

Initial Direct Costs

We capitalize initial direct costs, including acquisition fees, associated with the origination and funding of leased assets and other financing transactions. We paid acquisition fees through the end of our operating period to our Managing Trustee of 3% of the purchase price of the investment made by or on our behalf, including, but not limited to, the cash paid, indebtedness incurred or assumed, and the excess of the collateral value of the long-lived asset over the amount of the investment, if any. The costs of each transaction are amortized over the transaction term using the straight-line method for operating leases and the effective interest rate method for finance leases and notes receivable in our consolidated statements of operations. Costs related to leases or other financing transactions that were not consummated are expensed.

Income Taxes

Prior to the transfer of all the assets and liabilities of the LLC to the Liquidating Trust, we were taxed as a partnership for federal and state income tax purposes. Therefore, no provision for federal and state income taxes was recorded since the liability for such taxes was the responsibility of each of the individual members rather than our business as a whole. We are potentially subject to New York City unincorporated business tax ("UBT"), which is imposed on unincorporated trade or business operating in New York City. The UBT is imposed for each taxable year at a rate of 4% of taxable income allocated to New York City. Our federal, state and local income tax returns for tax years for which the applicable statutes of limitations have not expired are subject to examination by the applicable taxing authorities. All penalties and interest, if any, associated with income taxes are included in general and administrative expense on our consolidated statements of operations. We are currently under examination by the City of New York Department of Finance related to UBT. The tax years that remain open for examination include from 2012 to 2016. We have provided for such UBT taxes related to the years open for examination, including amounts covering interest and penalties, where applicable. Conclusions regarding tax positions are subject to review and may be adjusted at a later date based on factors including, but not limited to, on-going analyses of tax laws, regulations and interpretations thereof.

Upon the transfer of all the assets and liabilities of the LLC to the Liquidating Trust and thereafter, we are subject to taxation as a liquidating trust.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires our Managing Trustee to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates primarily include the determination of credit loss reserves, impairment losses, estimated useful lives and residual values. Actual results could differ from those estimates.

Recently Adopted Accounting Pronouncements

In March 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-07, *Investments – Equity Method and Joint Ventures: Simplifying the Transition to the Equity Method of Accounting* ("ASU 2016-07"), which eliminates the retroactive adjustments to an investment upon it qualifying for the equity method of accounting as a result of an increase in the level of ownership interest or degree of influence by the investor. ASU 2016-07 requires that the equity method investor add the cost of acquiring the additional interest in the investee to the current basis of the investor's previously held interest and adopt the equity method of accounting as of the date the investment qualifies for equity method accounting. We adopted ASU 2016-07 on January 1, 2017, which did not have an effect on our consolidated financial statements.

In October 2016, FASB issued ASU No. 2016-17, *Consolidation* ("ASU 2016-17"), which amends the consolidation guidance on how a reporting entity that is the single decision maker of a variable interest entity should treat indirect interests in such entity held by related parties that are under common control with the reporting entity when determining whether it is the primary beneficiary of that variable interest entity. Under ASU 2016-17, a single decision maker is not required to consider indirect interests held by related parties that are under common control with the single decision maker to be the equivalent of direct interests in their entirety. We adopted ASU 2016-17 on January 1, 2017, which did not have an effect on our consolidated financial statements.

Other Recent Accounting Pronouncements

In May 2014, FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers* ("ASU 2014-09"), requiring revenue to be recognized in an amount that reflects the consideration expected to be received in exchange for goods and services. This new revenue standard may be applied retrospectively to each prior period presented, or retrospectively with the cumulative effect recognized as of the date of adoption. In August 2015, FASB issued ASU No. 2015-14, *Revenue from Contracts with Customers – Deferral of the Effective Date* ("ASU 2015-14"), which defers implementation of ASU 2014-09 by one year. Under such deferral, the adoption of ASU 2014-09 becomes effective for us on January 1, 2018, including interim periods within that reporting period. We have completed our evaluation of the impact of ASU 2014-09 on our consolidated financial statements. Since a substantial portion of our revenue is recognized from our leasing and lending contracts, which are not subject to ASU 2014-09, the adoption of ASU 2014-09 will not have a material effect on our consolidated financial statements.

In January 2016, FASB issued ASU No. 2016-01, *Financial Instruments – Overall: Recognition and Measurement of Financial Assets and Financial Liabilities* ("ASU 2016-01"), which provides guidance related to accounting for equity investments, financial liabilities under the fair value option, and the presentation and disclosure requirements for financial instruments. In addition, FASB clarified guidance related to the valuation allowance assessment when recognizing deferred tax assets resulting from unrealized losses on available-for-sale debt securities. The adoption of ASU 2016-01 becomes effective for us on January 1, 2018, including interim periods within that reporting period. We have completed our evaluation of the impact of ASU 2016-01 on our consolidated financial statements. Although certain disclosures related to methods and significant assumptions used to estimate fair value for financial instruments measured at amortized cost are no longer required, the adoption of ASU 2016-01 will not have a material effect on our consolidated financial statements.

In February 2016, FASB issued ASU No. 2016-02, *Leases* ("ASU 2016-02"), which requires lessees to recognize assets and liabilities for leases with lease terms greater than twelve months on the balance sheet and disclose key information about leasing arrangements. ASU 2016-02 implements changes to lessor accounting focused on conforming with certain changes made to lessee accounting and the recently released revenue recognition guidance. The adoption of ASU 2016-02 becomes effective for us on January 1, 2019. Early adoption is permitted. Based on our preliminary assessment, all of our leases are subject to lessor accounting and the accounting applied by a lessor is largely unchanged from that applied under current U.S. GAAP. In addition, since we are in our liquidation period and not expecting to enter into any new leases in the future and it is expected that we will apply the practical expedients as provided by the guidance, the adoption of ASU 2016-02 may not have a material effect on our consolidated financial statements. We continue to evaluate the impact of the adoption of ASU 2016-02 on our consolidated financial statements.

In June 2016, FASB issued ASU No. 2016-13, *Financial Instruments – Credit Losses* ("ASU 2016-13"), which modifies the measurement of credit losses by eliminating the probable initial recognition threshold set forth in current guidance, and instead reflects an entity's current estimate of all expected credit losses. The measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. An entity will apply the amendments within ASU 2016-13 through a cumulative-effect adjustment to retained earnings as of the beginning of the first reporting period in which the guidance is effective. The adoption of ASU 2016-13 becomes effective for us on January 1, 2020, including interim periods within that reporting period. Early adoption is permitted. We are currently in the process of evaluating the impact of the adoption of ASU 2016-13 on our consolidated financial statements.

In August 2016, FASB issued ASU No. 2016-15, *Statement of Cash Flows: Classification of Certain Cash Receipts and Cash Payments* ("ASU 2016-15"), which provides guidance on how certain cash receipts and cash payments are to be presented and classified in the statement of cash flows. The adoption of ASU 2016-15 becomes effective for us on January 1, 2018, including interim periods within that reporting period. Early adoption is permitted. An entity will apply the amendments within ASU 2016-15 using a retrospective transition method to each period presented. We have completed our evaluation of the impact of ASU 2016-15 on our consolidated financial statements. As a result, the adoption of ASU 2016-15 will not have a material effect on our consolidated financial statements.

In November 2016, FASB issued ASU No. 2016-18, *Statement of Cash Flows* ("ASU 2016-18"), which provides guidance on the presentation of restricted cash or restricted cash equivalents in the statement of cash flows. The adoption of ASU 2016-18 becomes effective for us on January 1, 2018, including interim periods within that reporting period. Early adoption is permitted. An entity will apply the amendments within ASU 2016-18 using a retrospective transition method to each period presented. As a result of the adoption of ASU 2016-18, beginning January 1, 2018, we will include restricted cash with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on our consolidated statements of cash flows.

In January 2017, FASB issued ASU No. 2017-01, *Business Combinations* ("ASU 2017-01"), which clarifies the definition of a business. ASU 2017-01 sets forth requirements to be met for a set to be deemed a business and establishes a practical way to determine when a set is not a business. To be considered a business, a set must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create an output, and removes the evaluation of whether a market participant could replace missing elements. In addition, ASU 2017-01 narrows the definition of outputs and aligns such definition with how outputs are described within the revenue guidance. The adoption of ASU 2017-01 becomes effective for us on January 1, 2018, including interim periods within that reporting period. Early adoption is permitted for transactions that occur before the issuance date or effective date of ASU 2017-01 to the extent that such transactions have not been reported in financial statements that have been issued or made available for issuance. We have completed our evaluation of the impact of ASU 2017-01 on our consolidated financial statements. As a result, the adoption of ASU 2017-01 will not have a material effect on our consolidated financial statements.

(3) Net Investment in Notes Receivable

As of December 31, 2017, we had net investment in notes receivable on non-accrual status of $11,700,000 and no net investment in notes receivable that was past due 90 days or more and still accruing. As of December 31, 2016, we had no net investment in notes receivable on non-accrual status and net investment in notes receivable of $21,002,939, of which $8,281,871 was over 90 days past due and still accruing. See below for further details regarding our note receivable related to TMA.

Net investment in notes receivable consisted of the following:

	December 31,	
	2017	2016
Principal outstanding(1)	$ 21,002,939	$ 21,002,939
Credit loss reserve(2)	(9,302,939)	—
Net investment in notes receivable(3)	11,700,000	21,002,939
Less: current portion of net investment in notes receivable	8,791,579	6,447,158
Net investment in notes receivable, less current portion	$ 2,908,421	$ 14,555,781

(1) As of December 31, 2017 and 2016, total principal outstanding related to our impaired loan was $21,002,939 and $0, respectively.
(2) As of December 31, 2017, we had a credit loss reserve of $15,690,944 related to TMA, of which $6,388,005 was reserved against the accrued interest receivable included in other current assets and $9,302,939 was reserved against the current portion of net investment in notes receivable.
(3) As of December 31, 2017 and 2016, net investment in note receivable related to our impaired loan was $11,700,000 and $0, respectively.

On April 5, 2013, we made a secured term loan in the amount of $3,870,000 to Lubricating Specialties Company ("LSC") as part of an $18,000,000 facility. The loan bore interest at 13.5% per year and was scheduled to mature on August 1, 2018. The loan was secured by, among other things, a second priority security interest in LSC's liquid storage tanks, blending lines, packaging equipment, accounts receivable and inventory. On December 30, 2016, LSC satisfied its obligations in connection with the loan by making a prepayment of $2,954,424, comprised of all outstanding principal, accrued interest and a prepayment fee of $57,930. The prepayment fee was recognized as additional finance income.

On July 14, 2014, we, ICON Equipment and Corporate Infrastructure Fund Fourteen, L.P. ("Fund Fourteen") and ICON ECI Fund Fifteen, L.P. ("Fund Fifteen"), each an entity also managed by our Managing Trustee (collectively, "ICON"), entered into a secured term loan credit facility agreement with TMA to provide a credit facility of up to $29,000,000 (the "ICON Loan"), of which our commitment of $21,750,000 was funded on August 27, 2014 (the "TMA Initial Closing Date"). The facility was used by TMA to acquire and refinance two platform supply vessels. At inception, the loan bore interest at LIBOR, subject to a 1% floor, plus a margin of 17%. Upon the acceptance of both vessels by TMA's sub-charterer on September 19, 2014, the margin was reduced to 13%. On November 24, 2014, ICON entered into an amended and restated senior secured term loan credit facility agreement with TMA pursuant to which an unaffiliated third party (the "Senior Lender") agreed to provide a senior secured term loan in the amount of up to $89,000,000 (the "Senior Loan", and collectively with the ICON Loan, the "TMA Facility") to acquire two additional vessels. The TMA Facility has a term of five years from the TMA Initial Closing Date. As a result of the amendment, the margin for the ICON Loan increased to 15% and repayment of the ICON Loan became subordinated to the repayment of the Senior Loan. The TMA Facility is secured by, among other things, a first priority security interest in the four vessels and TMA's right to the collection of hire with respect to earnings from the sub-charterer related to the four vessels. As a condition to the amendment and increased size of the TMA Facility, TMA was required to cause all four platform supply vessels to be under contract by March 31, 2015. Due to TMA's failure to meet such condition, TMA was in technical default and in payment default while available cash was swept by the Senior Lender and applied to the Senior Loan in accordance with the loan agreement. As a result, the principal balance of the Senior Loan was paid down at a faster rate. In January 2016, the remaining two previously unchartered vessels had commenced employment. Based on, among other things, TMA's payment history and estimated collateral value as of December 31, 2016, our Managing Trustee believed it was likely that all outstanding principal and accrued interest under the ICON Loan would be collectible. As a result, we continued to account for our net investment in note receivable related to TMA on an accrual basis as of December 31, 2016 despite a portion of the outstanding balance being over 90 days past due. Though on an accrual basis, default interest was not accrued on either the principal balance of the note receivable or the interest receivable. In addition, interest was not assessed on the overdue principal balance of the note receivable. Our Managing Trustee continued to assess the collectability of the note receivable at each reporting date as TMA's credit quality slowly deteriorated and the fair market value of the collateral continued to decrease. During the three months ended June 30, 2017, our Managing Trustee believed it was prudent to place the note receivable on non-accrual status. In September 2017, our Managing Trustee met with certain restructuring advisors engaged by TMA to discuss a potential restructuring of the company. In light of these developments and a decrease in the fair market value of the collateral, in which we have a second priority security interest, our Managing Trustee determined to record a credit loss of $10,500,000 during the three months ended September 30, 2017.

On December 26, 2017, ICON, the Senior Lender and TMA entered into a restructuring support and lock-up agreement to commit to a restructuring of TMA's outstanding debt obligations and to provide additional funding to TMA, subject to execution of definitive agreements. On January 5, 2018, ICON, the Senior Lender and TMA executed all definitive agreements including, without limitation, the second amended and restated term loan credit facility agreement in connection with the restructuring of the TMA Facility (the "Second Amendment"). Under the Second Amendment, ICON funded a total of $8,000,000 in exchange for (i) all amounts payable under the Senior Loan will be satisfied in full at a faster rate, at which time ICON will become the senior lender and have a first priority security interest in the four vessels and TMA's right to the earnings generated by the vessels; and (ii) a 12.5% equity interest in two affiliates of TMA. Also as part of the Second Amendment, ICON agreed to reduce its notes and interest receivables to $20,000,000 in connection with the overall restructuring plan. As a result of the Second Amendment, on January 5, 2018, we funded our additional commitment of $6,000,000 and our note and interest receivables due from TMA was reduced to $15,000,000. As a result of this restructuring, our Managing Trustee assessed the collectability of the note receivable as of December 31, 2017 and recorded an additional credit loss of $5,190,944 for the three months ended December 31, 2017. As of December 31, 2017 and 2016, our share of the collateral value, net of the balance of the Senior Loan, was estimated to be approximately $13,500,000 and $4,800,000, respectively. As of December 31, 2017 and 2016, our net investment in note receivable related to TMA was $11,700,000 and $21,002,939, respectively. In addition, as of December 31, 2017, we have an accrued interest receivable related to TMA of $6,388,005, which has been fully reserved, resulting in a net carrying value of $0. As of December 31, 2016, our accrued interest receivable related to TMA was $5,720,333. For the years ended December 31, 2017 and 2016, we recognized finance income of $667,672 and $2,953,064, respectively, of which no amount was recognized on a cash basis.

On September 24, 2014, we, Fund Fourteen, Fund Fifteen and ICON ECI Fund Sixteen ("Fund Sixteen"), an entity also managed by our Managing Trustee, entered into a secured term loan credit facility agreement with Premier Trailer Leasing, Inc. ("Premier Trailer") to provide a credit facility of up to $20,000,000, of which our commitment of $10,000,000 was funded on such date. The loan bore interest at LIBOR, subject to a 1% floor, plus 9% per year, and was scheduled to mature on September 24, 2020. The loan was secured by a second priority security interest in all of Premier Trailer's assets, including, without limitation, its fleet of trailers, and the equity interests of Premier Trailer. On August 9, 2016, Premier Trailer satisfied its obligations in connection with the loan by making a prepayment of $10,327,777, comprised of all outstanding principal, accrued interest and a prepayment fee of $200,000. The prepayment fee was recognized as additional finance income.

Credit loss allowance activities for the years ended December 31, 2017 and 2016 were as follows:

Credit Loss Allowance		
Allowance for credit loss as of December 31, 2015	$	—
Provisions		—
Write-offs, net of recoveries		—
Allowance for credit loss as of December 31, 2016	$	—
Provisions		15,690,944
Write-offs, net of recoveries		—
Allowance for credit loss as of December 31, 2017	$	15,690,944

(4) Net Investment in Finance Leases

As of December 31, 2017 and 2016, we had no net investment in finance leases on non-accrual status and no net investment in finance leases that was past due 90 days or more and still accruing.

Net investment in finance leases consisted of the following:

	December 31,	
	2017	2016
Minimum rents receivable	$ 45,640,500	$ 56,640,856
Estimated guaranteed residual values	—	4,316,144
Initial direct costs	636,338	919,766
Unearned income	(13,366,520)	(16,005,446)
Net investment in finance leases	32,910,318	45,871,320
Less: current portion of net investment in finance leases	2,677,965	6,824,610
Net investment in finance leases, less current portion	$ 30,232,353	$ 39,046,710

Marine Vessels

On March 21, 2014, a joint venture owned 75% by us, 12.5% by Fund Fourteen and 12.5% by Fund Fifteen, through two indirect subsidiaries, entered into memoranda of agreement to purchase two LPG tanker vessels, the EPIC Bali and the EPIC Borneo (f/k/a the SIVA Coral and the SIVA Pearl, respectively) (collectively, the "EPIC Vessels"), from Foreguard Shipping I Global Ships Ltd. (f/k/a Siva Global Ships Limited) ("Foreguard Shipping") for an aggregate purchase price of $41,600,000. The EPIC Bali and the EPIC Borneo were delivered on March 28, 2014 and April 8, 2014, respectively. The EPIC Vessels were bareboat chartered to an affiliate of Foreguard Shipping for a period of eight years upon the delivery of each respective vessel. The EPIC Vessels were each acquired for approximately $3,550,000 in cash, $12,400,000 of financing through a senior secured loan from DVB Group Merchant Bank (Asia) Ltd. ("DVB Asia") and $4,750,000 of financing through a subordinated, non-interest-bearing seller's credit. During the year ended December 31, 2016, an event of default was continuing under the bareboat charters, as well as the loan agreement with DVB Asia, as a result of a change of control of the bareboat charter guarantor, an affiliate of Foreguard Shipping. On December 26, 2017, the indirect subsidiaries amended the bareboat charters with Foreguard Shipping to, among other things, waive the continuing event of default and increase the monthly charter hire payable by Foreguard Shipping for each vessel. In addition, Foreguard Shipping paid an aggregate amendment fee of $1,087,512. On December 26, 2017, the indirect subsidiaries also amended the loan agreement with DVB Asia to, among other things, waive the continuing event of default and provide for an aggregate partial prepayment on the senior secured loan of $1,240,000. On February 14, 2018, Foreguard Shipping purchased the EPIC Vessels from the indirect subsidiaries for an aggregate purchase price of $32,412,488. A portion of the proceeds from the sale of the EPIC Vessels was used to satisfy in full the related outstanding non-recourse long-term debt obligations of $14,553,215.

Mining Equipment

On March 4, 2014, a joint venture owned 60% by us, 15% by Fund Fourteen, 15% by Fund Fifteen and 10% by Fund Sixteen purchased mining equipment from an affiliate of Blackhawk Mining, LLC ("Blackhawk"). Simultaneously, the mining equipment was leased to Blackhawk and its affiliates for four years. The aggregate purchase price for the mining equipment of $25,359,446 was funded by $17,859,446 in cash and $7,500,000 of non-recourse long-term debt. On December 7, 2016, the joint venture amended the lease with Blackhawk to, among other things, add, revise and/or waive Blackhawk's breach of certain financial covenants and received an amendment fee of $150,000. On July 21, 2017, Blackhawk satisfied its remaining lease obligations by making a prepayment of $7,753,666. As a result, we recognized finance income of $353,373.

Trucks and Trailers

On March 28, 2014, a joint venture owned 60% by us, 27.5% by Fund Fifteen and 12.5% by Fund Sixteen purchased trucks, trailers and other equipment from subsidiaries of D&T Holdings, LLC ("D&T") for $12,200,000. Simultaneously, the trucks, trailers and other equipment were leased to D&T and its subsidiaries for 57 months. On September 15, 2014, the lease agreement with D&T was amended to allow D&T to increase its capital expenditure limit. In consideration for agreeing to such increase, lease payments of $1,480,000 that were scheduled to be paid in 2018 were paid by October 31, 2014. In addition, the joint venture received an amendment fee of $100,000, which was recognized as finance income throughout the remaining lease term. On January 14, 2016, D&T satisfied its remaining lease obligations by making a prepayment of $8,000,000. In addition, D&T exercised its option to repurchase all assets under the lease for $1, upon which title was transferred. As a result of the prepayment, we recognized finance income of approximately $1,400,000.

Non-cancelable minimum annual amounts due on investment in finance leases over the next five years and thereafter were as follows at December 31, 2017:

Years Ending December 31,		
2018	$	5,169,500
2019		5,112,000
2020		5,112,000
2021		5,112,000
2022		25,135,000
Thereafter		—
	$	45,640,500

(5) Leased Equipment at Cost

Leased equipment at cost consisted of the following:

	December 31,			
	2017		2016	
Offshore oil field services equipment	$	21,055,357	$	40,350,587
Mining equipment		—		6,858,074
Leased equipment at cost		21,055,357		47,208,661
Less: accumulated depreciation		8,055,357		10,247,365
Leased equipment at cost, less accumulated depreciation	$	13,000,000	$	36,961,296

Depreciation expense was $2,926,149 and $5,688,540 for the years ended December 31, 2017 and 2016, respectively.

Marine Vessels

On June 12, 2014, a joint venture owned 75% by us, 12.5% by Fund Fourteen and 12.5% by Fund Fifteen purchased an offshore supply vessel from Pacific Crest Pte. Ltd. (“Pacific Crest”) for $40,000,000. Simultaneously, the vessel was bareboat chartered to Pacific Crest for ten years. The vessel was acquired for approximately $12,000,000 in cash, $26,000,000 of financing through a senior secured loan from DVB Asia and $2,000,000 of financing through a subordinated, non-interest-bearing seller’s credit. Since July 2017, Pacific Crest has failed to make its monthly charter payments and our Managing Trustee was advised in July 2017 that Pacific Crest is engaged in discussions with its lenders regarding a potential restructuring of its outstanding debt obligations. As a result, we performed an impairment test on the vessel. Based on such test, we recorded an impairment loss of $14,661,525 during the three months ended June 30, 2017. In addition, our Managing Trustee determined to reduce the estimated residual value from $15,300,000 to $13,000,000. As a result of the impairment loss and the change in residual value, our monthly depreciation has decreased by $148,279, effective July 1, 2017. In addition, commencing July 1, 2017, we ceased recognizing rental income on the lease.

As part of our annual assessment of asset impairment, our Managing Trustee obtained third-party valuations related to the offshore supply vessel. Based on such valuations, our Managing Trustee concluded that an impairment existed and as a result, we recorded an additional impairment loss of $4,633,705 during the three months ended December 31, 2017. The fair market value of the vessel was based on third-party valuations using a combination of the market approach and the income approach. As a result of the impairment loss and the change in residual value, our monthly depreciation has decreased by an additional $18,531, effective January 1, 2018.

Mining Equipment

On September 18, 2014, a joint venture owned 55.817% by us and 44.183% by Hardwood Partners, LLC purchased mining equipment for $6,789,928. The equipment was subject to a 36-month lease with Murray Energy Corporation and certain of its affiliates (collectively, "Murray"), which was scheduled to expire on September 30, 2017. On October 3, 2017, Murray purchased the equipment pursuant to the terms of the lease for $1,949,583. As a result, we recognized a gain on sale of assets of $201,680. Pursuant to a remarketing agreement with a third party, we paid a remarketing fee of $100,841 as part of the transaction.

Aggregate annual minimum future rentals receivable from our non-cancelable lease related to our leased equipment at cost over the next five years and thereafter consisted of the following at December 31, 2017:

Years Ending December 31,		
2018	$	7,025,250
2019		4,641,000
2020		4,653,750
2021		4,653,750
2022		4,653,750
Thereafter		6,591,750
	$	32,219,250

(6) Vessels

On April 1, 2014, the Aegean Express and the Cebu Trader (f/k/a the Arabian Express) were returned to us in accordance with the terms of the charters. Upon redelivery, the bareboat charters were terminated and we assumed the underlying time charters for the vessels. As we assumed operational responsibility for the vessels, we simultaneously contracted with Fleet Ship Management Inc. to manage the vessels on our behalf. As of June 30, 2016, the Aegean Express and the Cebu Trader met the criteria to be classified as assets held for sale and no further depreciation was recorded on the vessels. Depreciation expense was $0 and $177,387 for the years ended December 31, 2017 and 2016, respectively. In September 2016, the Aegean Express and the Cebu Trader were sold to unaffiliated third parties for a gross purchase price of $3,000,000 and $3,200,000, respectively. After deducting selling costs of $353,444, we recorded an aggregate gain on sale of $303,943 during the year ended December 31, 2016. For the year ended December 31, 2016, pre-tax loss associated with the vessels was $174,775.

(7) Asset Held for Sale

On March 24, 2009, we and Swiber Engineering Ltd. ("Swiber") entered into a joint venture owned 51% by us and 49% by Swiber for the purpose of purchasing a 300-man accommodation and work barge, the Swiber Chateau (f/k/a the Swiber Victorious). Simultaneously with the purchase, the barge was chartered to Swiber Offshore Marine Pte. Ltd., an affiliate of Swiber ("Swiber Offshore"), for 96 months, which expired on March 23, 2017. The Swiber Chateau was purchased for $42,500,000, which was funded by (i) a $19,125,000 equity investment from us, (ii) a $18,375,000 contribution-in-kind by Swiber and (iii) a $5,000,000 subordinated, non-recourse and unsecured payable from Swiber. The payable bore interest at 3.5% per year and was recorded within seller's credits on our consolidated balance sheet as of December 31, 2016. Due to various defaults by Swiber Offshore under the charter, the joint venture was not required to pay to Swiber principal and interest outstanding under the payable as further described below. Swiber Holdings Ltd. ("Swiber Holdings"), the parent company of Swiber and Swiber Offshore (together with Swiber and Swiber Offshore, the "Swiber Group"), guaranteed the payment and performance obligations of Swiber Offshore and its affiliates under all transaction documents.

During the three months ended June 30, 2016, we obtained a third-party appraisal indicating that the fair market value of the barge as of June 27, 2016 was $17,875,000, which was below the net carrying value. As a result, we performed an impairment test on the barge. Based on such test, we recorded an impairment loss of $5,218,643 during the three months ended June 30, 2016. Swiber Offshore failed to make its monthly charter payments to the joint venture from July 2016 through the expiration of the charter in March 2017. Pursuant to the joint venture's operating agreement, in the event that, among other things, (i) there was a default by Swiber Offshore under the charter, or (ii) the fair market value of the barge was less than $21,000,000, all of Swiber's interests in the distributions, net cash flow, net profits and net proceeds resulting from the joint venture would be subordinated to our rights in such distributions, net cash flow, net profits and net proceeds until such time that we received in distribution the return of the full amount of our contribution to the joint venture and a return at a monthly compounded rate equal to 15.51% per year (the "Preferred Equity Interest"). As the then current fair market value of the barge was less than $21,000,000, our Managing Trustee concluded that, commencing June 27, 2016, Swiber's rights to the distributions, net cash flow, net profits and net proceeds were subordinated and Swiber should incur first loss resulting from the joint venture. Accordingly, the impairment loss recorded as of June 30, 2016 of $5,218,643 was allocated entirely to Swiber, the noncontrolling interest holder.

On July 27, 2016, Swiber Holdings filed a petition in Singapore to wind up and liquidate the company. On July 29, 2016, Swiber Holdings withdrew its petition for winding up and liquidation and submitted an application for court-supervised judicial management. In November 2016, we obtained an updated third-party appraisal indicating that the fair market value of the barge decreased to $14,770,000, which was below the net carrying value. As a result, we recorded an additional impairment loss of $3,105,000 during the three months ended September 30, 2016, which was allocated entirely to Swiber due to our Preferred Equity Interest.

On November 28, 2016, Swiber Offshore filed an application for voluntary winding up and liquidation in Singapore. Our Managing Trustee engaged in discussions with the court-appointed judicial manager of Swiber Holdings to, among other things, communicate our intention to sell the barge. During the three months ended December 31, 2016, our Managing Trustee commenced the process of marketing the barge for sale and as a result, the barge met the criteria to be classified as asset held for sale on our consolidated balance sheet as of December 31, 2016. As a result of (i) Swiber Offshore's and Swiber Holdings' default on their respective obligations under the charter and the guaranty, respectively, (ii) Swiber Offshore and Swiber Holdings being subject to voluntary winding up and judicial management proceedings, respectively, (iii) a decrease in the fair market value of the Swiber Chateau and (iv) the barge being classified as asset held for sale as of December 31, 2016, we recorded an additional impairment loss of $7,170,000 during the remainder of 2016 to write down the barge to its estimated fair value less cost to sell of $7,600,000 of which only $383,329 was allocated to Swiber as the balance of its noncontrolling interest in the joint venture had been reduced to zero.

During 2017, we repossessed the Swiber Chateau. As a result of advanced negotiations for the sale of the Swiber Chateau to a potential third-party purchaser, we further wrote down the barge by $900,000 during the three months ended March 31, 2017 to its estimated fair value less cost to sell based on the negotiated purchase price. Subsequently, this proposed sale transaction fell through. During the three months ended June 30, 2017, we resumed marketing the Swiber Chateau for sale and were in negotiations with another potential purchaser. Based on such negotiations, our Managing Trustee determined to record an additional impairment loss of $1,700,000 during the three months ended June 30, 2017. Subsequently, this proposed sale transaction also fell through. During the three months ended September 30, 2017, our Managing Trustee resumed marketing the Swiber Chateau for sale and entered into a memorandum of agreement to sell the barge. As a result, we recorded an additional impairment loss of $2,024,000 during the three months ended September 30, 2017 based on the estimated fair value less cost to sell. On December 29, 2017, we sold the Swiber Chateau to a third-party purchaser for $3,175,000. As a result, we recognized a gain on sale of $59,730.

Pursuant to the purchase and charter agreement, upon expiration of the charter on March 23, 2017, the joint venture's obligation to pay to Swiber principal and interest outstanding under the payable of $5,131,250 was extinguished as a result of the continuing defaults under the transaction documents by the Swiber Group. The gain on extinguishment of the seller's credit and the related interest payable of $5,131,250 was allocated entirely to us during the year ended December 31, 2017 due to our Preferred Equity Interest.

For the years ended December 31, 2017 and 2016, pre-tax loss associated with the Swiber Chateau was $522,716 and $13,431,883, respectively, of which pre-tax loss attributable to us was $522,716 and $5,735,174, respectively.

(8) Investment in Joint Ventures

On March 29, 2011, ICON AET Holdings, LLC ("ICON AET"), a joint venture owned 25% by us and 75% by Fund Fourteen, acquired two aframax tankers and two very large crude carriers (the "VLCCs"). Our contribution to the joint venture was $12,166,393. The VLCCs, the Eagle Vermont and the Eagle Virginia, were each acquired for $72,000,000 and were simultaneously bareboat chartered to AET Inc. Limited ("AET") for a period of 10 years. During 2014, the two aframax tankers were sold to third-party purchasers and all related debt obligations associated with such aframax tankers were satisfied in full. On June 8, 2016, an unaffiliated third party purchased 100% of the limited liability company interests of ICON AET for net sales proceeds of $48,798,058, and we recorded a gain on sale of investment in joint venture of $2,012,669.

On December 22, 2011, a joint venture owned 25% by us and 75% by Fund Fourteen made a $20,124,000 subordinated term loan to Jurong Aromatics Corporation Pte. Ltd. ("JAC") as part of a $171,050,000 term loan facility. Our initial contribution to this joint venture was $6,313,875. On May 15, 2013, a joint venture owned 21% by us, 39% by ICON Leasing Fund Eleven Liquidating Trust (formerly, ICON Leasing Fund Eleven, LLC) ("Fund Eleven"), an entity also managed by our Managing Trustee, and 40% by Fund Fifteen purchased a portion of a $208,038,290 subordinated credit facility for JAC from Standard Chartered Bank for $28,462,500. Our initial contribution to this joint venture was $6,456,034. The loan and the facility initially bore interest at rates ranging between 12.5% and 15% per year and were scheduled to mature in January 2021. As a result of JAC's failure to make an expected payment that was due to the joint ventures during the three months ended March 31, 2015, the interest rate payable by JAC under the loan and the facility increased from 12.5% to 15.5%. The loan and the facility were secured by a second priority security interest in all of JAC's assets, which included, among other things, all equipment, plant and machinery associated with a condensate splitter and aromatics complex.

During 2015, JAC experienced liquidity constraints as a result of a general economic slow-down in China and India, which led to lower demand from such countries, as well as the price decline of energy and other commodities. As a result, JAC's manufacturing facility ceased operations and JAC was not able to service interest payments under the loan and the facility. In addition, an expected tolling arrangement with JAC's suppliers that would have allowed JAC's manufacturing facility to resume operations did not commence in 2015 as originally anticipated. Discussions among the senior lenders and certain other stakeholders of JAC regarding a restructuring plan ended as the senior lenders did not agree to amendments to their credit facilities as part of the broader restructuring that was being contemplated. As a result, JAC entered receivership on September 28, 2015.

As a result of these factors, during the three months ended June 30, 2015, our Managing Trustee determined that there was doubt regarding the joint ventures' ultimate collectability of the loan and facility and commenced recording credit losses. Commencing with the three months ended June 30, 2015 and on a quarterly basis thereafter, our Managing Trustee reassessed the collectability of the loan and facility by considering the following factors, among others (i) what a potential buyer may be willing to pay to acquire JAC based on a comparable enterprise value derived from EBITDA multiples and (ii) the average trading price of unsecured distressed debt in comparable industries. During the year ended December 31, 2015, the joint ventures recorded an aggregate credit loss of $60,258,883 related to JAC based on our Managing Trustee's quarterly collectability analyses, of which our share was $14,010,881. Our Managing Trustee also assessed impairment under the equity method of accounting for our investment in the joint ventures and concluded that there was no impairment.

In January 2016, our Managing Trustee engaged in further discussions with JAC's other subordinated lenders and the Receiver regarding a near term plan for JAC's manufacturing facility. Based upon such discussions, our Managing Trustee anticipated that a one-year tolling arrangement with JAC's suppliers would be implemented to allow JAC's manufacturing facility to recommence operations. In July 2016, the tolling arrangement was implemented and the manufacturing facility resumed operations. Although JAC's manufacturing facility resumed operations, no debt payments were made by JAC to the joint ventures while operating under the tolling arrangement. As part of the tolling arrangement and the receivership process, JAC incurred additional senior debt, which could have been up to $55,000,000, to fund its operations as well as any receivership-related costs. As a result, our Managing Trustee determined that the joint ventures' ultimate collectability of the loan and the facility was further in doubt. As of June 30, 2016, our Managing Trustee updated its quarterly assessment by considering (i) a comparable enterprise value derived from EBITDA multiples; (ii) the average trading price of unsecured distressed debt in comparable industries and (iii) the additional senior debt incurred by JAC, which had priority over the joint ventures' loan and facility. Based upon this reassessment, our Managing Trustee determined that the joint ventures should fully reserve the outstanding balance of the loan and facility due from JAC as of June 30, 2016. As a result, the joint ventures recorded an additional total credit loss of $10,137,863 for the three months ended June 30, 2016, of which our share was $2,319,835. During the fourth quarter of 2016, the Receiver formally commenced the process of marketing JAC's manufacturing facility for sale.

As of December 31, 2016, the total net investment in notes receivable held by the joint ventures was $0 and our total investment in the joint ventures was $0. On September 12, 2017, our Managing Trustee received a formal notice from the Receiver notifying us that on August 28, 2017, the Receiver concluded a sale of substantially all of the assets of JAC (including the manufacturing facility) to a third party and confirmed that no sales proceeds would be distributed to the subordinated lenders, including the joint ventures. As a result, the joint ventures wrote off an aggregate credit loss reserve and corresponding balances related to the loan and the facility of $70,396,746 during the three months ended September 30, 2017. The joint ventures did not recognize any finance income related to JAC for the years ended December 31, 2017 and 2016.

(9) Non-Recourse Long-Term Debt

As of December 31, 2017 and 2016, we had the following non-recourse long-term debt:

	December 31,			
Counterparty	2017	2016	Maturity	Rate
DVB Group Merchant Bank (Asia) Ltd.	$ 33,810,800	$ 39,465,000	2021-2022	5.04%-6.1225%
People's Capital and Leasing Corp.	—	2,354,242	2018	6.50%
Total principal outstanding on non-recourse long-term debt	33,810,800	41,819,242		
Less: debt issuance costs	328,436	457,660		
Total non-recourse long-term debt	33,482,364	41,361,582		
Less: current portion of non-recourse long-term debt	22,335,800	22,721,924		
Total non-recourse long-term debt, less current portion	$ 11,146,564	$ 18,639,658		

All of our non-recourse long-term debt obligations consist of notes payable in which the lender has a security interest in the underlying assets. If the lessee was to default on the underlying lease, resulting in our default on the non-recourse long-term debt, the assets could be foreclosed upon and the proceeds would be remitted to the lender in extinguishment of that debt. As of December 31, 2017 and 2016, the total carrying value of assets subject to non-recourse long-term debt was $45,910,318 and $79,790,314, respectively.

On March 4, 2014, a joint venture owned 60% by us, 15% by Fund Fourteen, 15% by Fund Fifteen and 10% by Fund Sixteen financed the acquisition of certain mining equipment that was on lease to Blackhawk and its affiliates by entering into a non-recourse loan agreement with People’s Capital and Leasing Corp. (“People’s Capital”) in the amount of $7,500,000. People’s Capital received a first priority security interest in such mining equipment. The loan bore interest at a rate of 6.5% per year and was scheduled to mature on February 1, 2018. On July 21, 2017, a portion of the proceeds from the prepayment made by Blackhawk was used to satisfy our remaining non-recourse long-term debt obligations to People’s Capital of $1,204,661.

On March 21, 2014, a joint venture owned 75% by us, 12.5% by Fund Fourteen and 12.5% by Fund Fifteen financed the acquisition of the EPIC Vessels by entering into a non-recourse loan agreement with DVB Asia in the amount of $24,800,000. The loan bore interest at a rate of 6.1225% per year and was scheduled to mature on March 25, 2022. On October 20, 2016, we were notified of an event of default as a result of a change of control of the bareboat charter guarantor, an affiliate of Foreguard Shipping. The lender reserved, but did not exercise, its rights under the loan agreement. As a result of such default, we classified the entire outstanding balance of the debt of $18,465,000 to current liabilities as of December 31, 2016. On December 26, 2017, we amended the loan agreement with DVB Asia to, among other things, waive the continuing event of default and provide for an aggregate partial prepayment of $1,240,000. As of December 31, 2017, we were in compliance with all covenants related to our non-recourse long-term debt associated with the EPIC Vessels.

On June 9, 2014, a joint venture owned 75% by us, 12.5% by Fund Fourteen and 12.5% by Fund Fifteen financed the acquisition of an offshore supply vessel from Pacific Crest by entering into a non-recourse loan agreement with DVB Asia in the amount of $26,000,000. The senior secured loan bears interest at a rate of 5.04% per year and matures on June 24, 2021. On December 21, 2017, we were notified of an event of default as a result of payment defaults and non-compliance with certain financial covenants. The lender has reserved, but not exercised, its rights under the loan agreement. As a result of such default, we classified the entire outstanding balance of the debt of $18,315,800 to current liabilities as of December 31, 2017.

As of December 31, 2017 and 2016, we had capitalized net debt financing costs of $328,436 and $457,660, respectively. For the years ended December 31, 2017 and 2016, we recognized additional interest expense of $129,223 and $152,745, respectively, related to the amortization of debt financing costs.

The aggregate maturities of non-recourse long-term debt over the next five years and thereafter were as follows at December 31, 2017:

Years Ending December 31,		
2018	$	22,335,800
2019		3,400,000
2020		3,400,000
2021		3,400,000
2022		1,275,000
Thereafter		—
	$	33,810,800

At December 31, 2017, we were in compliance with all covenants related to our non-recourse long-term debt, except as disclosed above.

(10) Transactions with Related Parties

We paid our Managing Trustee (i) management fees ranging from 1% to 7% based on a percentage of the rentals and other contractual payments recognized either directly by us or through our joint ventures and (ii) acquisition fees, through the end of our operating period, of 3% of the purchase price (including indebtedness incurred or assumed therewith) of, or the value of the long-lived assets secured by or subject to, each of our investments. Our Managing Trustee was not paid acquisition fees or management fees for additional investments initiated during the liquidation period, although management fees continued to be paid for investments that were part of our portfolio prior to the commencement of the liquidation period through November 30, 2017. Effective December 1, 2017, our Managing Trustee waived all future management fees. Our Managing Trustee has a 1% interest in our profits, losses, distributions and liquidation proceeds.

Our Managing Trustee performs, or performed in its capacity as Manager of the LLC, certain services relating to the management of our equipment leasing and other financing activities. Such services include, but are not limited to, the collection of lease payments from the lessees of the equipment or loan payments from borrowers, re-leasing services in connection with equipment that is off-lease, inspections of the equipment, liaising with and general supervision of lessees and borrowers to ensure that the equipment is being properly operated and maintained, monitoring performance by the lessees of their obligations under the leases and the payment of operating expenses.

In addition, our Managing Trustee is reimbursed for administrative expenses incurred in connection with our operations. Administrative expense reimbursements are costs incurred by our Managing Trustee or its affiliates on our behalf that are necessary to our operations. These costs include our Managing Trustee's and its affiliates' legal, accounting, investor relations and operations personnel costs, as well as professional fees and other costs that are charged to us based upon the percentage of time such personnel dedicate to us. Excluded are salaries and related costs, office rent, travel expenses and other administrative costs incurred by individuals with a controlling interest in our Managing Trustee.

We paid distributions to our Managing Trustee of $60,608 and $337,284 for the years ended December 31, 2017 and 2016, respectively. Our Managing Trustee's interest in our net loss for the years ended December 31, 2017 and 2016 was $303,645 and $36,892, respectively.

Fees and other expenses incurred by us to our Managing Trustee or its affiliates were as follows:

Entity	Capacity	Description	Years Ended December 31, 2017	Years Ended December 31, 2016
ICON Capital, LLC	Managing Trustee	Management fees (1)	$ 210,233	$ 944,577
ICON Capital, LLC	Managing Trustee	Administrative expense reimbursements (1)	943,163	1,214,904
			$ 1,153,396	$ 2,159,481

(1) Amount charged directly to operations.

At December 31, 2017 and 2016, we had a net payable due to our Managing Trustee and affiliates of $107,406 and $267,764, respectively, primarily related to administrative expense reimbursements.

In June 2016, we sold our interests in a certain joint venture to an unaffiliated third party. In connection with the sale, the third party required that an affiliate of our Managing Trustee provide bookkeeping and administrative services related to such asset for a fee.

(11) Fair Value Measurements

Assets and liabilities carried at fair value are classified and disclosed in one of the following three categories:

- Level 1: Quoted market prices available in active markets for identical assets or liabilities as of the reporting date.
- Level 2: Pricing inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date.
- Level 3: Pricing inputs that are generally unobservable and are supported by little or no market data.

Assets Measured at Fair Value on a Nonrecurring Basis

We are required, on a nonrecurring basis, to adjust the carrying value or provide valuation allowances for certain assets using fair value measurements. Our non-financial assets, such as leased equipment at cost or vessels, are measured at fair value when there is an indicator of impairment and recorded at fair value only when an impairment charge is recognized. Assets classified as held for sale are required to be recorded at the lower of carrying value or fair value less any costs to sell such assets. To determine the fair value when impairment indicators exist, we utilize different valuation approaches based on transaction-specific facts and circumstances to determine fair value, including, but not limited to, discounted cash flow models and the use of comparable transactions. The valuation of our financial assets, such as notes receivable, is included below only when fair value has been measured and recorded based on the fair value of the underlying collateral.

The following tables summarize the valuation of our material non-financial assets measured at fair value on a nonrecurring basis, which is presented as of the date the impairment loss was recorded, while the carrying value of the assets is presented as of December 31, 2017 or 2016, as applicable:

	Carrying Value at December 31, 2017	Fair Value at Impairment Date: Level 1	Level 2	Level 3	Impairment Loss for the Year Ended December 31, 2017
Leased equipment at cost	$ 13,000,000	$ —	$ —	$ 13,000,000 (1)	$ 19,295,230

(1) There were nonrecurring fair value measurements in relation to the impairment loss recorded as of June 30, 2017 and December 31, 2017 related to the offshore supply vessel on charter to Pacific Crest. As of June 30, 2017 and December 31, 2017, the fair value was $18,000,000 and $13,000,000, respectively.

Since July 2017, Pacific Crest has failed to make its monthly charter payments and our Managing Trustee was advised in July 2017 that Pacific Crest is engaged in discussions with its lenders regarding a potential restructuring of its outstanding debt obligations. As a result, we performed an impairment test on the vessel. Based on such test, we recorded an impairment loss of $14,661,525 during the three months ended June 30, 2017. As of June 30, 2017, the estimated fair market value of the offshore supply vessel was based on a third-party valuation using a market approach. The estimated fair market value was based on inputs that are generally unobservable and are supported by little or no market data and were classified within Level 3. As part of our annual assessment of asset impairment, our Managing Trustee obtained third-party valuations related to the offshore supply vessel. Based on such valuations, our Managing Trustee concluded that an impairment existed and as a result, recorded an additional impairment loss of $4,633,705 during the three months ended December 31, 2017. The fair market value of the vessel was based on third-party valuations using a combination of the market approach and the income approach.

	Carrying Value at December 31, 2017	Fair Value at Impairment Date				Impairment Loss for the Year Ended December 31, 2017
		Level 1	Level 2	Level 3		
Asset held for sale	$ —	$ —	$ —	$ 3,100,000	(1)	$ 4,624,000

(1) There were nonrecurring fair value measurements in relation to the impairment loss recorded as of March 31, 2017, June 30, 2017 and September 30, 2017 related to the Swiber Chateau. As of March 31, 2017, June 30, 2017 and September 30, 2017, the fair value was $7,000,000, $5,350,000 and $3,100,000, respectively.

During the three months ended March 31, 2017, as a result of advanced negotiations for the sale of the Swiber Chateau to a potential third-party purchaser, we further wrote down the barge by $900,000 to its estimated fair value less cost to sell based on the negotiated purchase price. Subsequently, this proposed sale transaction fell through. During the three months ended June 30, 2017, we resumed marketing the Swiber Chateau for sale and were in negotiations with another potential purchaser. Based on such negotiations, our Managing Trustee determined to record an additional impairment loss of $1,700,000 during the three months ended June 30, 2017. Subsequently, this proposed sale transaction also fell through. During the three months ended September 30, 2017, our Managing Trustee resumed marketing the Swiber Chateau for sale and entered into a memorandum of agreement to sell the barge. As a result, we recorded an additional impairment loss of $2,024,000 during the three months ended September 30, 2017. The net carrying value of such asset held for sale of $2,976,000 as of September 30, 2017 represents the estimated fair value of the Swiber Chateau of $3,100,000 less cost to sell. The estimated fair value of the Swiber Chateau and cost to sell for each quarter were based on inputs that are generally unobservable and are supported by little or no market data and were classified within Level 3.

On December 29, 2017, the Swiber Chateau was sold to an unaffiliated third party and a gain on sale of $59,730 was recognized.

	Carrying Value at December 31, 2016	Fair Value at Impairment Date				Impairment Loss for the Year Ended December 31, 2016
		Level 1	Level 2	Level 3		
Asset held for sale	$ 7,600,000	$ —	$ —	$ 8,000,000	(1)	$ 15,493,643

(1) There were nonrecurring fair value measurements in relation to the impairment loss recorded as of June 30, 2016, September 30, 2016 and December 31, 2016 related to the Swiber Chateau. As of June 30, 2016, September 30, 2016 and December 31, 2016, the fair value was $17,875,000, $14,770,000 and $8,000,000, respectively.

During the three months ended June 30, 2016, September 30, 2016 and December 31, 2016, we identified impairment indicators and measured our leased equipment at cost related to the Swiber Chateau for impairment purposes. The estimated fair value of such leased equipment at cost at June 30, 2016 was based on an independent third-party valuation using a combination of the cost and sales comparison approach. The estimated fair value of such leased equipment at cost at September 30, 2016 was based on an updated independent third-party valuation using a cost approach. During the three months ended December 31, 2016, the Swiber Chateau met the criteria to be classified as asset held for sale on our consolidated balance sheets resulting in a reclassification from leased equipment at cost to asset held for sale. The carrying value of such asset held for sale of $7,600,000 represents the estimated fair value of the Swiber Chateau of $8,000,000 less cost to sell. As of December 31, 2016, the estimated fair value of the Swiber Chateau was derived from the expected sale price based on third-party bids. The estimated fair value of the Swiber Chateau and cost to sell were based on inputs that are generally unobservable and are supported by little or no market data and were classified within Level 3.

Assets and Liabilities for which Fair Value is Disclosed

Certain of our financial assets and liabilities, which include fixed-rate notes receivable, fixed-rate non-recourse long-term debt and seller's credits, for which fair value is required to be disclosed, were valued using inputs that are generally unobservable and supported by little or no market data and are therefore classified within Level 3. Under U.S. GAAP, we use projected cash flows for fair value measurements of these financial assets and liabilities. Fair value information with respect to certain of our other assets and liabilities is not separately provided since (i) U.S. GAAP does not require fair value disclosures of lease arrangements and (ii) the carrying value of financial assets and liabilities, other than lease-related investments, approximates fair value due to their short-term maturities.

The estimated fair value of our fixed-rate note receivable was based on the discounted value of future cash flows related to the loan at inception, adjusted for changes in certain variables, including, but not limited to, credit quality, industry, financial markets and other recent comparables. The estimated fair value of our fixed-rate non-recourse long-term debt and seller's credits was based on the discounted value of future cash flows related to the debt and seller's credits based on a discount rate derived from the margin at inception, adjusted for material changes in risk, plus the applicable fixed rate based on the current interest rate curve. The fair value of the principal outstanding on our fixed-rate note receivable was derived using discount rates ranging between 14% and 16% as of December 31, 2017. The fair value of the principal outstanding on fixed-rate non-recourse long-term debt and the seller's credits was derived using discount rates ranging between 5.4% and 8.3% as of December 31, 2017.

	December 31, 2017	
	Carrying Value	Fair Value (Level 3)
Principal outstanding on fixed-rate note receivable	$ 11,700,000	$ 11,400,000
Principal outstanding on fixed-rate non-recourse long-term debt	$ 33,810,800	$ 28,782,500
Seller's credits	$ 8,738,715	$ 8,549,672

(12) Concentrations of Risk

In the normal course of business, we are exposed to two significant types of economic risk: credit and market. Credit risk is the risk of a lessee, borrower or other counterparty's inability or unwillingness to make contractually required payments. Concentrations of credit risk with respect to lessees, borrowers or other counterparties are dispersed across different industry segments within the United States and throughout the world.

Market risk reflects the change in the value of debt instruments, derivatives and credit facilities due to changes in interest rate spreads or other market factors. We believe that the carrying value of our investments is reasonable, taking into consideration these risks, along with estimated collateral values, payment history and other relevant information.

At times, our cash and cash equivalents may exceed insured limits. We have placed these funds in high-quality institutions in order to minimize the risk of loss relating to exceeding insured limits.

For the years ended December 31, 2017 and 2016, we had four and five lessees that accounted for 92.3% and 78.3% of our rental and finance income, respectively. No other lessees or borrowers accounted for more than 10% of our rental and finance income.

As of December 31, 2017, we had two lessees and one borrower that accounted for 79.2% of total assets.

As of December 31, 2016, we had three lessees and one borrower that accounted for 69.1% of total assets.

As of December 31, 2017 and 2016, we had one lender that accounted for 77.4% and 69.4% of total liabilities, respectively.

(13) Geographic Information

Geographic information for revenue, long-lived assets and other assets deemed relatively illiquid, based on the country of origin, was as follows:

	Year Ended December 31, 2017				
	North America	Europe	Asia	Vessels(a)	Total
Revenue:					
Finance income	$ 1,085,700	$ —	$ —	$ 3,521,883	$ 4,607,583
Rental income	$ 1,624,541	$ —	$ —	$ 2,466,746	$ 4,091,287
Income (loss) from investment in joint ventures	$ 888	$ —	$ (6,959)	$ —	$ (6,071)

	At December 31, 2017				
	North America	Europe	Asia	Vessels(a)	Total
Long-lived assets:					
Net investment in notes receivable	$ —	$ —	$ —	$ 11,700,000	$ 11,700,000
Net investment in finance leases	$ —	$ —	$ —	$ 32,910,318	$ 32,910,318
Leased equipment at cost, net	$ —	$ —	$ —	$ 13,000,000	$ 13,000,000

	Year Ended December 31, 2016				
	North America	Europe	Asia	Vessels(a)	Total
Revenue:					
Finance income	$ 4,547,439	$ —	$ —	$ 5,896,931	$ 10,444,370
Rental income	$ 2,166,054	$ —	$ —	$ 8,310,075	$ 10,476,129
Time charter revenue	$ —	$ —	$ —	$ 2,982,466	$ 2,982,466
Loss from investment in joint ventures	$ —	$ —	$ (1,923,926)	$ —	$ (1,923,926)

	At December 31, 2016				
	North America	Europe	Asia	Vessels(a)	Total
Long-lived assets:					
Net investment in notes receivable	$ —	$ —	$ —	$ 21,002,939	$ 21,002,939
Net investment in finance leases	$ 10,273,851	$ —	$ —	$ 35,597,469	$ 45,871,320
Leased equipment at cost, net	$ 3,042,302	$ —	$ —	$ 33,918,994	$ 36,961,296
Asset held for sale	$ —	$ —	$ —	$ 7,600,000	$ 7,600,000

(a) Vessels are generally free to trade worldwide.

(14) Commitments and Contingencies

At the time we acquire or divest of our interest in an equipment lease or other financing transaction, we may, under very limited circumstances, agree to indemnify the seller or buyer for specific contingent liabilities. Our Managing Trustee believes that any liability of ours that may arise as a result of any such indemnification obligations may or may not have a material adverse effect on our consolidated financial condition or results of operations as a whole. In addition, at times we may seek to enforce our rights under a personal guaranty in order to collect amounts from the guarantor that are owed to us by a defaulting borrower or lessee. Gain contingencies may arise from enforcement of such guaranty, but are not recognized until realizable. We are currently seeking to recover a judgment issued in our favor against a guarantor covering amounts owed to us related to a lease with MWU Universal, Inc. and certain of its subsidiaries.

In connection with certain debt obligations, we are required to maintain restricted cash accounts with certain banks. At December 31, 2017, we had restricted cash of $2,063,845.

During 2008, ICON EAR, LLC ("ICON EAR"), a joint venture owned 55% by us and 45% by Fund Eleven, purchased and simultaneously leased semiconductor manufacturing equipment to Equipment Acquisition Resources, Inc. ("EAR") for $15,729,500. On October 23, 2009, EAR filed a petition for reorganization under Chapter 11 of the U.S. Bankruptcy Code. On October 21, 2011, the Chapter 11 bankruptcy trustee for EAR filed an adversary complaint against ICON EAR seeking the recovery of the lease payments that the trustee alleged were fraudulently transferred from EAR to ICON EAR. The complaint also sought the recovery of payments made by EAR to ICON EAR during the 90-day period preceding EAR's bankruptcy filing, alleging that those payments constituted a preference under the U.S. Bankruptcy Code. Additionally, the complaint sought the imposition of a constructive trust over certain real property and the proceeds from the sale that ICON EAR received as security in connection with its investment. Our Managing Trustee filed an answer to the complaint that included certain affirmative defenses. Since that time, substantial discovery was completed. Given the risks, costs and uncertainty surrounding litigation in bankruptcy, our Managing Trustee engaged in mediation with the trustee to resolve this matter, which resulted in a tentative settlement in May 2016 subject to bankruptcy court approval. On July 5, 2016, the U.S. Bankruptcy Court approved the settlement. The settlement released all claims against ICON EAR, Fund Eleven and us for an aggregate settlement payment of $3,100,000. As a result, we recorded our proportionate share of the litigation settlement expense of $1,209,000 during the three months ended March 31, 2016. The settlement amount was paid on July 15, 2016.

On December 26, 2017, ICON, the Senior Lender and TMA entered into a restructuring support and lock-up agreement under which ICON agreed to, among other things, commit to fund an additional $8,000,000 to TMA in exchange for (i) all amounts payable under the Senior Loan will be satisfied in full at a faster rate, at which time ICON will become the senior lender and have a first priority security interest in the four vessels and TMA's right to the earnings generated by the vessels; and (ii) a 12.5% equity interest in two affiliates of TMA. The transactions contemplated by the restructuring support and lock-up agreement were subject to execution of definitive agreements. On January 5, 2018, definitive agreements were executed and as a result, we funded our additional commitment of $6,000,000 and our note and interest receivables due from TMA was reduced to $15,000,000.

(15) Income Tax Reconciliation (unaudited)

At December 31, 2017 and 2016, the beneficial owners' equity included in the consolidated financial statements totaled $27,610,201 and $64,035,440, respectively. The beneficial owners' capital for federal income tax purposes at December 31, 2017 and 2016 totaled $61,341,114 and $73,456,242, respectively. The difference arises primarily from sales and offering expenses reported as a reduction in the additional beneficial owner equity accounts for financial reporting purposes, but not for federal income tax reporting purposes, and differences in depreciation and amortization, credit loss, state income tax, and taxable income or loss attributable to noncontrolling interests and from joint ventures, between financial reporting purposes and federal income tax purposes.

The following table reconciles net loss attributable to us for financial statement reporting purposes to net loss attributable to us for federal income tax purposes:

	Years Ended December 31,	
	2017	2016
Net loss attributable to Fund Twelve Liquidating Trust per consolidated financial statements	$ (30,364,456)	$ (3,689,159)
Depreciation and amortization	—	(2,033,618)
Taxable (loss) income from joint ventures	(5,257,755)	4,094,311
Loss on sale of vessels	—	(23,138,568)
Taxable (loss) income attributable to noncontrolling interests	(4,004,616)	1,462,355
Credit loss add-back	15,690,944	—
State income tax	347,732	114,872
Other	(7,891)	(257,647)
Net loss attributable to Fund Twelve Liquidating Trust for federal income tax purposes	$ (23,596,042)	$ (23,447,454)

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of disclosure controls and procedures

In connection with the preparation of this Annual Report on Form 10-K for the year ended December 31, 2017, our Managing Trustee carried out an evaluation, under the supervision and with the participation of the management of our Managing Trustee, including its Co-Chief Executive Officers and the Principal Financial and Accounting Officer, of the effectiveness of the design and operation of our Managing Trustee's disclosure controls and procedures as of the end of the period covered by this report pursuant to the Securities Exchange Act of 1934, as amended. Based on the foregoing evaluation, the Co-Chief Executive Officers and the Principal Financial and Accounting Officer concluded that our Managing Trustee's disclosure controls and procedures were effective.

In designing and evaluating our Managing Trustee's disclosure controls and procedures, our Managing Trustee recognized that disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met. Our Managing Trustee's disclosure controls and procedures have been designed to meet reasonable assurance standards. Disclosure controls and procedures cannot detect or prevent all error and fraud. Some inherent limitations in disclosure controls and procedures include costs of implementation, faulty decision-making, simple error and mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based, in part, upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all anticipated and unanticipated future conditions. Over time, controls may become inadequate because of changes in conditions, or the degree of compliance with established policies or procedures.

Our Managing Trustee's Co-Chief Executive Officers and Principal Financial and Accounting Officer have determined that no weakness in disclosure controls and procedures had any material effect on the accuracy and completeness of our financial reporting and disclosure included in this Annual Report on Form 10-K.

Evaluation of internal control over financial reporting

Our Managing Trustee is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended, as a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that (1) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our Managing Trustee assessed the effectiveness of its internal control over financial reporting as of December 31, 2017. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in "Internal Control — Integrated Framework" as issued in 2013.

Based on its assessment, our Managing Trustee believes that, as of December 31, 2017, its internal control over financial reporting is effective.

Changes in internal control over financial reporting

There were no changes in our Managing Trustee's internal control over financial reporting during the quarter ended December 31, 2017 that materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

Item 9B. Other Information

Not applicable.

PART III

Item 10. Directors, Executive Officers of the Registrant's Managing Trustee and Corporate Governance

Our Managing Trustee, ICON Capital, LLC, a Delaware limited liability company ("ICON Capital"), was formed in 1985. Our Managing Trustee's principal office is located at 3 Park Avenue, 36th Floor, New York, New York 10016, and its telephone number is (212) 418-4700.

In addition to the primary services related to our disposing of investments, our Managing Trustee provides services relating to the day-to-day management of our investments. These services include collecting payments due from lessees, borrowers, and other counterparties; remarketing equipment that is off-lease; inspecting equipment; serving as a liaison with lessees, borrowers, and other counterparties; supervising equipment maintenance; and monitoring performance by lessees, borrowers, and other counterparties of their obligations, including payment of contractual payments and all operating expenses.

Name	Age	Title
Michael A. Reisner	47	Co-Chairman, Co-Chief Executive Officer, Co-President and Director
Mark Gatto	45	Co-Chairman, Co-Chief Executive Officer, Co-President and Director
Christine H. Yap	47	Managing Director and Principal Financial and Accounting Officer

Michael A. Reisner, Co-Chairman, Co-CEO, Co-President and Director, joined ICON Capital in 2001. Prior to purchasing the company in 2008, Mr. Reisner held various positions in the firm, including Executive Vice President and Chief Financial Officer, General Counsel and Executive Vice President of Acquisitions. Before his tenure with ICON Capital, Mr. Reisner was an attorney from 1996 to 2001 with Brodsky Altman & McMahon, LLP in New York, concentrating on commercial transactions. Mr. Reisner received a J.D. from New York Law School and a B.A. from the University of Vermont.

Mark Gatto, Co-Chairman, Co-CEO, Co-President and Director, originally joined ICON Capital in 1999. Prior to purchasing the company in 2008, Mr. Gatto held various positions in the firm, including Executive Vice President and Chief Acquisitions Officer, Executive Vice President - Business Development and Associate General Counsel. Before his tenure with ICON Capital, he was an attorney with Cella & Goldstein in New Jersey, concentrating on commercial transactions and general litigation matters. Additionally, he was Director of Player Licensing for the Topps Company and in 2003, he co-founded a specialty business consulting firm in New York City, where he served as managing partner before re-joining ICON Capital in 2005. Mr. Gatto received an M.B.A. from the W. Paul Stillman School of Business at Seton Hall University, a J.D. from Seton Hall University School of Law, and a B.S. from Montclair State University.

Christine H. Yap, Managing Director and Principal Financial and Accounting Officer joined ICON Capital in May 2013. Prior to joining ICON Capital, Ms. Yap was previously a Vice President and Fund Controller at W.P. Carey Inc. from October 2011 to December 2012. Prior to W.P. Carey, from June 1997 to October 2011, Ms. Yap was employed by PricewaterhouseCoopers LLP, rising to the level of Director. Ms. Yap received a B.S. in Accounting from Meredith College and an M.S. in Accounting from the University of Rhode Island and is a certified public accountant.

Code of Ethics

Our Managing Trustee, on our behalf, has adopted a code of ethics for its Co-Chief Executive Officers and Principal Financial and Accounting Officer. The Code of Ethics is available free of charge by requesting it in writing from our Managing Trustee. Our Managing Trustee's address is 3 Park Avenue, 36th Floor, New York, New York 10016.

Item 11. Executive Compensation

We have no directors or officers. Our Managing Trustee and its affiliates were paid or we accrued the following compensation and reimbursement for costs and expenses:

Entity	Capacity	Description	Years Ended December 31, 2017	2016
ICON Capital, LLC	Managing Trustee	Management fees (1)	$ 210,233	$ 944,577
ICON Capital, LLC	Managing Trustee	Administrative expense reimbursements (1)	943,163	1,214,904
			$ 1,153,396	$ 2,159,481

(1) Amount charged directly to operations.

Our Managing Trustee also has a 1% interest in our profits, losses, distributions and liquidation proceeds. We paid distributions to our Managing Trustee of $60,608 and $337,284 for the years ended December 31, 2017 and 2016, respectively. Our Managing Trustee's interest in the net loss attributable to us was $303,645 and $36,892 for the years ended December 31, 2017 and 2016, respectively.

Item 12. Security Ownership of Certain Beneficial Owners and the Managing Trustee and Related Security Holder Matters

(a) We do not have any securities authorized for issuance under any equity compensation plan. No person of record owns, or is known by us to own, beneficially more than 5% of any class of our securities.

(b) As of March 27, 2018, no directors or officers of our Managing Trustee own any of our equity securities.

(c) The LLC's assets and liabilities, including its investments, were transferred to the Liquidating Trust on December 31, 2016 in order to reduce expenses and to maximize potential distributions to beneficial owners. On December 31, 2016, all Shares were exchanged for an equal number of Interests in the Liquidating Trust. Neither we nor our Managing Trustee are aware of any arrangements with respect to our securities, the operation of which may at a subsequent date result in a change of control of us, other than the transfer of the assets and liabilities to the Liquidating Trust as described above.

Item 13. Certain Relationships and Related Transactions, and Director Independence

See "Item 11. Executive Compensation" for a discussion of our related party transactions. See Notes 8 and 10 to our consolidated financial statements for a discussion of our investments in joint ventures and transactions with related parties, respectively.

Because we are not listed on any national securities exchange or inter-dealer quotation system, we have elected to use the Nasdaq Stock Market's definition of "independent director" in evaluating whether any of our Managing Trustee's directors are independent. Under this definition, the board of directors of our Managing Trustee has determined that our Managing Trustee does not have any independent directors, nor are we required to have any.

Item 14. Principal Accounting Fees and Services

During the years ended December 31, 2017 and 2016, our auditors provided audit services relating to our Annual Reports on Form 10-K and our Quarterly Reports on Form 10-Q. Additionally, our auditors provided other services in the form of tax compliance work.

Ernst & Young LLP ("EY") was our independent registered public accounting firm for 2016 and a portion of 2017. On June 30, 2017, we dismissed EY as our independent registered public accounting firm. On July 6, 2017, we engaged RSM US LLP ("RSM") as our independent registered public accounting firm for the year ending December 31, 2017. The following table presents the fees for both audit and non-audit services rendered by EY and RSM, as applicable, for the years ended December 31, 2017 and 2016:

Principal Audit Firm - RSM US LLP	December 31, 2017	December 31, 2016
Audit fees	$ 215,250	$ —
Tax fees	—	—
	$ 215,250	$ —

Predecessor Audit Firm - Ernst & Young LLP	December 31, 2017	December 31, 2016
Audit fees	$ 47,000	$ 540,470
Tax fees	301,544	382,282
	$ 348,544	$ 922,752

PART IV

Item 15. Exhibits, Financial Statement Schedules

(a) 1. Financial Statements

See index to consolidated financial statements included as Item 8 to this Annual Report on Form 10-K hereof.

2. Financial Statement Schedules

Schedules not listed above have been omitted because they are not applicable or the information required to be set forth therein is included in the financial statements or notes thereto.

3. Exhibits:

3.1	Certificate of Formation of Registrant (Incorporated by reference to Exhibit 3.1 to Registrant's Registration Statement on Form S-1 filed with the SEC on November 13, 2006 (File No. 333-138661)).
4.1	Limited Liability Company Agreement of Registrant (Incorporated by reference to Exhibit A to Registrant's Prospectus filed with the SEC on May 8, 2007 (File No. 333-138661)).
10.1	Commercial Loan Agreement, by and between California Bank & Trust and ICON Leasing Fund Twelve, LLC, dated as of May 10, 2011 (Incorporated by reference to Exhibit 10.7 to Registrant's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2011, filed May 16, 2011).
10.2	Loan Modification Agreement, dated as of March 31, 2013, by and between California Bank & Trust and ICON Leasing Fund Twelve, LLC (Incorporated by reference to Exhibit 10.2 to Registrant's Annual Report on Form 10-K for the year ended December 31, 2012, filed March 22, 2013).
10.3	Plan of Liquidation and Dissolution, dated as of December 31, 2016, by and between ICON Leasing Fund Twelve, LLC and ICON Capital, LLC (Incorporated by reference to Exhibit 10.1 to Registrant's Current Report on Form 8-K filed with the SEC on January 5, 2017).
10.4	Liquidating Trust Agreement, dated as of December 23, 2016, by and among ICON Leasing Fund Twelve, LLC, ICON Capital, LLC and NRAI Services, LLC (Incorporated by reference to Exhibit 10.2 to Registrant's Current Report on Form 8-K filed with the SEC on January 5, 2017).
31.1	Rule 13a-14(a)/15d-14(a) Certification of Co-Chief Executive Officer.
31.2	Rule 13a-14(a)/15d-14(a) Certification of Co-Chief Executive Officer.
31.3	Rule 13a-14(a)/15d-14(a) Certification of Principal Financial and Accounting Officer.
32.1	Certification of Co-Chief Executive Officer pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Co-Chief Executive Officer pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.3	Certification of Principal Financial and Accounting Officer pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Labels Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.

Item 16. Form 10-K Summary

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ICON Leasing Fund Twelve Liquidating Trust
(Registrant)

By: ICON Capital, LLC
(Managing Trustee of the Registrant)

March 29, 2018

By: /s/ Michael A. Reisner
Michael A. Reisner
Co-Chief Executive Officer and Co-President
(Co-Principal Executive Officer)

By: /s/ Mark Gatto
Mark Gatto
Co-Chief Executive Officer and Co-President
(Co-Principal Executive Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

ICON Leasing Fund Twelve Liquidating Trust
(Registrant)

By: ICON Capital, LLC
(Managing Trustee of the Registrant)

March 29, 2018

By: /s/ Michael A. Reisner
Michael A. Reisner
Co-Chief Executive Officer, Co-President and Director
(Co-Principal Executive Officer)

By: /s/ Mark Gatto
Mark Gatto
Co-Chief Executive Officer, Co-President and Director
(Co-Principal Executive Officer)

By: /s/ Christine H. Yap
Christine H. Yap
Managing Director
(Principal Financial and Accounting Officer)

Supplemental Information to be Furnished With Reports Filed Pursuant to Section 15(d) of the Act by Registrants which Have Not Registered Securities Pursuant to Section 12 of the Act.

No annual report or proxy material has been sent to beneficial owners.

Exhibit 31.1

CERTIFICATION OF CO-CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Michael A. Reisner, certify that:

1. I have reviewed this Annual Report on Form 10-K of ICON Leasing Fund Twelve Liquidating Trust (the "Liquidating Trust");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Liquidating Trust as of, and for, the periods presented in this report;

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Liquidating Trust and have:

a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the Liquidating Trust, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared;

b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. evaluated the effectiveness of the Liquidating Trust's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. disclosed in this report any change in the Liquidating Trust’s internal control over financial reporting that occurred during the Liquidating Trust’s most recent fiscal quarter (the Liquidating Trust’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Liquidating Trust’s internal control over financial reporting; and

5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the Liquidating Trust's auditors and the board of directors of ICON Capital, LLC (or persons performing the equivalent functions):

a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Liquidating Trust's ability to record, process, summarize and report financial information; and

b. any fraud, whether or not material, that involves management or other employees who have a significant role in the Liquidating Trust's internal control over financial reporting.

Date: March 29, 2018

/s/ Michael A. Reisner
Michael A. Reisner
Co-Chief Executive Officer and Co-President
ICON Capital, LLC

Exhibit 31.2

CERTIFICATION OF CO-CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Mark Gatto, certify that:

1. I have reviewed this Annual Report on Form 10-K of ICON Leasing Fund Twelve Liquidating Trust (the "Liquidating Trust");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Liquidating Trust as of, and for, the periods presented in this report;

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Liquidating Trust and have:

   a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the Liquidating Trust, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared;

   b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. evaluated the effectiveness of the Liquidating Trust's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. disclosed in this report any change in the Liquidating Trust’s internal control over financial reporting that occurred during the Liquidating Trust’s most recent fiscal quarter (the Liquidating Trust’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Liquidating Trust’s internal control over financial reporting; and

5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the Liquidating Trust's auditors and the board of directors of ICON Capital, LLC (or persons performing the equivalent functions):

   a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Liquidating Trust's ability to record, process, summarize and report financial information; and

   b. any fraud, whether or not material, that involves management or other employees who have a significant role in the Liquidating Trust's internal control over financial reporting.

Date: March 29, 2018

/s/ Mark Gatto
Mark Gatto
Co-Chief Executive Officer and Co-President
ICON Capital, LLC

Exhibit 31.3

CERTIFICATION OF PRINCIPAL FINANCIAL AND ACCOUNTING OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Christine H. Yap, certify that:

1. I have reviewed this Annual Report on Form 10-K of ICON Leasing Fund Twelve Liquidating Trust (the "Liquidating Trust");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Liquidating Trust as of, and for, the periods presented in this report;

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Liquidating Trust and have:

   a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the Liquidating Trust, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared;

   b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. evaluated the effectiveness of the Liquidating Trust's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. disclosed in this report any change in the Liquidating Trust’s internal control over financial reporting that occurred during the Liquidating Trust’s most recent fiscal quarter (the Liquidating Trust’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Liquidating Trust’s internal control over financial reporting; and

5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the Liquidating Trust's auditors and the board of directors of ICON Capital, LLC (or persons performing the equivalent functions):

   a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Liquidating Trust's ability to record, process, summarize and report financial information; and

   b. any fraud, whether or not material, that involves management or other employees who have a significant role in the Liquidating Trust's internal control over financial reporting.

Date: March 29, 2018

/s/ Christine H. Yap
Christine H. Yap
Managing Director
(Principal Financial and Accounting Officer)
ICON Capital, LLC

Exhibit 32.1

CERTIFICATION OF CO-CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Michael A. Reisner, Co-Chief Executive Officer and Co-President of ICON Capital, LLC, the Managing Trustee of the Registrant, in connection with the Annual Report of ICON Leasing Fund Twelve Liquidating Trust (the "Liquidating Trust") on Form 10-K for the year ended December 31, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Annual Report"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Annual Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Annual Report fairly presents, in all material respects, the financial condition and results of operations of the Liquidating Trust.

Date: March 29, 2018

/s/ Michael A. Reisner
Michael A. Reisner
Co-Chief Executive Officer and Co-President
ICON Capital, LLC

Exhibit 32.2

CERTIFICATION OF CO-CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Mark Gatto, Co-Chief Executive Officer and Co-President of ICON Capital, LLC, the Managing Trustee of the Registrant, in connection with the Annual Report of ICON Leasing Fund Twelve Liquidating Trust (the "Liquidating Trust") on Form 10-K for the year ended December 31, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Annual Report"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Annual Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Annual Report fairly presents, in all material respects, the financial condition and results of operations of the Liquidating Trust.

Date: March 29, 2018

/s/ Mark Gatto
Mark Gatto
Co-Chief Executive Officer and Co-President
ICON Capital, LLC

Exhibit 32.3

CERTIFICATION OF PRINCIPAL FINANCIAL AND ACCOUNTING OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Christine H. Yap, Principal Financial and Accounting Officer of ICON Capital, LLC, the Managing Trustee of the Registrant, in connection with the Annual Report of ICON Leasing Fund Twelve Liquidating Trust (the "Liquidating Trust") on Form 10-K for the year ended December 31, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Annual Report"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Annual Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Annual Report fairly presents, in all material respects, the financial condition and results of operations of the Liquidating Trust.

Date: March 29, 2018

/s/ Christine H. Yap
Christine H. Yap
Managing Director
(Principal Financial and Accounting Officer)
ICON Capital, LLC