

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

In re:

GWG HOLDINGS, INC., *et al.*<sup>1</sup>

Debtors.

Chapter 11

Case No. 22-90032 (MI) (Jointly  
Administered)

**LITIGATION TRUSTEE’S MOTION FOR ENTRY OF AN ORDER  
APPROVING SETTLEMENT AGREEMENT WITH WHITLEY PENN LLP**

**This motion seeks an order that may adversely affect you. If you oppose the motion, you should immediately contact the moving party to resolve the dispute. If you and the moving party cannot agree, you must file a response and send a copy to the moving party. You must file and serve your response within 21 days of the date this was served on you. Your response must state why the motion should not be granted. If you do not file a timely response, the relief may be granted without further notice to you. If you oppose the motion and have not reached an agreement, you must attend the hearing. Unless the parties agree otherwise, the court may consider evidence at the hearing and may decide the motion at the hearing. Represented parties should act through their attorney.**

**A hearing will be conducted on this matter on April 16, 2025, at 2:30pm (prevailing Central Time) in Courtroom 401, 4th floor, 515 Rusk Street, Houston, Texas 77002. You may participate in the hearing either in person or by an audio and video connection.**

**Audio communication will be by use of the Court’s dial-in facility. You may access the facility at (832) 917-1510. Once connected, you will be asked to enter the conference room number. Judge Isgur’s conference room number is 954554. Video communication will be by use of the GoToMeeting platform. Connect via the following URL: <https://www.gotomeet.me/JudgeIsgur>**

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: GWG Holdings, Inc. (2607); GWG Life, LLC (6955); GWG Life USA, LLC (5538); GWG DLP Funding IV, LLC (2589); GWG DLP Funding VI, LLC (6955); and GWG DLP Funding Holdings VI, LLC (6955). The location of Debtor GWG Holdings, Inc.’s principal place of business and the Debtors’ service address is 325 N. St. Paul Street, Suite 2650 Dallas, TX 75201. Further information regarding the Debtors and these chapter 11 cases is available at the website of the Debtors’ claims and noticing agent: <https://donlinrecano.com/gwg>.

Michael I. Goldberg, in his capacity as the Trustee of the GWG Litigation Trust, (the “Litigation Trustee”) files this motion requesting entry of an order approving the Settlement Agreement, attached as **Exhibit A** (the “Proposed Settlement”) by and among the Litigation Trustee and Whitley Penn LLP (“Whitley Penn”) (collectively with the Litigation Trustee, the “Settling Parties”), and in support, states as follows.

**PRELIMINARY STATEMENT**

1. The Litigation Trustee seeks the Court’s approval of the Proposed Settlement, which resolves all claims the GWG Litigation Trust (the “Litigation Trust”) has against Whitley Penn in exchange for \$8.5 million. The Proposed Settlement was the product of lengthy, hard-fought settlement negotiations and mediation efforts before Miles Ruthberg of Phillips ADR Enterprises. After careful consideration, the Litigation Trustee believes that the Proposed Settlement is in the best interests of the Litigation Trust and its ultimate beneficiaries. Although the background to the settlement and the Litigation Trustee’s reasons are described in detail below, the Litigation Trustee believes it is important to highlight at the outset several considerations that led him to that conclusion.

2. First, the Litigation Trust’s potential claims against Whitley Penn are subject to several defenses, including based on statutes of limitations, contributory negligence, the *in pari delicto* doctrine, and alleged causation issues. Although the Litigation Trustee believes he has meritorious claims against Whitley Penn, these defenses create litigation risk. Many of these defenses, if established, would be complete bars to liability and result in the Litigation Trust recovering nothing.

3. Second, even if the Litigation Trustee were able to prove liability and overcome Whitley Penn’s defenses, the Litigation Trust’s recoverable damages could still be significantly

reduced. The Litigation Trust's potential claims against Whitley Penn involve transactions that also form the basis for claims against third parties, meaning that any recovery against Whitley Penn could be reduced by the proportionate responsibility of other culpable actors. For instance, the Litigation Trustee has already asserted claims against (1) former GWG directors and officers in the adversary proceeding styled *Goldberg v. Heppner, et al.*, Adv. Pro. No. 24-03090, (2) Foley & Lardner LLP in the adversary proceeding styled *Goldberg v. Foley & Lardner LLP*, Adv. Pro. No. 24-03199, and (3) Holland & Knight LLP and William Banowsky in the adversary proceeding styled *Goldberg v. Holland & Knight LLP, et al.*, Adv. Pro. No. 25-03064. Each of those cases involves some or all of the same transactions as the Litigation Trustee's claims against Whitley Penn. The Litigation Trustee is also investigating several other professional firms involved in those same transactions, and may file additional suits in the coming months. Given the multitude of potentially culpable parties involved in bringing about the relevant alleged injuries, there is a risk that the damages recoverable against Whitley Penn could be materially reduced under Chapter 33 of the Texas Civil Practice and Remedies Code (to the extent it applies), even if the Litigation Trustee established liability and defeated Whitley Penn's other defenses.

4. Third, prosecuting claims against Whitley Penn would be a long and expensive process. The potential claims against Whitley Penn involve complex accounting issues, requiring work from consulting and testifying accounting experts. Simply investigating these claims has required significant expert work, and pursuing the claims further would require the Litigation Trust to incur hundreds of thousands of dollars in expert witness and consulting expert fees alone, if not significantly more. In addition, the Litigation Trustee would likely be forced to arbitrate claims against Whitley Penn pursuant to an arbitration clause in the firm's engagement letter with GWG. Arbitration injects an additional degree of uncertainty and would leave the Litigation Trustee with

very little recourse if the arbitrator or panel were to find in Whitley Penn's favor. In addition, arbitration will dramatically increase costs because the Litigation Trust would be responsible for a portion of the arbitration fees, which could reach hundreds of thousands of dollars in a case of this magnitude and complexity. And even if the Litigation Trustee succeeded in arbitration, it would likely be at least a year before any recovery flowed to the Litigation Trust and its ultimate beneficiaries.

5. Although it is theoretically possible that the Litigation Trustee could obtain a larger recovery against Whitley Penn, doing so would require navigating a minefield of potential litigation risks and incurring seven figures of expenses. In light of these considerations, the Litigation Trustee respectfully submits that the Proposed Settlement is fair, reasonable, and in the best interests of the Litigation Trust and its constituents. The \$8.5 million settlement amount is substantial, takes into account the litigation risk the Litigation Trustee faces, and provides an immediate return while avoiding the significant delay and costs of litigating this case. Of note, the \$8.5 million settlement amount is nearly twenty times the amount recovered from Whitley Penn by a putative class of GWG bondholders in a related litigation. Accordingly, the Litigation Trustee asks the Court to approve the Proposed Settlement by granting this Motion and entering an order granting the requested relief.

#### **JURISDICTION AND VENUE**

6. The United States Bankruptcy Court for the Southern District of Texas (the "Court") has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the Confirmation Order (Dkt. No. 1952). The Litigation Trustee confirms his consent to the entry of a final order by the Court in connection with this Motion. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. The basis for the relief requested herein is section 105 of title 11 of the United

States Code (the “Bankruptcy Code”), the Confirmation Order (defined below), and Federal Rule of Bankruptcy Procedure 9019.

### **BACKGROUND**

7. On April 20, 2022 (the “Initial Petition Date”), GWG Holdings, Inc., GWG Life, LLC, and GWG Life USA, LLC (collectively, the “Initial Debtors”), and on October 31, 2022, GWG DLP Funding IV, LLC, GWG DLP Funding Holdings VI, LLC, and GWG DLP Funding VI, LLC (collectively, the “DLP Entities,” together with the Initial Debtors, the “Debtors”), commenced Chapter 11 Cases by filing voluntary petitions in the Bankruptcy Court for relief under chapter 11 of title 11 of the United States Code.

8. On June 20, 2023, the Court entered its *Findings of Fact, Conclusions of Law, and Order Confirming Debtors’ Further Modified Second Amended Joint Chapter 11 Plan* [Dkt. No. 1952] (the “Confirmation Order”), which confirmed the *Debtors’ Further Modified Second Amended Joint Chapter 11 Plan, submitted by the Debtors, the Bondholder Committee, and L Bond Management, LLC as Co-Proponents* [Dkt. No. 1678] (the “Plan”).

9. The Plan and Confirmation Order established the GWG Wind Down Trust (“Wind Down Trust”) for the purpose of winding down Debtors’ affairs, liquidating the Wind Down Trust assets, and making distributions. The Plan and Confirmation Order also established the GWG Litigation Trust (the “Litigation Trust”) for the purpose of prosecuting or settling certain of Debtors’ causes of action, appointed Michael I. Goldberg as the Litigation Trustee, and transferred all Retained Causes of Action, among other things, to the Litigation Trust.<sup>2</sup> The Plan and Litigation Trust Agreement granted the Litigation Trustee the power to investigate and pursue the Retained

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<sup>2</sup> The confirmed Plan defines “Retained Causes of Action” to mean “all Avoidance Actions, all Causes of Action set forth on a schedule in the Plan Supplement . . . and any other Causes of Action belonging to the Debtors or their Estates that are not released pursuant to this Plan or other Final Order.” Plan Art. I(A)(163).

Causes of Action. Litigation Trust Agreement §§ 3.2(a), 3.8. The Plan and Litigation Trust Agreement also empower the Litigation Trustee to compromise and settle the Retained Causes of Action, but require the Litigation Trustee to seek approval from the Court, after notice and an opportunity for a hearing, for settlements “with an economic value of \$5 million or more.” Plan Art. IV(Q); Litigation Trust Agreement § 3.2(a).

10. The Litigation Trust Agreement further provides, “the Bankruptcy Court shall have exclusive jurisdiction over the Litigation Trust and the Litigation Trustee, including, without limitation, the administration and activities of the Litigation Trust and the Litigation Trustee to the fullest extent permitted by law. . . .” Litigation Trust Agreement § 9.2.

**A. The Litigation Trustee’s Claims Against Whitley Penn.**

11. Following his appointment, the Litigation Trustee began investigating potential malpractice and other claims against Debtors’ former accountants, including Whitley Penn, which provided professional services related to the Debtors. Whitley Penn also audited the financial statements of a company with which Debtors became entangled—the Beneficient Company Group L.P. (and collectively with its affiliates, “BEN”)—for the periods ended December 31, 2016, December 31, 2017, and May 31, 2018, and issued an unqualified audit opinion for Debtors and BEN’s consolidated financial statements for the year ended December 31, 2019 (the “2019 CFS”).

12. In the course of this investigation, the Litigation Trustee and his counsel reviewed GWG audit and accounting memoranda, consulted with retained accounting experts, and requested and reviewed Whitley Penn’s client file for its audit of the 2019 CFS. Based on his investigation, the Litigation Trustee determined that the Litigation Trust had potential claims against Whitley Penn (the “Debtors’ Claims”), including for audit malpractice based on several alleged failures in Whitley Penn’s work. These alleged failures related to the identification of entities controlled by

BEN's founder as related parties, valuation issues, accounting for a December 2019 transaction between GWG and BEN that led to GWG's consolidation of BEN, goodwill impairment testing, and identification of material weaknesses.

13. On January 31, 2024, the Litigation Trustee and Whitley Penn entered into a Standstill and Tolling Agreement to toll the statute of limitations—which otherwise would have expired in April 2024—until July 2024 to give the parties time to further evaluate and attempt to resolve the Debtors' Claims. On July 18, 2024, the Litigation Trustee sent Whitley Penn a demand letter laying out the Debtors' Claims, the factual bases therefore, and responses to anticipated counter-arguments from Whitley Penn. After reviewing the letter, Whitley Penn agreed to mediate the Debtors' Claims. The Litigation Trustee and Whitley Penn executed an Amended Standstill and Tolling Agreement on July 23, 2024 to extend the tolling period through October 2024 to facilitate a mediation.

14. On October 16, 2024, the Litigation Trustee and Whitley Penn mediated the Debtors' Claims with Miles Ruthberg of Phillips ADR Enterprises LLC. The Litigation Trustee and Whitley Penn were unable to reach a settlement during the mediation session on October 16, but the mediation was held open and the Litigation Trustee and Whitley Penn continued to negotiate with significant input and assistance from Mr. Ruthberg. In mid-November, Mr. Ruthberg made a mediator's recommendation that the parties settle the Debtors' Claims for payment of \$8.5 million from Whitley Penn to the GWG Litigation Trust. After consideration, both the Litigation Trustee and Whitley Penn accepted Mr. Ruthberg's recommendation.

15. Over the following weeks, the Litigation Trustee and Whitley Penn negotiated non-economic terms of the settlement, including timing of payment, the Litigation Trustee's ability to discuss Whitley Penn's work and use documents produced by Whitley Penn in investigating,

litigating, and resolving other Retained Causes of Action. On December 23, 2024, the Litigation Trustee and Whitley Penn signed a term sheet whereby they agreed in principle to the basic terms of the Proposed Settlement. The Litigation Trustee and Whitley Penn executed the Proposed Settlement in February 2025.

**B. The Proposed Settlement.**

16. The Proposed Settlement includes the following key terms, provided below in pertinent part:<sup>3</sup>

Settlement Payment: Whitley Penn or its insurance carrier(s) will pay the Trustee the total sum of eight million five hundred thousand dollars (US\$8,500,000.00) by check or wire transfer as soon as funds are available following the Effective Date, and shall be made no more than fifteen (15) business days after the Effective Date

Mutual Release: The GWG Litigation Trust, for and on behalf of itself and Debtors, and to the fullest extent that has authority to do so, on behalf of Debtors' current and former creditors, subsidiaries, and affiliates and their respective directors, officers, managers, partners, employees, predecessors, successors, assigns, attorneys, consultants, representatives, licensees, accountants and auditors, insurers and agents (the "Releasing Trustee Parties") releases and forever discharges Whitley Penn and all of its past, present and future professionals, officers, directors, employees, trustees, agents, shareholders, affiliates, partners, principals, members, insurers, predecessors, successors, assigns, and agents (the "Released Whitley Penn Parties") from any and all claims, causes of action, proceedings, obligations, suits, debts, demands, agreements, promises, controversies, liabilities, and damages of any kind whatsoever, whether direct or derivative in nature, individual or on behalf of a class, whether based on federal, state, local, statutory or common law, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured, known or unknown which the Releasing Trustee Parties ever had, now have, claim to have, or may in the future have or claim to have, that arise from or relate to the Retained Causes of Action (collectively, the "Released Trustee Claims").

Whitley Penn, for and on behalf of itself, and to the fullest extent that it has authority to do so, on behalf of its heirs and assigns, attorneys, consultants, representatives, accountants and auditors, insurers, and agents ("Releasing Whitley Penn Parties") release and forever discharge the GWG Litigation Trust, the Trustee, and Debtors (the "Released Trustee Parties"), from any and all claims, causes of action, proceedings, obligations, suits, debts, demands, agreements, promises, controversies, liabilities, and damages of any kind whatsoever, whether direct or derivative in nature, individual or on behalf of a class,

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<sup>3</sup> This summary is provided solely for ease of reference and is qualified in its entirety by reference to the Proposed Settlement, the actual terms of which are controlling here. See Ex. A.



whether based on federal, state, local, statutory or common law, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured, known or unknown which the Releasing Whitley Penn Parties ever had, now have, claim to have, or may in the future have or claim to have (collectively, the “Released Whitley Penn Claims”).

Use of Whitley Penn’s Information: The Litigation Trustee shall use documents produced by Whitley Penn, including its working papers and emails related to its services (the “Materials”) solely in connection with judicial or other proceedings initiated by the Litigation Trustee, including but not limited to existing or potential litigation, arbitration proceedings, contested matters, or adversary proceedings, and not for any other purpose. The Litigation Trustee shall otherwise treat the Materials as confidential and not discuss or disclose them to anyone, except in response to a legally enforceable demand, subpoena or court order. If the Litigation Trustee is served with a subpoena or subject to an order from any litigation, regulatory or other proceeding that compels disclosure of any Materials produced by Whitley Penn, the Litigation Trustee shall promptly notify undersigned counsel for Whitley Penn. The Litigation Trustee also agrees to promptly notify the party who caused the subpoena or order to issue that the Materials covered by the subpoena or order are subject to this Agreement. The Parties shall cooperate in good faith to comply with all reasonable protections sought by Whitley Penn with regard to the Materials and to facilitate the Litigation Trustee’s compliance with the subpoena or order. The Litigation Trustee will discard in a secure manner or destroy Whitley Penn’s information and documents immediately following the conclusion of the last adversary proceeding, arbitration, mediation, or pre-suit negotiation related to Debtors.

### **RELIEF REQUESTED**

17. Through this Motion, pursuant to 11 U.S.C. § 105(a), Federal Rule of Bankruptcy Procedure 9019, and the confirmed Plan, the Litigation Trustee respectfully requests entry of an order approving the Proposed Settlement.

### **BASIS FOR RELIEF REQUESTED**

18. Pursuant to section 105(a) of the Bankruptcy Code, a bankruptcy court “may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a). In addition, the Confirmation Order provides, “[s]ubject to Article XI of the Plan, pursuant to sections 105(a) and 1142 of the Bankruptcy Code, this Court retains exclusive jurisdiction with respect to all matters arising from or related to these Chapter 11 Cases,

the Plan, and the implementation of this Confirmation Order, including, without limitation, those matters set forth in Article XI of the Plan.” Confirmation Order ¶ 35.

19. The confirmed Plan provides that:

The Litigation Trust shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgement any [Retained Cause of Action] and to decline to do any of the foregoing without the consent or approval of any third party or further notice to or action, order, or approval of the Bankruptcy Court; *provided*, that the entry into any settlement of any Claim, Cause of Action, or other dispute with an economic value of \$5 million or more (in the Litigation Trustee’s good faith determination) as of the date of the consummation, settlement, or resolution of such transaction or dispute shall require the approval of the Bankruptcy Court after notice and an opportunity for a hearing. Plan Art. IV(Q).

20. Because the proposed settlement resolves a dispute that represents more than \$5 million of economic value to the estate and its creditors, the Proposed Settlement requires approval of the Bankruptcy Court after notice and an opportunity for a hearing. Ex. A ¶ 1 (“The Agreement is contingent upon the approval of the Bankruptcy Court.”). Nevertheless, it is unclear from the plan whether Bankruptcy Rule 9019(a) applies post-effective date or whether the business judgment rule applies. The proposed settlement easily satisfies either standard.

21. Where the “business judgment” rule applies, the decision-maker is required to articulate a “business justification” for the proposed transaction. *See, e.g., In re Cont’l Air Lines, Inc.*, 780 F.2d 1223, 1226 (5th Cir. 1986). Once a valid business justification is articulated, “[t]he business judgment rule ‘is a rebuttable presumption that in making a business decision the directors of a corporation acted on an informed basis, in good faith, and in the honest belief that the action taken was in the best interests of the company.’” *Asarco LLC v. Ams. Mining Corp.*, 396 B.R. 278, 405 (S.D. Tex. 2008) (citations omitted).

22. Bankruptcy Rule 9019 authorizes the Court to approve the settlement of claims and controversies after notice and a hearing. Pursuant to Bankruptcy Rule 9019(a), a bankruptcy court

may, after appropriate notice and a hearing, approve a compromise or settlement so long as the proposed settlement is fair, reasonable, and in the best interest of the estate. *See Official Comm. of Unsecured Creditors v. Moeller (In re Age Ref., Inc.)*, 801 F.3d 530, 540 (5th Cir. 2015).

23. Settlements are considered a “normal part of the process of reorganization” and a “desirable and wise method[] of bringing to a close proceedings otherwise lengthy, complicated and costly.” *Rivercity v. Herpel (In re Jackson Brewing Co.)*, 624 F.2d 599, 602 (5th Cir. 1980). Indeed, “[t]o minimize litigation and expedite the administration of a bankruptcy estate, compromises are favored in bankruptcy.” *Myers v. Martin (In re Martin)*, 91 F.3d 389, 393 (3d Cir. 1996). Approval of a compromise is within the sound discretion of the bankruptcy court. *See, e.g., United States v. AWECO, Inc. (In re AWECO, Inc.)*, 725 F.2d 293, 297 (5th Cir. 1984); *Jackson Brewing*, 624 F.2d at 602–03.

24. When evaluating a settlement, the role of the bankruptcy court is not to decide the issues in dispute. *Watts v. Williams*, 154 B.R. 56, 59 (S.D. Tex. 1993). Rather, the bankruptcy court determines whether the settlement as a whole falls within the range of reasonableness and is fair and equitable. *Id.* (citing *Protective Comm. for Indep. S’holders of TMT Trailer Ferry, Inc. v. Anderson*, 390 U.S. 414, 424 (1968)); *see also Ogle v. Morgan (In re Evergreen Helicopters Int’l Inc.)*, 50 F.4th 547, 556 (5th Cir. 2022).

25. Courts consider the following factors when evaluating whether the compromise is fair and equitable:

- a. The probabilities of success in the litigation, with due consideration for uncertainty in fact and law;
- b. The complexity and likely duration of the litigation and any attendant expense, inconvenience and delay; and
- c. All other factors bearing on the wisdom of the compromise.

*DeepRock Venture Partners, L.P. v. Beach (In re Beach)*, 731 F. App'x 322, 325 (5th Cir. 2018) (internal citations omitted); *see also Age Ref.*, 801 F.3d at 540 (same); *Jackson Brewing*, 624 F.2d at 602 (same). In addition, under the rubric of the third, catch-all provision, the Fifth Circuit has identified two additional factors that bear on the decision to approve a proposed settlement:

- (i). Whether the compromise serves “the best interests of the creditors, with proper deference to their reasonable views.” *Id.*
- (ii). “[T]he extent to which the settlement is truly the product of arms-length bargaining, and not of fraud or collusion.” *Id.*

26. Each of these factors weigh in favor of approving the Proposed Settlement.

**A. Litigation of the Debtors’ Claims Would Be Subject to Substantial Risk and Uncertainty and Could Take Years to Resolve.**

27. The first two factors courts in the Fifth Circuit consider—the probability of success and the complexity, duration, and expense of litigation—weigh heavily in support of finding the Proposed Settlement is fair and equitable.

28. “[I]t is unnecessary to conduct a mini-trial to determine the probable outcome of any claims waived in [a] settlement.” *Cajun Electric Power Cooperative, Inc. v. Mabey*, 119 F.3d 349, 356 (5th Cir. 1997). Instead, the Court “need only apprise [itself] of the relevant facts and law so that [it] can make an informed and intelligent decision.” *Id.* (quoting *LaSalle Nat’l Bank v. Holland (In re Am. Reserve Corp.)*, 841 F.2d 159, 163 (7th Cir. 1987)). Here, the Debtors’ Claims are subject to several potential defenses and litigating them exposes the Litigation Trust to substantial risk. Prior to and during mediation, Whitley Penn raised multiple defenses, including based on statutes of limitations, contributory negligence, the *in pari delicto* doctrine, and alleged causation issues. Many of these defenses, if successful, would be complete bars to liability, resulting in the Litigation Trustee recovering nothing. The Litigation Trustee believes the Debtors’ Claims have merit and that Whitley Penn’s potential defenses are not fatal. Nonetheless, the

Litigation Trustee recognizes that the probability of the Debtors' Claims surviving dispositive motions remains subject to risk and uncertainty.

29. Even if the Litigation Trustee successfully stated claims against Whitley Penn, there is a risk that the recoverable damages will be reduced due to proportionate responsibility of other parties, including GWG and its directors and officers. As discussed above, the Litigation Trustee has filed lawsuits against (1) former GWG directors and officers, in the adversary proceeding styled *Goldberg v. Heppner, et al.*, Adv. Pro. No. 24-03090; (2) Foley & Lardner LLP, in the adversary proceeding styled *Goldberg v. Foley & Lardner LLP*, Adv. Pro. No. 24-03199; and (3) Holland & Knight LLP and William Banowsky, in the adversary proceeding styled *Goldberg v. Holland & Knight LLP, et al.*, Adv. Pro. No. 25-03064. Each of those cases involves some or all of the same transactions as the Debtor's Claims. In addition, the Litigation Trustee is investigating claims against other professional firms related to many of the same injuries allegedly caused by Whitley Penn. The culpability of these parties in bringing about the relevant injuries could reduce the amount of recoverable damages against Whitley Penn under Chapter 33 of the Texas Civil Practice and Remedies Code.

30. Moreover, if the Litigation Trustee continued to pursue the Debtors' Claims, he would be forced to arbitrate them pursuant to an arbitration clause in Whitley Penn's engagement letter with Debtors. Arbitration injects additional uncertainty relative to litigation, whether in an adversary proceeding or otherwise, and would leave the Litigation Trustee with very limited recourse if the arbitrator or panel were to find in Whitley Penn's favor.

31. Further, continued pursuit of the Debtors' Claims would require the Litigation Trust to bear considerable expenses. Simply investigating the Debtors' Claims has required significant expert work, and pursuing those claims further would cause the Litigation Trust to incur hundreds

of thousands of dollars in expert witness and consulting expert fees alone, if not significantly more. In addition, the Litigation Trust would be responsible for a portion of the arbitration fees, which could also reach hundreds of thousands of dollars in a case of this magnitude and complexity.

32. Finally, arbitrating the Debtors' Claims would be a lengthy process, meaning that a recovery, if any, would not accrue to the benefit of the Litigation Trust for at least a year, if not longer. Statistics published by the American Arbitration Association, the organization that would arbitrate the Debtors' Claims, show that the average domestic commercial arbitration is resolved in approximately one year.<sup>4</sup> But the Debtors' Claims are much more complicated than the average commercial dispute and would likely take longer to resolve.

33. Although pre- and post-judgment interest could partially compensate for the delay inherent in any arbitration award, the Litigation Trustee believes that recovering \$8.5 million now is preferable to recovering a potentially larger but uncertain amount at some point in the future. A certain and more immediate recovery is of particular benefit to the Litigation Trust and its ultimate beneficiaries given the Trust's financial position and current and anticipated expenses. The Proposed Settlement will give the Litigation Trust sufficient funding to continue investigating and litigating other Retained Causes of Action. Like the Debtors' Claims, the other Retained Causes of Action are exceedingly complex and resolving them will require significant effort and expense.

**B. The Proposed Settlement Is in the Best Interests of the Litigation Trust and Is the Product of a Good Faith, Arm's Length Negotiation.**

34. The "other factors bearing on the wisdom of the compromise," including "the best interests of the creditors" and whether the "settlement is truly the product of arms-length bargaining," also support approving the Proposed Settlement. *Beach*, 731 F. App'x at 325.

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<sup>4</sup> American Arbitration Association, *Measuring the Costs of Delays in Dispute Resolution* (<https://go.adr.org/impactsofdelay.html>).

35. Based on a review and analysis of the Proposed Settlement, and after consultation with counsel, the Litigation Trustee determined in his reasoned and prudent business judgment that the marginal chance of recovering an amount greater than the Proposed Settlement was not worth the risk, time, and expense required. Accordingly, entering into the Proposed Settlement is in the best interests of the Litigation Trust, its sole beneficiary, the Wind Down Trust, and Debtors' creditors.

36. In addition, the Proposed Settlement is a good-faith, extensively-negotiated arm's length resolution of the Debtors' Claims. As detailed above, the settlement was reached following a full-day mediation with a nationally recognized mediator and extensive post-mediation negotiations. Moreover, the settlement amount was the product of an independent mediator's proposal. The Litigation Trustee engaged in these discussions in good faith, and all the negotiations were at arm's length. Further, to the best of the Litigation Trustee's knowledge, Whitley Penn and its insurers participated in the settlement discussions and acted in good faith in reaching the Proposed Settlement.

37. Accordingly, the Litigation Trustee submits that the Proposed Settlement is a fair and equitable resolution of the Debtors' Claims and respectfully requests that the Court enter an order approving the Proposed Settlement.

#### **NOTICE**

38. Prior to filing of this Motion, the Litigation Trustee coordinated with the Wind Down Trustee and her advisors and Stretto regarding service. The Litigation Trustee and Wind Down Trustee wish to ensure the broadest possible notice. A Service List was created that includes all parties on the master mailing matrix, including all WDT Interest holders. Further, the service list now includes individual indirect WDT Interest holders identified by the Wind Down Trustee. Service will occur by First Class US Mail on all parties and also by e-mail whenever possible.

Because of the voluminous documents being served, Stretto anticipates that it may take several days to complete service of the Motion and its exhibits, including the Proposed Settlement. Stretto will file an affidavit of service with the Service List attached as soon as possible after service is completed. Further, this Motion will be posted on the GWG Trust website. In addition, the Litigation Trustee respectfully requests that, in light of the time required for service, the Court set a hearing date at least 30 days after the date this Motion is filed.

**PRAYER**

WHEREFORE, the Litigation Trustee respectfully requests that the Court enter the Order, substantially in the form filed with this Motion, (i) granting this Motion; (ii) approving the Proposed Settlement by granting the Proposed Order attached hereto as **Exhibit B**; and (iii) granting all other relief that is appropriate under the circumstances.



**Dated:** March 7, 2025

**REID COLLINS & TSAI LLP**

By: /s/ Dylan Jones

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*Counsel for the GWG Litigation Trustee*

**CERTIFICATE OF SERVICE**

I, Dylan Jones, certify that on March 7, 2025, I caused a true and correct copy of this Motion for Entry of an Order Approving Settlement Agreement to be served by the Court's CM/ECF system on all parties entitled to notice.

*/s/ Dylan Jones* \_\_\_\_\_  
Dylan Jones

# **EXHIBIT A**

## SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (the “**Agreement**”) is entered into by and among (a) Michael I. Goldberg, as Trustee (“**Trustee**”) of the GWG Litigation Trust (the “**GWG Litigation Trust**”), as successor-in-interest to certain causes of action of Debtors GWG Holdings, Inc., GWG Life, LLC, GWG Life USA, LLC, GWG DLP Funding IV, LLC, GWG DLP Funding Holdings VI, LLC, and GWG DLP Funding VI, LLC and (b) Whitley Penn LLP (“**Whitley Penn**”) and together with the Trustee, the “**Parties**”) as of February 5, 2025 (the “**Execution Date**”).

### BACKGROUND

WHEREAS, on April 20, 2022, GWG Holdings, Inc., GWG Life, LLC and GWG Life USA, LLC (collectively, the “**Initial Debtors**”), and on October 31, 2022, GWG DLP Funding IV, LLC, GWG DLP Funding Holdings VI, LLC, and GWG DLP Funding VI, LLC (collectively, the “**DLP Entities**”), together with the Initial Debtors, the “**Debtors**”), commenced chapter 11 cases by filing voluntary petitions in the Bankruptcy Court for relief under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the Southern District of Texas (the “**Bankruptcy Court**”);

WHEREAS, on June 20, 2023, the Bankruptcy Court entered its Findings of Fact, Conclusions of Law, and Order Confirming Debtors’ Further Modified Second Amended Joint Chapter 11 Plan (Case No. 22-90032, Docket No. 1952) (the “**Confirmation Order**”), which confirmed the Debtors’ Further Modified Second Amended Joint Chapter 11 Plan, submitted by the Debtors, the Bondholder Committee, and L Bond Management, LLC as Co-Proponents (the “**Plan**”), and on August 1, 2023, the effective date of the Plan occurred;

WHEREAS, the Plan and Confirmation Order established the GWG Wind Down Trust (“**Wind Down Trust**”), appointing Elizabeth Freeman as trustee (the “**Wind Down Trustee**”), for the purpose of winding down the business affairs of the Debtors, liquidating the Wind Down Trust assets, and making distributions to the Wind Down Trust interest holders in accordance with the Plan;

WHEREAS, the Plan and Confirmation Order established the GWG Litigation Trust, appointing Michael I. Goldberg as trustee, for the purpose of prosecuting or settling the Retained Causes of Action, as that term is defined in the Plan, the proceeds of which are to be distributed to the Wind Down Trust, as sole beneficiary of the GWG Litigation Trust, for ultimate distribution by or at the direction of the Wind Down Trustee in accordance with Article VI.C of the Plan;

WHEREAS, the Trustee has asserted the GWG Litigation Trust may have various claims against Whitley Penn in relation to Whitley Penn’s professional services related to GWG Holdings, Inc. and related entities (collectively, “**GWG**”) and the Beneficient Company Group L.P. (and collectively with its affiliates “**BEN**”);

WHEREAS, Whitley Penn denies the Trustee’s allegations and claims;

WHEREAS, the Parties mediated the GWG Litigation Trust's potential claims against Whitley Penn with Miles Ruthberg of Phillips ADR Enterprises LLC on October 16, 2024, and continued to discuss a potential resolution of such claims throughout October, November, and December 2024;

WHEREAS, the Trustee has consulted with the Wind Down Trustee concerning this Agreement and the terms thereof, and the Wind Down Trustee supports the settlement reflected herein; and

WHEREAS, to avoid the uncertainties, annoyance, and expense of litigation, the Parties have agreed, without any party making any admission to any other party, to settle all disputes and claims between the Parties.

NOW THEREFORE, in consideration of the mutual promises and statements contained herein and other good and valuable consideration, the receipt of which are hereby acknowledged, the Parties hereby stipulate and agree as follows:

1. Bankruptcy Court Approval. The Agreement is contingent upon the approval of the Bankruptcy Court. Following the Execution Date, the Trustee shall file a motion (the "**Rule 9019 Motion**") in the Bankruptcy Court seeking entry of an order (the "**Approval Order**") authorizing or approving the Agreement, including under Federal Rule of Bankruptcy Procedure 9019. Whitley Penn agrees to cooperate with the Trustee in seeking approval of the Agreement. The Trustee shall present a draft of the Rule 9019 Motion to counsel for Whitley Penn at least ten (10) business days before filing for comments. The Rule 9019 Motion shall request that the Bankruptcy Court approve this Agreement as a good-faith, arm's-length compromise, and a fair and equitable resolution of the Trustee's potential claims against Whitley Penn. If the Bankruptcy Court should decline to enter the Approval Order, the Parties shall work in good faith to address the reasons for the Bankruptcy Court's denial.

2. Effective Date. The agreement shall be effective upon the satisfaction of the following conditions (the "**Effective Date**"): (i) each Party hereto has received a fully executed copy of this Agreement; and (ii) the Approval Order becomes a Final Order. As used herein, the term "**Final Order**" means an order or judgment of the Bankruptcy Court, or other court of competent jurisdiction with respect to the subject matter, as entered on the docket of such court, and as to which: (a) the time to appeal, or otherwise seek reargument or rehearing has expired and no appeal or other proceedings for reargument, or rehearing has been timely taken, or (b) as to which any appeal that has been taken has been withdrawn or resolved by the highest court to which the order or judgment was appealed or reargument or rehearing shall have been denied, resulted in no stay pending appeal of such order, or has otherwise been dismissed with prejudice; provided, however, that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure or Federal Rule of Bankruptcy Procedure 9024 may be filed with respect to such order shall not preclude such order from being a Final Order. The Trustee will provide prompt notice to Whitley Penn of when the Approval Order becomes a Final Order.

3. Payment Terms. Whitley Penn or its insurance carrier(s) will pay the Trustee the total sum of eight million five hundred thousand dollars (US\$8,500,000.00) (the "**Settlement Payment**") as provided herein. The Settlement Payment shall be paid by check or wire transfer as

soon as funds are available following the Effective Date, and shall be made no more than fifteen (15) business days after the Effective Date.

Payment by Whitley Penn may be made to the following escrow account controlled by Reid Collins & Tsai LLP as counsel for the GWG Litigation Trust:

Broadway National Bank  
1177 Northeast Loop 410  
San Antonio, Texas 78209  
ABA No. 114021933  
Credit Account No. 4100077126  
F/B/O: Reid Collins & Tsai LLP IOLTA

4. Attorneys' Fees and Expenses. The Parties acknowledge and agree that they are solely responsible for paying any attorneys' fees and costs they incurred and that neither Party nor the Party's attorney(s) will seek any award of attorneys' fees or costs from the other Party, except as provided herein.

5. Mutual Release. Upon the Effective Date set forth in paragraph 2:

(a) The GWG Litigation Trust, for and on behalf of itself and Debtors, and to the fullest extent that has authority to do so, on behalf of Debtors' current and former creditors, subsidiaries, and affiliates and their respective directors, officers, managers, partners, employees, predecessors, successors, assigns, attorneys, consultants, representatives, licensees, accountants and auditors, insurers and agents (the "**Releasing Trustee Parties**") releases and forever discharges Whitley Penn and all of its past, present and future professionals, officers, directors, employees, trustees, agents, shareholders, affiliates, partners, principals, members, insurers, predecessors, successors, assigns, and agents (the "**Released Whitley Penn Parties**") from any and all claims, causes of action, proceedings, obligations, suits, debts, demands, agreements, promises, controversies, liabilities, and damages of any kind whatsoever, whether direct or derivative in nature, individual or on behalf of a class, whether based on federal, state, local, statutory or common law, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured, known or unknown which the Releasing Trustee Parties ever had, now have, claim to have, or may in the future have or claim to have, that arise from or relate to the Retained Causes of Action (collectively, the "**Released Trustee Claims**").

(b) Whitley Penn, for and on behalf of itself, and to the fullest extent that it has authority to do so, on behalf of its heirs and assigns, attorneys, consultants, representatives, accountants and auditors, insurers, and agents ("**Releasing Whitley Penn Parties**") release and forever discharge the GWG Litigation Trust, the Trustee, and Debtors (the "**Released Trustee Parties**"), from any and all claims, causes of action, proceedings, obligations, suits, debts, demands, agreements, promises, controversies, liabilities, and damages of any kind whatsoever, whether direct or derivative in nature, individual or on behalf of a class, whether based on federal, state, local, statutory or common law, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured,

known or unknown which the Releasing Whitley Penn Parties ever had, now have, claim to have, or may in the future have or claim to have (collectively, the “**Released Whitley Penn Claims**”).

6. No Admission of Liability. The Parties acknowledge that the Settlement Payment was agreed upon as a compromise and final settlement of disputed claims and that payment of the Settlement Payment is not, and may not be construed as, an admission of liability by Whitley Penn and is not to be construed as an admission that Whitley Penn engaged in any negligent, wrongful, tortious, or unlawful activity. Whitley Penn specifically disclaims and denies (a) any liability to the Trustee and (b) engaging in any negligent, wrongful, tortious, or unlawful activity.

7. Use of Whitley Penn Information: The Trustee shall use documents produced by Whitley Penn, including its working papers and emails related to its services (the “**Materials**”) solely in connection with judicial or other proceedings initiated by the Trustee, including but not limited to existing or potential litigation, arbitration proceedings, contested matters, or adversary proceedings, and not for any other purpose. The Trustee shall otherwise treat the Materials as confidential and not discuss or disclose them to anyone, except in response to a legally enforceable demand, subpoena or court order. If the Trustee is served with a subpoena or subject to an order from any litigation, regulatory or other proceeding that compels disclosure of any Materials produced by Whitley Penn, the Trustee shall promptly notify undersigned counsel for Whitley Penn. The Trustee also agrees to promptly notify the party who caused the subpoena or order to issue that the Materials covered by the subpoena or order are subject to this Agreement. The Parties shall cooperate in good faith to comply with all reasonable protections sought by Whitley Penn with regard to the Materials and to facilitate the Trustee’s compliance with the subpoena or order. The Trustee will discard in a secure manner or destroy Whitley Penn’s information and documents immediately following the conclusion of the last adversary proceeding, arbitration, mediation, or pre-suit negotiation related to Debtors.

8. No Disparagement. The Parties agree that they will not make any defamatory or disparaging remarks about the other Party. However, this provision shall not prevent the Trustee on behalf of the GWG Litigation Trust from fully investigating and litigating other actions or claims in which Whitley Penn’s work for BEN and/or GWG is at issue or raised in the course of such proceeding. The preceding provision shall not authorize statements by the Trustee outside of pending litigation, arbitration, or pre-litigation discussions, negotiation, and/or mediation with parties against whom the GWG Litigation Trust may have claims.

9. Waiver. The Trustee agrees to waive any potential conflict of interest related to Whitley Penn’s counsel’s, Gibson Dunn & Crutcher, LLP (“**Gibson Dunn**”), work for Debtors or Debtors’ special committee and will not seek to disqualify Gibson Dunn from its representation of Whitley Penn, or its professionals, in any other action or matter related to Whitley Penn’s work for Debtors or BEN.

10. Choice of Law; Settling Person; Settlement Allocation. This Agreement is governed by and construed in accordance with the laws of the State of Texas without regard to choice-of-law principles. It is the intent of the Parties that Whitley Penn is a “settling person” under Subchapter B of Chapter 33 of the Texas Civil Practice and Remedies Code and that the Settlement Payment resolves any and all claims held by the Trustee. The Trustee has alleged the

Debtors suffered multiple injuries in connection with Whitley Penn's work related to GWG and BEN's consolidated financial statements for the period ended December 31, 2019 and/or BEN's financial statements for the periods ended December 31, 2016, December 31, 2017, and May 31, 2018. The Trustee reserves any and all rights to present evidence in any future lawsuit, arbitration, or other proceeding as to the appropriate allocation of the Settlement Payment among such alleged injuries.

11. Enforcement. Nothing contained herein will be interpreted as preventing any Party from filing suit to enforce any portion of this Agreement.

12. Entire Agreement. The recitals set forth at the beginning of this Agreement are incorporated by reference and made a part of this Agreement. This Agreement constitutes the entire agreement and understanding of the Parties and supersedes all prior negotiations and/or agreements, proposed or otherwise, written or oral, concerning the subject matter hereof. Furthermore, no modification of this Agreement shall be binding unless in writing and signed by each of the parties hereto.

13. Interpretation. Should any provision of this Agreement be declared or be determined by any court to be illegal or invalid, the validity of the remaining parts, terms, or provisions shall not be affected thereby and said illegal or invalid part, term, or provision shall be deemed not to be a part of this Agreement. The headings within this Agreement are purely for convenience and are not to be used as an aid in interpretation. Moreover, this Agreement shall not be construed against either Party as the author or drafter of the Agreement.

14. Reliance on Own Counsel. In entering into this Agreement, the Parties acknowledge that they have relied upon the legal advice of their respective attorneys, who are the attorneys of their own choosing, that such terms are fully understood and voluntarily accepted by them, and that, other than the consideration set forth herein, no promises or representations of any kind have been made to them by the other Party. The Parties represent and acknowledge that in executing this Agreement they did not rely, and have not relied, upon any representation or statement, whether oral or written, made by the other Party or by that other Party's agents, representatives, or attorneys with regard to the subject matter, basis, or effect of this Agreement or otherwise.

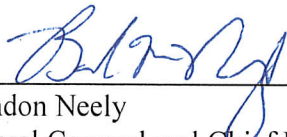
15. Counterparts. This Agreement may be executed in counterparts, and each counterpart, when executed, will have the efficacy of a signed original and may be delivered via mail, email (.pdf), or facsimile, any of which will be deemed an original, and such counterparts will together constitute but one Agreement. The Parties agree that this Agreement may be accepted, executed, or agreed to through the use of an electronic signature and will be binding on the Parties the same as if it were physically executed and the Parties hereby consent to the use of any third-party electronic signature capture service providers as may be chosen by any other Party.


16. Authority to Execute Agreement. By signing below, each Party warrants and represents that the person signing this Agreement on its behalf has authority to bind that Party and that the Party's execution of this Agreement is not in violation of any by-law, covenants, and/or other restrictions placed upon them by their respective entities.



*(Signature page follows)*

**AGREED TO:**

By:   
\_\_\_\_\_  
Brandon Neely  
General Counsel and Chief Risk Officer  
Whitley Penn LLP  
640 Taylor Street, Suite 2200 Fort Worth, Texas 76102

By:   
\_\_\_\_\_  
Michael I. Goldberg (Feb 4, 2025 19:34 PST)  
Michael I. Goldberg  
201 East Las Olas Boulevard, Suite 1800  
Fort Lauderdale, Florida 33301  
michael.goldberg@akerman.com

*Trustee, GWG Litigation Trust*

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

In re:

GWG HOLDINGS, INC., *et al.*<sup>1</sup>

Debtors.

Chapter 11

Case No. 22-90032 (MI) (Jointly  
Administered)

**[Proposed] ORDER APPROVING  
SETTLEMENT AGREEMENT WITH WHITLEY PENN LLP**

Upon consideration of the Motion for Entry of an Order Approving a Settlement and Compromise Pursuant to Bankruptcy Rule 9019 (the “Motion”),<sup>2</sup> seeking approval of the Proposed Settlement dated as of February 5, 2025 between the Litigation Trust and Whitley Penn LLP, and attached hereto as Exhibit A (the “Proposed Settlement”); and upon consideration of the evidence admitted and all objections, if any, to the Motion having been withdrawn, resolved, or overruled on the merits; and this Court having considered the legal and factual bases for the relief requested in the Motion; and upon all of the proceedings had before this Court and after due deliberation and sufficient cause appearing therefor;

**IT IS HEREBY FOUND AND DETERMINED THAT:**

A. The findings and conclusions set forth herein constitute this Court’s findings of fact and conclusions of law pursuant to Rule 7052 of the Federal Rules of Bankruptcy Procedures (the “Bankruptcy Rules”), made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: GWG Holdings, Inc. (2607); GWG Life, LLC (6955); GWG Life USA, LLC (5538); GWG DLP Funding IV, LLC (2589); GWG DLP Funding VI, LLC (6955); and GWG DLP Funding Holdings VI, LLC (6955). The location of Debtor GWG Holdings, Inc.’s principal place of business and the Debtors’ service address is 325 N. St. Paul Street, Suite 2650 Dallas, TX 75201. Further information regarding the Debtors and these chapter 11 cases is available at the website of the Debtors’ claims and noticing agent: <https://donlinrecano.com/gwg>.

<sup>2</sup> Unless otherwise defined herein, all capitalized terms have the same meaning as used in the Motion.

such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

B. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334.

C. Venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

D. Proper, sufficient, and adequate notice of the Motion and the hearing on the Motion have been given in accordance with the Bankruptcy Code, the Bankruptcy Rules, and the Plan, and no other or further notice is necessary.

E. The Litigation Trustee has consulted with The Wind Down Trustee regarding the Proposed Settlement Pursuant to Article IV.E.2 of the Plan.

F. The Proposed Settlement includes releases for claims the Litigation Trustee has asserted against Whitley Penn, which are described in the Motion.

G. The Proposed Settlement and the transactions, compromises, and releases provided therein are reasonable and appropriate under the circumstances, and the Litigation Trust has demonstrated both (i) good, sufficient, and sound business purposes and justification for the Proposed Settlement and the transactions, compromises, and releases provided therein, and (ii) compelling circumstances for approval of the Proposed Settlement pursuant to Bankruptcy Rule 9019.

H. Based upon the evidence and arguments, this Court has weighed the probability of success in litigation, the complexity of the litigation involved, and the expense, inconvenience, and delay necessarily attending to it. This Court has also taken into account the paramount interest of creditors and, based on all of the foregoing, has determined that the relief requested in the Motion is fair and equitable, in the best interests of the Litigation Trust, and should be approved in all respects.

I. In the absence of the Proposed Settlement, the Litigation Trust faces litigation expense, risk, and delay. Even if the Litigation Trust was successful in litigating its alleged claims, any recovery would not accrue to the benefit of the Litigation Trust for at least a year, if not longer. The Proposed Settlement resolves the disputes now without the need for additional and uncertain litigation.

J. The terms of the Proposed Settlement and the transactions, compromises, and releases provided therein were negotiated and agreed to by the Litigation Trust and Whitley Penn, each of whom was represented by competent counsel, in good faith, without collusion, and as a result of arm's-length bargaining.

K. The Proposed Settlement was entered into by the Litigation Trust and Whitley Penn, each of whom was represented by competent counsel, in good faith, without collusion, and as a result of arm's-length bargaining.

Therefore, **IT IS HEREBY ORDERED, DETERMINED, ADJUDGED, AND DECREED THAT:**

1. The Proposed Settlement is approved.
2. The Litigation Trust, Whitley Penn, and its insurers are authorized to take such steps and actions as may be necessary or appropriate to implement the terms of the Proposed Settlement and this Order.
3. The terms and conditions of this Order shall be effective and enforceable upon its entry.
4. This Court retains jurisdiction with respect to all matters arising from or related to the Proposed Settlement or this Order.

Dated: \_\_\_\_\_, 2025  
Houston, Texas

\_\_\_\_\_  
MARVIN ISGUR  
UNITED STATES BANKRUPTCY JUDGE