

**GWG WIND DOWN TRUST**

***Quarterly Report and Financial Statements***

***(Unaudited)***

For the Period January 1, 2026 – March 31, 2026

**All the information in this Report is based on information available to the Trustee at the time of the report, but this information may be incomplete. This Report is not meant to be relied upon by interest holders or others as a complete description of the GWG Wind Down Trust its condition (financial or otherwise), prospects, assets, or liabilities. The information in this Report will be updated, including corrections, if any, to future reports to the Court. The realized value of certain assets may be zero or different from the estimates on which this Report is based. Selected balances and information contained herein have not and will not be subject to audit or review by external accountants. The Trustee reserves all rights to revise this Report.**

**GWG WIND DOWN TRUST**

***Quarterly Trustee Report and Annual Financial Statements***

***(Unaudited)***

For the Period January 1, 2026 – March 31, 2026

**Table of Contents**

|                                                                                                                     |    |
|---------------------------------------------------------------------------------------------------------------------|----|
| Quarterly Report from the Trustees.....                                                                             | 4  |
| Unaudited Statement of Net Assets in Liquidation as of March 31, 2026.....                                          | 17 |
| Unaudited Statement of Changes in Net Assets in Liquidation for the period January 1, 2026 –<br>March 31, 2026..... | 18 |
| Notes to the Unaudited Financial Statements.....                                                                    | 19 |

**GWG WIND DOWN TRUST**  
*Quarterly Annual Report and Financial Statements*  
*(Unaudited)*  
For the Period January 1, 2026 – March 31, 2026

**JOINT STATUS REPORT OF THE WIND DOWN TRUST AND  
THE LITIGATION TRUST FOR THE QUARTER ENDING MARCH 31, 2026**

On April 20, 2022, GWG Holdings, Inc. and several affiliates filed voluntary bankruptcy petitions under chapter 11 of the Bankruptcy Code. On October 31, 2022, the DLP Debtors filed their own chapter 11 cases. On June 20, 2023 (the “Confirmation Date”), the Court confirmed the Debtors’ joint Plan (the “Plan”)<sup>1,2</sup> by entering its Findings of Fact, Conclusions of Law, and Order Confirming Debtors’ Further Modified Second Amended Joint Chapter 11 Plan (ECF. No 1952) (the “Confirmation Order”). The Plan went effective on August 1, 2023 (the “Plan Effective Date”). The Wind Down Trust and the Litigation Trust were created pursuant to the Plan. Michael I. Goldberg was appointed as the trustee of the Litigation Trust (the “Litigation Trustee”). Elizabeth C. Freeman was appointed as the trustee of the Wind Down Trust (the “WDT Trustee”).<sup>3</sup> The Trusts are governed by the Plan, Confirmation Order, the GWG Wind Down Trust Agreement (the “WDT Agreement”), and the Litigation Trust Agreement. On November 5, 2025, Elizabeth C. Freeman resigned as WDT Trustee of the GWG Wind Down Trust. The time frame for this report relates to when Ms. Freeman was still the WDT Trustee. On January 14, 2026, Thomas A. Howley was appointed as Successor Trustee (“Successor WDT Trustee”).<sup>4</sup>

The Litigation Trust received all of the Debtors’ interest in the D&O Liability Insurance Policies (as defined in the Plan) and all of the Debtors’ litigation claims. The net amount recovered from the pursuit or settlement of the litigation claims will be distributed by the Litigation Trust to the

---

<sup>1</sup> The Debtors in these chapter 11 cases (these “Chapter 11 Cases”), along with the last four digits of each Debtor’s federal tax identification number, were: GWG Holdings, Inc. (2607); GWG Life, LLC (6955); GWG Life USA, LLC (5538); GWG DLP Funding IV, LLC (2589); GWG DLP Funding VI, LLC (none); and GWG DLP Funding Holdings VI, LLC (none). Further information regarding the cases is available at [www.gwgholdingstrust.com](http://www.gwgholdingstrust.com).

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan.

<sup>3</sup> On November 5, 2025, the Wind Down Trustee filed a Notice of Resignation of Elizabeth C. Freeman as the Wind Down Trustee of the GWG Wind Down Trust, providing notice that Ms. Freeman is resigning as Wind Down Trustee effective sixty days from the date of the notice or such other date as determined by the Bankruptcy Court. [ECF No. 2772].

<sup>4</sup> On January 14, 2026, Thomas A. Howley was appointed as Successor Wind-Down Trustee. [ECF No. 2815].

Wind Down Trust. The Wind Down Trust was vested with the reversionary and beneficial interest in the Litigation Trust plus all of the Debtors' non-litigation assets.

The Trustees previously filed a Joint Status Report on November 14, 2023, for the quarter ending September 30, 2023 [ECF No. 2301], on February 15, 2024, for the year ending December 31, 2023 [ECF No. 2381], on May 15, 2024, for the quarter ending March 31, 2024 [ECF No. 2454], on August 15, 2024, for the quarter ending June 30, 2024 [ECF No. 2475], on November 14, 2024, for the quarter ending September 30, 2024 [ECF No. 2507], on April 1, 2025, for the year ending December 31, 2024 [ECF No. 2557], on May 15, 2025, for the quarter ending March 31, 2025 [ECF No. 2618], on August 15, 2025, for the quarter ending June 3, 2025 [ECF No. 2737], on November 17, 2025, for the quarter ending September 30, 2025 [ECF No. 2775], and on March 31, 2026 for the year ending December 31, 2025 [ECF No. 2837]. The Litigation Trustee filed an additional status report on March 1, 2024 [ECF No. 2391], and the WDT Trustee filed an additional status report on November 24, 2025 [ECF No. 2781]. All of the foregoing filings related to a time period where the WDT Trustee was serving in her duties on behalf of the GWG Wind Down Trust. On April 15, 2026, the Litigation Trustee filed a supplemental status report [ECF No. 2849] and the Successor WDT Trustee filed a status report [ECF No. 2851].

The WDT Trustee and now the Successor WDT Trustee, as of January 14, 2026, are charged with liquidating the Wind Down Trust assets. As of the Plan Effective Date, the Debtors' approximately 26,000 L bondholders, as well as other stakeholders (including all other general unsecured creditors, preferred equity holders, and common equity holders), hold interests in the Wind Down Trust (collectively, the "WDT Interest holders"). To the extent available, WDT Interest holders will receive distributions from the Wind Down Trust in accordance with the Plan and WDT Agreement. The Wind Down Trust maintains a website to provide information to the WDT Interest holders at [www.gwgholdingstrust.com](http://www.gwgholdingstrust.com).

The Successor WDT Trustee provides the following summary of major events to date regarding efforts to liquidate the Wind Down Trust assets, subject to the caveat that he was not appointed until January 14, 2026:

### **The Policy Portfolio Sale**

Following the Plan Effective Date, the WDT Trustee commenced a marketing process for the sale of the Policy Portfolio Equity Interests. After a thorough evaluation of available alternatives as well as an analysis of the ongoing costs to maintain the Policy Portfolio, the WDT Trustee elected to sell the Wind Down Trust's interests in the Policy Portfolio to Apex Longevity Fund LLC ("Apex"). The Bankruptcy Court approved the sale on October 3, 2023. The sale closed on October 13, 2023. In addition to assuming the secured debt obligation of approximately \$605 million, Apex paid the Wind Down Trust \$10 million in cash.

### **Sale of FOXO Technologies, Inc. Stock**

On October 13, 2023, the Wind Down Trust sold its 4,646,698 shares of FOXO Stock. The Wind Down Trust realized net proceeds of \$586,942.

### **Fifth Season Litigation**

Prior to the confirmation of the Plan, the Debtors commenced litigation with Fifth Season Investments, LLC (“Fifth Season”). The dispute centered around Fifth Season’s demand for \$18.3 million dollars plus fees and costs (totaling over \$24 million) based on an asserted break-up fee. A trial was conducted on the matter on October 3rd and 4th, 2023. After the close of evidence, but before closing arguments, the Trust and Fifth Season reached a settlement. The agreement provided for Fifth Season to have a claim of \$8 million. On November 16, 2023, the Court entered an Order approving the compromise with Fifth Season [ECF No. 2305]. Payment to Fifth Season has been made.

### **Beneficient Stock**

On September 29, 2023, Beneficient’s Registration Statement on Form S-1 (File No. 333-273322) (the “Registration Statement”) was declared effective by the Securities and Exchange Commission. The Registration Statement registers the offer and sale of shares of Ben Stock, from time to time, by the Wind Down Trust. Following the effectiveness of the Registration Statement, the Wind Down Trust began selling a limited amount of shares of Ben Stock on the open market.

The Beneficient share price has dropped significantly since the Confirmation Date. On June 20, 2023, the share price closed at \$4.57. By the Effective Date, August 1, 2023, the share price closed at \$2.00. The shares began trading at less than \$0.10 a share in mid-March 2024. Beneficient’s stockholders approved a reverse share split on March 21, 2024. The shares began trading on a split adjusted basis on April 18, 2024. On June 26, 2025, the share price closed at \$0.29 per share, or \$.004 per share on a pre-split basis. On June 26, 2025, the Trust completed the sale of all Beneficient shares.

The WDT Trustee received a number of inquiries from WDT Interest holders regarding the possibility of distributing Ben Stock directly to interest holders in lieu of monetizing the shares. The WDT Trustee engaged securities counsel and evaluated whether such a distribution of shares is feasible and in compliance with applicable law. The WDT Trustee and the Trust advisors were not able to find a feasible, compliant, cost-effective path to the distribution of the shares themselves.

### **Professional Fee Accommodations**

After the Effective Date of the Plan, professionals retained during the bankruptcy case that were to be paid by the Debtors filed their applications for final approval of their pre-confirmation fees. The Trustee successfully negotiated accommodations with many professionals. After comments from the Court during a hearing regarding approval of those fees, several additional professionals agreed to accommodations akin to those reached with other professionals – a 5% reduction from the professional fees requested.

The amounts necessary to pay professional fees were reserved in escrow held by the Wind Down Trust. The savings from accommodations have reached over \$4.5 million thus far. One additional fee application is pending and an additional accommodation is expected. The WDT benefits from the accommodations as any unused professional fee escrow funds belong to the Wind Down Trust.

### **Valuation as of the Effective Date**

Pursuant to the Wind Down Trust Agreement, Section 5.4, the Trust was required to provide to the WDT Interest holders, a report of the valuation of the Wind Down Trust Assets as of the Effective Date, August 1, 2023. On January 31, 2024, the Wind Down Trust filed the GWG Wind Down Trust Good Faith Valuation of Trust Assets (the “Valuation Report”) [ECF No. 2339]. The Valuation Report and information to assist WDT Interest Holders in determining their respective effective date interest values can be found at [www.gwgholdingstrust.com/asset-values](http://www.gwgholdingstrust.com/asset-values). It is not anticipated that any further estimates as to value of the Trust will be made and none are required.

### **Taxes**

Each year tax information is made available to the interest holders in the Trust through the issuance of Grantor Trust Letters. For the year ended December 31, 2025, Grantor Trust Letters were made available to WDT Interest Holders holding direct interests through a mailing. Information for the tax year ending December 31, 2025, regarding obtaining the Grantor Trust Letters was posted on the Trust website under the 2025 Taxes tab. The Wind Down Trust published information for Interest Holders with indirect interests on the FIS Tax Information Reporting Suite (formerly Wall Street Concepts) and the LENS Grantor Trust Letters as well as on the 2025 Taxes tab.

### **Reconciliation of Claims**

The WDT Trustee and Litigation Trustee were charged with reviewing the approximately 5,454 proofs of claims filed in these cases. Pursuant to Article VII.B, the Plan provides the Litigation Trustee had sole authority with regards to the Litigation Trust Reconciliation Claims. The Wind Down Trustee had the responsibility to reconcile all other Claims. April 30, 2025, was the deadline to file any objections to Claims. On or prior to April 30, 2025, the Wind Down Trustee and the Litigation Trustee filed objections or entered into agreements with parties to extend the time to object by the Litigation Trustee. The Wind Down Trustee reconciled the majority of claims out of court and the result was the filing of 25 objections to claims. One claim remains to be resolved by the Wind Down Trustee (and now by the Successor WDT Trustee). In addition, the claim of the Bank of Utah on behalf of any diminution in the value of its collateral needs to be reconciled pursuant to the Confirmed Plan as a gating item to any initial distribution.

### **Transition Period to Successor WDT Trustee**

On January 14, 2026, the Successor WDT Trustee was approved by the Court. The WDT Trustee was cooperative with the transition by answering questions and proactively anticipating upcoming tasks. It is my understanding that the WDT Trustee handled the transition work without compensation. The WDT Trustee provided helpful assistance with clarifying the waterfall set up in the Plan as the Wind Down Trust was assessing the impact of various scenarios relating to a potential resolution of a significant claim (as detailed below).

In addition, the Successor WDT Trustee has relied upon the historical knowledge of the team from Maaco, the original post Plan Effective Date financial advisors to the Wind Down Trust. In particular, the team members were Paul Maniscalco, Micah Miller and Kathy Mayle. There has been some transition in employment, but it has not impacted the efficient service being provided

by this team. Paul Maniscalco recently joined Scidan Consulting Group (“Scidan”), but will continue to provide essential and necessary services to the Wind Down Trust. Kathy Mayle recently departed Maaco but her responsibilities will be handled by Micah Miller and my paralegal, Roland Rodriguez.

### **Notice**

The Wind Down Trust has incurred a significant amount of costs associated with mailings to date. A single piece of paper costs approximately \$55,000 to send out to the approximately 25,000 parties that are on the comprehensive mailing list. The Successor WDT Trustee understands the paramount importance of disclosure and transparency to the beneficiaries of the Wind Down Trust. After the reporting period, the Successor Wind Down Trustee and the Litigation Trustee filed a joint motion to establish notice procedures that the Trustees believed would strike a middle ground where notice is sufficient, but costs are kept in check [ECF No. 2848]. The Bankruptcy Court granted the joint motion on April 22, 2026 [ECF No. 2864].

### **Taxes**

Each year tax information is made available to the interest holders in the Trust through the issuance of Grantor Trust Letters. For the year ended December 31, 2025, Grantor Trust Letters were made available to WDT Interest Holders holding direct interests through a mailing. Information for the tax year ending December 31, 2025, regarding obtaining the Grantor Trust Letters was posted on the Trust website under the 2025 Taxes tab. The Wind Down Trust published information for Interest Holders with indirect interests on the FIS Tax Information Reporting Suite (formerly Wall Street Concepts) and the LENS Grantor Trust Letters as well as on the 2025 Taxes tab.

The Trustee recently finalized and filed the 2025 trust tax return with the valuable assistance of Cohn Reznick Advisory LLP and Scidan.

### **Unresolved Claims as of March 31, 2026**

As explained above, the vast majority of the large claims resolution process was handled by the WDT Trustee. However, the following two material items were unresolved as of the date of appointment of the Successor WDT Trustee: (a) the Diminution Claim (as defined in the Plan) of Bank of Utah; and (b) a prepetition unsecured contingent claim based on indemnification by a brokerage firm.

The Diminution Claim is arguably the most important and consequential claim to the Wind Down Trust. The Bank of Utah is entitled to the first dollars distributed under the waterfall on account of this unresolved administrative level claim. The range of the potential alleged amount for this claim was significant and any litigation to determine such amount would be costly and protracted, with each side needing to utilize the services of expert witnesses. Fact witnesses are long gone.

The Successor WDT Trustee is pleased to report that it has reached a deal with the Bank of Utah. This is the last gating item to making an initial distribution to the first tranche of interest holders as set forth in the waterfall.



The Successor WDT Trustee has reached out numerous times to the remaining holder of the unresolved general unsecured claim, but he has not reached a definitive resolution yet. The Successor WDT Trustee would much prefer to reach a settlement given the unfortunately small fractional amount potentially available to distribute to general unsecured creditors. However, the Successor WDT Trustee is mindful of his fiduciary duties to maximize the value of existing claim recoveries for all tranches of beneficiaries.

### **Information Flow with Litigation Trustee**

Immediately upon appointment as Successor Wind Down Trustee, the Litigation Trustee and his counsel proactively reached out to commence a substantive dialogue and to consult about pending litigation matters and to also get feedback on Jackson Walker and the pending settlement. The exchange of information has been very productive. The Litigation Trustee and the attorneys at Reid Collins were very helpful in getting the Successor WDT Trustee up to speed. In addition, the parties had a constructive discussion about the pros and cons of the settlement with Jackson Walker, including the new information about additional fees paid to Jackson Walker from the Wind Down Trust, and a mutual agreement was made to pull the settlement.

### **Jackson Walker**

Upon appointment, the Successor Wind Down Trustee conveyed to the Litigation Trustee and his counsel that he did not support the mediated settlement construct. In addition, the Successor Wind Down Trustee conducted a preliminary review of whether Jackson Walker was paid any funds directly by the Wind Down Trust for the post emergence time period. Based on internal records, it was determined that Jackson Walker was paid approximately **\$905,000** from August of 2023 until December of 2023 or thereabouts. This is still under investigation and subject to change. This amount was apparently not taken into account as part of the prior mediation.

### **WDT Trustee**

The Successor WDT Trustee has had numerous inquiries from third parties regarding the method in which the WDT Trustee was paid and the total amount. Based on initial findings, it appears that the WDT Trustee was paid per hour at the rate of \$700. There were no flat fees or success fees paid. The total amount paid to the WDT Trustee appears to be **\$1,796,680.00**, for work performed on behalf of the Wind Down Trust.

### **The Litigation Trust**

The Litigation Trustee is actively pursuing claims against multiple parties and has reached multiple pre- and post-suit settlements. Those proceedings and settlements are described below.

### ***Adversary & Arbitration Proceedings***

The first adversary proceeding is styled *Goldberg v. Heppner, et al.*, Adv. Pro. No. 24-3090, and alleges claims and causes of action arising out of, among other things, the relationship between the Debtors and Beneficiary. The defendants include Mr. Bradley K. Heppner, Beneficiary, parties

related to Mr. Heppner and/or Beneficient, and various former directors and officers of the Debtors. The complaint is available on the Trust's website: [https://gwgholdingstrust.com/wp-content/uploads/2024/05/2024-04-19\\_Unsealed-Complaint.pdf](https://gwgholdingstrust.com/wp-content/uploads/2024/05/2024-04-19_Unsealed-Complaint.pdf). All defendants in the adversary proceeding filed motions to dismiss the Litigation Trustee's claims, and the Litigation Trustee filed an omnibus opposition brief on November 25, 2024. The parties subsequently reached an agreement to settle the Litigation Trust's claims against a subset of defendants who are insured under the Debtors' D&O insurance policies (the "D&O Settlement"),<sup>5</sup> which the Bankruptcy Court approved on June 13, 2025 [ECF No. 2700].

Because the D&O Settlement also resolved claims asserted in the class action styled *In re GWG Holdings, Inc. Securities Litigation*, Case No. 3:22-cv-00410-B (the "Class Action"), which was pending in the District Court in the Northern District of Texas ("District Court"), the District Court's approval of the D&O Settlement also was required. The District Court preliminarily approved the D&O Settlement on September 25, 2025, after which the settlement proceeds were deposited in a segregated account maintained by the Wind Down Trust. The District Court finally approved the D&O Settlement on January 13, 2026, and entered a final judgment and order of dismissal with prejudice. See ECF No. 169, *In re GWG Holdings, Inc. Securities Litigation*, Case No. 3:22-cv-00410-B (N.D. Tex). The "Effective Date" of the D&O Settlement occurred on February 13, 2026.

Following the Effective Date of the D&O Settlement, the Litigation Trustee filed a notice of dismissal with prejudice as to the settling defendants. [ECF No. 2826]. The D&O Settlement did not resolve—and the Litigation Trustee did not dismiss—claims against the "Reserved Trust Action Defendants," which include The Bradley K. Heppner Family Trust; The Heppner Family Home Trust; The Highland Business Holdings Trust; Beneficient Holdings, Inc.; Bradley Capital Company, L.L.C.; Elmwood Bradley Oaks, L.P.; The Highland Investment Holdings Trust; Timothy B. Harmon, solely in his capacity as trustee of The Highland Investment Holdings Trust; HCLP Credit Company, L.L.C.; HCLP Nominees, L.L.C.; Highland Consolidated, L.P.; and Research Ranch Operating Company, L.L.C.

---

<sup>5</sup> The settling Defendants are Bradley K. Heppner; Beneficient f/k/a The Beneficient Company Group, L.P.; Beneficient Management, L.L.C.; Beneficient Company Holdings, L.P.; Beneficient Capital Company, L.L.C.; Beneficient Capital Company II, L.L.C.; The Beneficient Company Group (USA), L.L.C.; CT Risk Management, L.L.C.; Beneficient Fiduciary Financial, L.L.C.; The LT-1 Liquid Trust; The LT-2 Liquid Trust; The LT-5 Liquid Trust; The LT-7 Liquid Trust; The LT-8 Liquid Trust; The LT-9 Liquid Trust; The Collective Collateral Trust I; The Collective Collateral Trust II; The Collective Collateral Trust III; The Collective Collateral Trust IV; The Collective Collateral Trust V; The Collective Collateral Trust VI; The Collective Collateral Trust VII; The Collective Collateral Trust VIII; LiquidTrust Management, L.L.C.; Funding Trust Management, L.L.C.; Peter T. Cangany, Jr.; Thomas O. Hicks; Bruce W. Schnitzer; Murray T. Holland; Timothy L. Evans; David F. Chavenson; John Stahl; The LT-1 Collective Collateral Trust; The LT-1 Collective Collateral Trust; The LT-2 Collective Collateral Trust; The LT-3 Collective Collateral Trust; The LT-4 Collective Collateral Trust; The LT-5 Collective Collateral Trust; The LT-6 Collective Collateral Trust; The LT-7 Collective Collateral Trust; The LT-8 Collective Collateral Trust; and The LT-9 Collective Collateral Trust.

The D&O Settlement specifically preserves all claims and causes of action against the "Reserved Trust Action Defendants," which are defined to include "The Bradley K. Heppner Family Trust; The Heppner Family Home Trust; The Highland Business Holdings Trust; Beneficient Holdings, Inc.; Bradley Capital Company, L.L.C.; Elmwood Bradley Oaks, L.P.; The Highland Investment Holdings Trust; Timothy B. Harmon, solely in his capacity as trustee of The Highland Investment Holdings Trust; HCLP Credit Company, L.L.C.; HCLP Nominees, L.L.C.; Highland Consolidated, L.P.; and Research Ranch Operating Company, L.L.C."

On June 10, 2026, the Bankruptcy Court held a hearing on the Reserved Trust Action Defendants' motions to dismiss.<sup>6</sup> The Bankruptcy Court issued an order denying the Reserved Trust Action Defendants' motions to dismiss multiple counts; dismissed without prejudice claims asserted against the settling defendants as moot; and directed the Trustee to file an amended complaint that narrowed certain counts in light of the D&O Settlement, removed the dismissed settling parties from the complaint, and cured certain pleading errors. *Goldberg v. Heppner, et al.*, Adv. Pro. No. 24-3090 [ECF No. 180]. The Bankruptcy Court directed the Trustee to file an amended complaint no later than Wednesday, June 24, 2026.

The second adversary proceeding filed by the Litigation Trustee is styled *Goldberg v. Sabes, et al.*, Adv. Pro. No. 24-03089, and asserted avoidance claims arising out of the Debtors' payment of a dividend to shareholders in September 2018. The defendants in that adversary proceeding include Jon R. Sabes, Steven F. Sabes, and various related parties (the "Sabes Defendants"). That complaint is available on the Trust's website: <https://gwgholdingstrust.com/wp-content/uploads/2024/05/2024-04-19-1-Complaint-re-Avoidance.pdf>. The Litigation Trustee reached a settlement in principle with the Sabes Defendants on February 12, 2025, which the Bankruptcy Court approved on June 13, 2025 [ECF No. 2699].

The third adversary proceeding is styled *Goldberg v. Foley & Lardner LLP*, Adv. Pro. No. 24-03199, and asserts claims for aiding and abetting/knowing participation in breach of fiduciary duty claims, professional negligence/legal malpractice, breach of fiduciary duty, and avoidance claims arising out of Foley & Lardner LLP's actions as counsel to a special committee of GWG's board of directors. That complaint is available on the Trust's website: <https://gwgholdingstrust.com/wp-content/uploads/2024/11/GWG-Litigation-Trust-v-Foley-Complaint.pdf>. Foley & Lardner LLP filed a motion to compel arbitration and stay the adversary proceeding on November 6, 2024. On February 26, 2025, the Bankruptcy Court entered an order staying the adversary proceeding and compelling arbitration of the claims asserted in the Litigation Trustee's complaint. The Litigation Trustee subsequently initiated an arbitration proceeding against Foley & Lardner LLP, as ordered by the Bankruptcy Court. That arbitration proceeding is currently in discovery and is scheduled for a hearing beginning on February 15, 2027.

The fourth adversary proceeding is styled *Goldberg v. Holland & Knight LLP, et al.*, Adv. Pro. No. 25-03064, and asserts claims under the Racketeering Influenced and Corrupt Organizations Act and for aiding and abetting/knowing participation in breach of fiduciary duty, civil conspiracy, fraud, and negligent misrepresentation. That complaint is available on the Trust's website: <https://gwgholdingstrust.com/wp-content/uploads/2025/03/HollandKnight-Complaint.pdf>. The defendants filed a motion to dismiss the Litigation Trustee's complaint on June 2, 2025, and the Litigation Trustee filed an opposition brief on August 1, 2025. The defendants' reply brief was filed on September 26, 2025. The Bankruptcy Court heard oral argument on the defendants' motion to dismiss on June 10, 2026, and entered an order granting the Trustee leave to file a brief addressing arguments that the Plan failed to retain some or all of the claims asserted in the adversary proceeding. The Trustee's brief is due June 26, 2026, and the defendants' reply brief is due July 8, 2026.

---

<sup>6</sup> The Reserved Trust Action Defendants also filed motions to withdraw the reference and transfer venue, but withdrew those motions.

The fifth adversary proceeding is styled *Goldberg v. Ankura Consulting Group, LLC*, Adv. Pro. No. 26-03090, asserting claims for secondary liability under the Texas Securities Act and for civil conspiracy to commit fraud against Ankura Consulting Group, LLC (“Ankura”). That complaint is available on the Trust’s website: <https://gwgholdingstrust.com/wp-content/uploads/2026/06/2026-03-31-1-Complaint-2.pdf>. The Litigation Trustee served Ankura with the summons and complaint through its counsel on April 10, 2026. Ankura filed an unopposed motion to withdraw the reference on April 29, 2026. Pursuant to a stipulation between Ankura and the Litigation Trustee, Ankura will file its motion to dismiss the Trustee’s complaint on or before June 24, 2026. The Litigation Trustee’s opposition is due September 8, 2026, and Ankura’s reply is due October 23, 2026.

Finally, the Litigation Trustee initiated a confidential arbitration proceeding against one of GWG’s former auditors, Baker Tilly US LLP (“Baker Tilly”), which was scheduled for hearing in April 2026. The Litigation Trustee recently entered into a settlement agreement with Baker Tilly, which the Bankruptcy Court approved, as discussed further below.

In addition to the foregoing matters, the Litigation Trust has entered into tolling agreements with other third parties and continues to investigate whether any additional claims may exist against those parties. The Litigation Trust has and may continue to engage in pre-suit negotiations or mediations with other parties or pursue claims against them in an appropriate forum.

### ***Litigation Trust Settlements***

The Bankruptcy Court has approved seven settlements totaling between the Litigation Trustee and the following parties: (a) certain insured defendants in the *Heppner* adversary proceeding [ECF No. 2700] (the “D&O Settlement”); (b) the defendants in the *Sabes* adversary proceeding [ECF No. 2699] (collectively, the “Sabes Defendants”); (c) Whitley Penn LLP [ECF No. 2701] (“Whitley Penn”), GWG’s former auditor; (d) Mayer Brown LLP [ECF No. 2703] (“Mayer Brown”), GWG’s former counsel; (e) Richards, Layton & Finger, P.A. [ECF No. 2902] (“RLF”), GWG’s former counsel; (f) Paul Capital Advisors, LLC and affiliated entities [ECF No. 2903] (“PCA”); and (g) Baker Tilly [ECF No. 2904]. In addition, the Litigation Trustee reached settlements with various other parties for *de minimus* amounts.<sup>7</sup>

As of March 31, 2026, the Litigation Trust (or the Wind Down Trust, on behalf of the Litigation Trust) had received settlement proceeds totaling approximately \$91.4 million from the D&O Settlement (\$50 million), Mayer Brown (\$30 million), Whitley Penn (\$8.5 million), the Sabes Defendants (\$2.3 million), and five other parties (which collectively totaled \$110,333.46).<sup>8</sup> As of March 31, 2026, these settlement proceeds resulted in an estimated net distribution of

---

<sup>7</sup> These settlements were with five parties and collectively totaled \$110,333.46. The Litigation Trustee made a good faith determination that the economic value of these claims was substantially less than \$5 million (and likely *de minimus*), and therefore that such settlements did not require Bankruptcy Court approval under Section 3.2(a) of the Litigation Trust Agreement. [ECF No. 1910 at § 3.2(a)].

<sup>8</sup> The Litigation Trustee made a good faith determination that the economic value of these claims was substantially less than \$5 million (and likely *de minimus*), and therefore that such settlements did not require Bankruptcy Court approval under Section 3.2(a) of the Litigation Trust Agreement. [ECF No. 1910 at § 3.2(a)].

approximately resulting in estimated net distributions to the Wind Down Trust of approximately \$59 million to \$60 million.<sup>9</sup>

The Litigation Trustee anticipates receiving the settlement proceeds from settlements with RLF (\$5 million), PCA (\$1.9 million), and Baker Tilly (\$1.9 million) before July 31, 2026. The Litigation Trustee estimates that those settlements will result in an additional approximately \$6 million distribution to the Wind Down Trust and estimated total distributions to the Wind Down Trust of approximately \$65 to \$66 million, as shown in Exhibit A. The Litigation Trustee estimates that all of the settlements approved by the Bankruptcy Court will collectively result in a distribution of approximately 3.912% to former GWG bondholders on account of their prepetition bond holdings (or \$3,912 per \$100,000 in pre-petition bond holdings), as shown in Exhibit B.

The Litigation Trustee has also reached two additional settlements. First, the Litigation Trustee entered into an Amended Joint Prosecution and Allocation Settlement Agreement with Beneficient, on behalf of itself and its subsidiaries (collectively, “Beneficient”), which is subject to approval by the Bankruptcy Court [ECF No. 2910]. The Litigation Trustee believes that the agreement provides substantial benefits to the Litigation Trust and its beneficiaries. Most importantly, it eliminates any “race to collect” against the Heppner Related Parties<sup>10</sup> by ensuring that *all* monetary recoveries—whether obtained by the Litigation Trustee or by Beneficient (or its subsidiaries)—flow exclusively to the Litigation Trust for distribution under the confirmed Plan. The Agreement also creates a cooperative framework that facilitates coordinated prosecution of claims, streamlines access to information, allows the parties to share privileged information, and strengthens the Litigation Trust’s ability to hold the Heppner Related Parties accountable in the D&O Adversary Proceeding, while expressly preserving the Litigation Trustee’s independence. A virtual hearing will be conducted on this matter on July 20, 2026, at 3:00 p.m. (prevailing Central Time) before Chief Bankruptcy Judge Rodriguez.

Second, the Litigation Trustee reached a mediated settlement with Jackson Walker LLP. The Litigation Trustee has since withdrawn from that settlement after conferring with the Successor Wind Down Trustee. *See* ECF No. 232, *In re Professional Fee Matters Concerning the Jackson Walker Law Firm*, Civ. No. 4:23-cv-04787 (S.D. Tex.). The Litigation Trustee intends to continue to vigorously pursue the claims against Jackson Walker LLP in coordination with the Successor Wind Down Trustee.

As noted in the prior status report for the year ending December 31, 2025, the Litigation Trustee did not establish an expense reserve from the settlement proceeds received as of December 31,

---

<sup>9</sup> The Litigation Trustee’s estimates of the amounts of any distributions in this status report are based on current estimates and assumptions, one or more of which may prove to be incorrect, and are subject to risks and uncertainties. As a result, the actual amount of any distributions may differ materially, perhaps in adverse ways, from such estimates.

<sup>10</sup> The Agreement defines “Heppner Related Parties” to mean “Heppner and/or various entities and trusts affiliated with, related to, or controlled by Heppner, including the Heppner Affiliated Entities.” The Agreement, in turn, defines “Heppner Affiliated Entities” as the non-settling defendants in the D&O Adversary Proceeding, namely: The Bradley K. Heppner Family Trust; The Heppner Family Home Trust; The Highland Business Holdings Trust; The Highland Investment Holdings Trust; Beneficient Holdings, Inc.; Bradley Capital Company, L.L.C.; Elmwood Bradley Oaks, L.P.; The Highland Investment Holdings Trust; Timothy B. Harmon, solely in his capacity as trustee of The Highland Investment Holdings Trust; HCLP Credit Company, L.L.C.; HCLP Nominees, L.L.C.; Highland Consolidated, L.P.; and Research Ranch Operating Company, L.L.C.



2025, but did establish a \$2 million expense reserve from settlement proceeds received by the Litigation Trust in January 2026 from Mayer Brown. The Litigation Trust was initially funded under the Plan with \$3 million (the “Initial Litigation Trust Funding Amount”). As of March 31, 2026, the Litigation Trust has paid approximately \$3.58 million in expenses, including approximately: \$1.08 million in Litigation Trust expenses and monthly fees paid to the Litigation Trustee; \$1.52 million in expert fees; \$503,000 in fees associated with storing and producing documents and other electronically stored information; \$356,000 in arbitration and mediation fees; and \$125,600 in other expenses (*e.g.*, asset investigation-related costs, travel-related expenses for hearings, mediations and depositions, court costs, process server fees, court reporter fees, copy services, etc.). The Litigation Trustee established the expense reserve because he anticipates that funds in excess of the Initial Litigation Trust Funding Amount will be needed to pay Litigation Trust expenses, including expenses in ongoing adversary and arbitration proceedings (and any other litigation pursued by the Litigation Trust). The Litigation Trustee reserves the right to increase the expense reserve if such funds are needed to continue funding any ongoing litigation, in accordance with the Litigation Trust Agreement’s terms.<sup>11</sup>

\* \* \* \*

The Trustees encourage holders to review the information found on the Trust website [www.gwgholdingstrust.com](http://www.gwgholdingstrust.com). All communications to Mr. Goldberg should be related strictly to the litigation filed by the Litigation Trustee (*see* <https://gwgholdingstrust.com/litigation-trust/>). Mr. Goldberg cannot respond to questions pertaining to claims, Computershare, distributions, or other administrative matters.

**Please call or email the GWG Wind Down Trust at 713-654-5150 or [inquiry@gwgholdingstrust.com](mailto:inquiry@gwgholdingstrust.com).**

---

<sup>11</sup> See [ECF No. 1910 at § 4.3(b)].

**EXHIBIT A**

| Settlement Amount                    | LT Counsel Fee & Expenses | Class Counsel Fee | Class Expenses | Gross Distributable Amount (Est.) |
|--------------------------------------|---------------------------|-------------------|----------------|-----------------------------------|
| <b><i>D&amp;O Defendants</i></b>     |                           |                   |                |                                   |
| \$ 50,500,000.00                     | \$ 8,928,400.00           | \$ 8,241,600.00   | \$ 441,407.45  | \$ 32,888,592.55                  |
| <b><i>Whitley Penn</i></b>           |                           |                   |                |                                   |
| \$ 8,500,000.00                      | \$ 2,151,551.06           | \$ -              | \$ -           | \$ 6,348,448.94                   |
| <b><i>Sabes Defendants</i></b>       |                           |                   |                |                                   |
| \$ 2,300,000.00                      | \$ 782,000.00             | \$ -              | \$ -           | \$ 1,518,000.00                   |
| <b><i>Mayer Brown</i></b>            |                           |                   |                |                                   |
| \$ 30,000,000.00                     | \$ 7,500,000.00           | \$ -              | \$ -           | \$ 22,500,000.00                  |
| <b><i>Richards Layton</i></b>        |                           |                   |                |                                   |
| \$ 5,000,000.00                      | \$ 1,250,000.00           | \$ -              | \$ -           | \$ 3,750,000.00                   |
| <b><i>PCA Parties</i></b>            |                           |                   |                |                                   |
| \$ 1,900,000.00                      | \$ 475,000.00             | \$ -              | \$ -           | \$ 1,425,000.00                   |
| <b><i>Baker Tilly</i></b>            |                           |                   |                |                                   |
| \$ 1,900,000.00                      | \$ 646,000.00             | \$ -              | \$ -           | \$ 1,254,000.00                   |
| <b><i>Misc. Settlements</i></b>      |                           |                   |                |                                   |
| \$ 110,333.46                        | \$ 27,583.37              |                   |                | \$ 82,750.10                      |
| Subtotal                             |                           |                   |                | \$ 69,766,791.59                  |
| Less LT Litigation Reserve           |                           |                   |                | \$ (2,000,000.00)                 |
| Less Notice Costs (Est)              |                           |                   |                | \$ (1,025,654.78)                 |
| Less LT Success Fees(Est)            |                           |                   |                | \$ (931,081.60)                   |
| <b>Net Distribution to WDT (Est)</b> |                           |                   |                | <b>\$ 65,810,055.21</b>           |

# EXHIBIT B

| NET SETTLEMENT PROCEEDS                                                                                                  |  | \$                                                                  | 65,810,055.21 |                | Two Basis of Distribution Under the Plan to former L Bond Holders |                                                            |                                                        |  |  | Distribution to Each Class from Lit Proceeds Alone   |                                         |    |               |
|--------------------------------------------------------------------------------------------------------------------------|--|---------------------------------------------------------------------|---------------|----------------|-------------------------------------------------------------------|------------------------------------------------------------|--------------------------------------------------------|--|--|------------------------------------------------------|-----------------------------------------|----|---------------|
| WDT Interest Series Created by the Plan                                                                                  |  |                                                                     |               | Basis of Claim | Amount (WDT Interest)                                             | Estimated Distribution from Diminution Claim Art. VI.C.ii. |                                                        |  |  | Distribution                                         |                                         |    |               |
| A1 Indenture Trustee                                                                                                     |  | Indenture Trustee Fees and Costs                                    |               | \$             | 2,350,000.00                                                      |                                                            |                                                        |  |  | A1 L Bond                                            | 96.33%                                  | \$ | 63,333,140.91 |
|                                                                                                                          |  | Diminution Claim                                                    |               | \$             | 60,000,000.00                                                     |                                                            |                                                        |  |  | A2 Subordinated BGUCs                                | 3.37%                                   | \$ | 116,617.40    |
|                                                                                                                          |  | Total Super Priority Claims                                         |               | \$             | 62,350,000.00                                                     |                                                            |                                                        |  |  |                                                      | 0.30%                                   | \$ | 10,296.89     |
|                                                                                                                          |  |                                                                     |               |                |                                                                   |                                                            |                                                        |  |  |                                                      | 100.00%                                 |    |               |
|                                                                                                                          |  | Available Settlement Proceeds for A1, A2 and B WDT Interest Holders |               | \$             | 3,460,055.21                                                      |                                                            |                                                        |  |  |                                                      |                                         |    |               |
| WDT Interests sharing pro rata in Settlement Proceeds after A1 Indenture Trustee and Diminution Claim are paid Series A1 |  |                                                                     |               | L Bond Claims  | \$                                                                | 1,618,517,956.00                                           | Estimated Distribution to L Bond Holders Art. VI.C.iii |  |  |                                                      | Estimated Total Distribution to L Bonds |    |               |
| Series A2                                                                                                                |  | LBM Subordinated Claims                                             |               | \$             | 56,627,477.87                                                     |                                                            |                                                        |  |  | Prepetition L Bond Investment                        | Estimated Distribution                  |    |               |
| Series B                                                                                                                 |  | General Unsecured Claims                                            |               | \$             | 5,000,000.00                                                      |                                                            |                                                        |  |  | \$                                                   | 5,000.00                                | \$ | 195.65        |
|                                                                                                                          |  | Total Interests                                                     |               | \$             | 1,680,145,433.87                                                  |                                                            |                                                        |  |  | Prepetition L Bond Investment                        | Estimated Distribution                  |    |               |
|                                                                                                                          |  |                                                                     |               |                |                                                                   |                                                            |                                                        |  |  | \$                                                   | 10,000.00                               | \$ | 391.30        |
|                                                                                                                          |  |                                                                     |               |                |                                                                   |                                                            |                                                        |  |  | \$                                                   | 20,000.00                               | \$ | 782.61        |
|                                                                                                                          |  |                                                                     |               |                |                                                                   |                                                            |                                                        |  |  | \$                                                   | 50,000.00                               | \$ | 1,956.52      |
|                                                                                                                          |  |                                                                     |               |                |                                                                   |                                                            |                                                        |  |  | \$                                                   | 100,000.00                              | \$ | 3,913.03      |
|                                                                                                                          |  |                                                                     |               |                |                                                                   |                                                            |                                                        |  |  | Percent Distribution on account of the L Bond Claims |                                         |    | 3.913%        |



**GWG WIND DOWN TRUST**  
**STATEMENT OF NET ASSETS IN LIQUIDATION (Unaudited)**  
*As of March 31, 2026*

***ASSETS***

|                                             |           |                   |
|---------------------------------------------|-----------|-------------------|
| Cash                                        | \$        | 4,711,452         |
| Restricted Cash                             |           | 3,286,178         |
| Restricted Cash - Litigation Trust Proceeds |           | 60,929,905        |
| Accounts Receivable – Litigation Trust      |           | 2,512,070         |
| <b>TOTAL ASSETS</b>                         | <b>\$</b> | <b>71,439,605</b> |

***LIABILITIES***

|                                                                       |           |                   |
|-----------------------------------------------------------------------|-----------|-------------------|
| Accounts Payable                                                      |           | 184,399           |
| Amounts Distributable - Litigation Trust Proceeds                     |           | 60,929,905        |
| Liability for Estimated Costs During Liquidation & Distributable Cash |           | 4,711,452         |
| <b>TOTAL LIABILITIES</b>                                              | <b>\$</b> | <b>65,825,756</b> |

***NET ASSETS IN LIQUIDATION***

|           |                  |
|-----------|------------------|
| <b>\$</b> | <b>5,613,849</b> |
|-----------|------------------|

**GWG WIND DOWN TRUST****STATEMENT OF CHANGES IN NET ASSETS IN LIQUIDATION (Unaudited)****Year-to-Date March 31, 2026**

|                                                             |                     |
|-------------------------------------------------------------|---------------------|
| <b>NET ASSETS IN LIQUIDATION, BEGINNING OF PERIOD</b>       | <b>\$ 5,697,647</b> |
| <b>Cash Receipts</b>                                        |                     |
| Cash Received From - Litigation Trust Proceeds              | -                   |
| Interest and Other Income                                   | 47,055              |
| <b>Total Cash Receipts</b>                                  | <b>\$ 47,055</b>    |
| <b>Cash Disbursements:</b>                                  |                     |
| Payment of Consulting Costs                                 | (5,323)             |
| Payments for General and Administrative Costs               | (301,617)           |
| <b>Total Cash Disbursements</b>                             | <b>\$ (306,940)</b> |
| <b>NET CASH FLOW</b>                                        | <b>\$ (259,885)</b> |
| <b>Non-Cash Changes:</b>                                    |                     |
| Restricted Cash - Litigation Trust Proceeds                 | (13,032,160)        |
| Change in Accounts Payable                                  | (112,816)           |
| Change in Amounts Distributable – Litigation Trust Proceeds | 13,032,160          |
| Change in Liability for Estimated Costs During Liquidation  | 288,904             |
| Change in Prepaid Insurance                                 | \$ -                |
| <b>Total Non-Cash Changes</b>                               | <b>176,087</b>      |
| <b>TOTAL CHANGES IN NET ASSETS IN LIQUIDATION</b>           | <b>\$ 5,613,849</b> |

**GWG WIND DOWN TRUST**  
**Notes to Unaudited Financial Statements**  
**March 31, 2026**

**1. Description of Business and Significant Accounting Policies**

The GWG Wind Down Trust (“Trust”) was formed in connection with the voluntary bankruptcy petition filed under chapter 11 of the United States Bankruptcy Code in the bankruptcy case of GWG Holdings, Inc., (“GWG”). The Trust became effective on August 1, 2023 (“Effective Date”). The Trust issued units of beneficial interest (“Units”). The Units entitle their holders (“Beneficiaries”) to receive a proportionate amount of cash distributions (“Declared Distributions”) made by the Trust.

***Basis of Presentation***

The unaudited Financial Statements (the “Statements”) reflect the accounts of the Trust. The Statements reflect all adjustments that are, in management’s opinion, necessary for the fair presentation of the results for the periods presented. The Statements have not been prepared in accordance with generally accepted accounting principles; rather they have been prepared using a liquidation basis of accounting, which the Trust considers an appropriate basis of accounting at this time. Assets are stated at their estimated net realizable value, which is the amount of cash into which an asset is expected to be converted during the liquidation period. The Trust also accrues costs that it expects to incur through to the end of its liquidation. The Trust may was initially set to terminate on August 1, 2026. In March, 2026, the duration of the Trust was extended through August 1, 2028, resulting in an increase to future accrued costs for such extended periods and a corresponding reduction in cash available. The Trust will record and value affirmative settlements or judgments when realized and collectability and eligibility for distribution is reasonably anticipated. The Trust does not accrue contingent costs.

***Cash and Cash Equivalents***

Cash and cash equivalents include cash on hand and short-term deposits and governmental money market funds.

***Income Taxes***

The Trust is a Grantor Trust, treated as a flow-through entity for U.S. federal and state income tax purposes. The Trust is not subject to U.S. federal or state income taxes; therefore, no accrual for these taxes is made. The Trust files a federal return. While there are no ongoing examinations, the federal returns dating to the 2023, 2024 and 2025 calendar years remain eligible for examination.

**GWG WIND DOWN TRUST**  
**Notes to Unaudited Financial Statements**  
**March 31, 2026**

**2. Estimated Costs to Operate the Trust**

The Trust accrues for all costs it expects to incur during its lifetime based on approved strategic assumptions and the Trust's current estimates. These costs are estimated based on asset resolution strategies, litigation timelines and modeled wind-down expenses of the Trust's operations and are recorded as liabilities. Actual future costs could vary significantly depending upon a wide variety of factors due to the uncertainties inherent in a complex Trust. On a periodic basis, the Trust evaluates such estimates to take into consideration the overall status of the Trust and any material changes in circumstances or factors affecting the Trust, including but not limited to evaluation of claims, the fair value of assets held by the Trust and other factors that may affect such estimates. The Trust does not accrue contingent costs.

As of March 31, 2026, the estimated future costs to operate the Trust through August 1, 2028, are approximately \$1.7 million with approximately \$184,000 of expenses that have been incurred but not yet paid. The remaining cash currently held, approximately \$2.8 million may be eligible for distribution as of August 31, 2028.

**3. Sale of Subsidiary / Portfolio Sale**

Following the Plan Effective Date, the WDT Trustee commenced a marketing process for the sale of the Policy Portfolio Equity Interests. After a thorough evaluation of available alternatives as well as an analysis of the ongoing costs to maintain the Policy Portfolio, the WDT Trustee elected to sell the WDT's interests in the Policy Portfolio to Apex Longevity Fund LLC ("Apex"). The Bankruptcy Court approved the sale on October 3, 2023. The sale closed on October 13, 2023. The purchaser acquired 100% of the Trust's membership interest in Trust's wholly owned subsidiary Life Recovery Company, LLC ("Life Recovery"). Through the acquisition of the membership interest in Life Recovery, the purchaser acquired the portfolio of life insurance policies, assumed a Sr. Secured Credit Facility with a balance of approximately \$605 million collateralized by those same policies and gave the WDT \$10 million in cash.

**4. Litigation Trust**

The WDT maintains a beneficial and reversionary interest in the GWG Litigation Trust. The WDT does not believe that it can ascribe an estimated value to the WDT's beneficial and reversionary interests in the Litigation Trust net of attorney's fees and collection costs, as of March 31, 2026 The GWG Wind Down Trust had received \$71,493,605 in cash from the Litigation Trust, which will remain available to pay fees and expenses of the Litigation Trust and Class Action Trust as well with the remainder of these amounts being eligible for distribution to the Interest Holders in the GWG Wind Down Trust, pending approval of the Court. We estimate that approximately \$60.9 million of the amounts received from the GWG Litigation Trust, net of fees and expenses may be eligible for distribution. These amounts, once quantified, are expected to be available for remittance to the WDT beneficiaries. The Litigation Trust's

expectations of the amount of any distributions and when they may be paid are subject to risks and uncertainties and are based on certain estimates and assumptions, one or more of which may prove to be incorrect. As a result, the actual amount of any distributions may differ materially, perhaps in adverse ways, from the Trust estimates. Furthermore, it is not possible to predict the timing of any distributions.

## **5. Accounts Receivable**

Included in accounts receivable as of March 31, 2026, is approximately \$2.512 million due, the GWG Wind Down Trust from the GWG Litigation Trust. This amount represents expenses and claims paid by the GWG Wind Down Trust on behalf of the GWG Litigation Trust for which the Wind Down Trust will be reimbursed.