GWG WIND DOWN TRUST

Quarterly Report and Financial Statements

(Unaudited)

For the Period January 1, 2026 – September 30, 2026

All the information in this Report is based on information available to the Successor 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 Successor 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 – September 30, 2026

Table of Contents

Quarterly Report from the Trustees……..…. 4
Unaudited Statement of Net Assets in Liquidation as of September 30, 2026...……... 16
Unaudited Statement of Changes in Net Assets in Liquidation for the period January 1, 2026 – September 30, 2026……. 17
Notes to the Unaudited Financial Statements……...…….. 18

GWG WIND DOWN TRUST

Quarterly Annual Report and Financial Statements

(Unaudited)

For the Period January 1, 2026 – September 30, 2026

JOINT STATUS REPORT OF THE WIND DOWN TRUST AND THE LITIGATION TRUST FOR THE QUARTER ENDING SEPTEMBER 30, 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")[1,2] 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").[3] 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").[4]

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 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,

[1] 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.

[2] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan.

[3] 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].

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

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 Trustees filed status reports on June 24, 2026 for the quarter ending March 31, 2026 [ECF No. 2913], and on August 20, 2026, for the quarter ending June 30, 2026 [ECF No. 2951].

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.

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 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. 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 continued to rely upon the historical knowledge of the team from MACCO, 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 and Micah Miller joined Scidan Consulting Group ("Scidan"), but will continue to provide essential and necessary services to the Wind Down Trust. Kathy Mayle recently departed MACCO 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]. This Joint Motion has saved the beneficiaries ten's of thousands of dollars to date and will continue to be more efficient and cost saving.

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 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 was arguably the most important and consequential claim to the Wind Down Trust. The Bank of Utah was 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. As a result, the Court approved a settlement with the Bank of Utah in the amount of $60,000,000, which was an excellent outcome for the beneficiaries.

The Successor WDT Trustee is pleased to report that the Wind Down Trust successfully made the first interim distribution in the amount of $60,000,000 on July 15, 2026. It was a collective effort between the Wind Down Trust, its professionals and Computershare given the significant amount of beneficiaries, both direct and indirect. The Wind Down Trust continues to actively monitor the flow of funds to the indirect beneficiaries. For example, the Wind Down Trust has identified the list of intermediary brokers and has followed up to ensure that funds are fully accounted for.

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.

Finally, the Successor WDT Trustee has been monitoring the litigation between the Estate of Alabastro and various third parties, including Wells Fargo and Life Recovery Fund. This litigation has an impact on the Wind Down Trust and its entitlement to monies being escrowed for the benefit of Wells Fargo. After losing at the bankruptcy court level, the Estate of Alabastro has now filed an appeal with the District Court and the appeal is now in the early stages.

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. The WDT Trustee continues to have regular dialogue with the Litigation Trustee and his counsel as other matters related to Jackson Walker come to light in the miscellaneous proceeding.

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 Successor WDT Trustee is actively evaluating the rights and remedies of the Wind Down Trust to recoup some or all of the prior compensation to the original WDT Trustee.

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

Beneficient. The defendants included Mr. Bradley K. Heppner, Beneficient, 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*. 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"),[5] 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; Bradley K. Heppner, 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.

[5] 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." The Amended Complaint, defined below, names Bradley K. Heppner as a defendant, 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.[6] 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 Litigation Trustee filed an amended complaint on June 24, 2026 [ECF No. 183] (the "Amended Complaint"), which is available on the Trust's website: *https://gwgholdingstrust.com/wp-content/uploads/2026/08/2026-06-24-183-Amended-Complaint.pdf*. HCLP Nominees, L.L.C., Highland Consolidated, L.P., and Beneficient Holdings, Inc. (the "RICO Defendants") filed a motion to dismiss on July 24, 2026 [ECF No. 187] seeking to dismiss claims the Trustee asserted under the Racketeer Influenced and Corrupt Organizations Act in the Amended Complaint. The remaining defendants in the case filed an answer on July 22, 2026 [ECF No. 185]. The Litigation Trustee filed an opposition to the RICO Defendants' motion to dismiss on August 17, 2026 [ECF No. 195]. On August 21, 2026, the Bankruptcy Court entered an order denying the RICO Defendants' motion to dismiss [ECF No. 196], and the RICO Defendants filed their answer on September 3, 2026 [ECF No. 201]. The Bankruptcy Court entered a comprehensive scheduling order for the case, setting the final pre-trial conference for January 11, 2028, at 9:00 a.m. [ECF No. 200].

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

[6] The Reserved Trust Action Defendants also filed motions to withdraw the reference and transfer venue, but withdrew those motions.

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. On August 13, 2026, the Bankruptcy Court issued an opinion [ECF No. 50] and order [ECF No. 51] denying the defendants' motion to dismiss.

On August 28, 2026, the defendants filed a notice of appeal as of right and motion for leave to file an interlocutory appeal in the United States District Court for the Southern District of Texas, Civ. No. 4:26-cv-07253 [Dist. ECF Nos. 1-2]. On September 10, 2026, the Litigation Trustee moved to dismiss defendants' appeal as of right and opposed their request for permissive interlocutory appeal [Dist. ECF No. 8]. The District Court heard oral argument on the parties' motions on September 23, 2026. On September 25, 2026, defendants filed a motion to stay the adversary proceeding pending the District Court's decision on their motion for leave to file an interlocutory appeal [Dist. ECF No. 15]. The Litigation Trustee filed a response in opposition to defendants' motion to stay on September 30, 2026 [Dist. ECF No. 16]. On October 2, 2026, the Litigation Trustee filed a reply in support of his motion to dismiss defendants' appeal [Dist. ECF No. 17]. That same day, the District Court entered an order (i) granting the Litigation Trustee's motion to dismiss defendants' appeal; (ii) denying defendants' motion for leave to file an interlocutory appeal; and (iii) denying as moot defendants' motion for stay [Dist. ECF No. 19]. The District Court issued a memorandum opinion explaining its reasoning on October 21, 2026 [Dist. ECF No. 21].

On November 2, 2026, defendants filed a notice of appeal to the United States Court of Appeals for the Fifth Circuit from the District Court's October 2, 2026 order and October 21, 2026 memorandum opinion [Dist. ECF No. 22].

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. The Bankruptcy Court issued a report and recommendation that Ankura's motion to withdraw the reference be granted on July 16, 2026 [ECF No. 21]. The District Court for the Southern District of Texas withdrew the reference of the adversary proceeding to the District Court on July 17, 2026, and referred the case to the Bankruptcy Court for all pretrial matters [ECF No. 23]. Pursuant to a stipulation between Ankura and the Litigation Trustee, Ankura filed its motion to dismiss the Trustee's complaint on June 24, 2026. The Litigation Trustee filed its opposition to Ankura's motion to dismiss on September 8, 2026 [ECF No. 35], and Ankura filed its reply in support of its motion to dismiss on October 23, 2026 [ECF No. 36].

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 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 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 minimis* amounts.[7]

As of September 30, 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).[8] As of September 30, 2026, these settlement proceeds resulted in an estimated net distribution to the Wind Down Trust of approximately $59 million to $60 million.[9]

In July 2026, the Litigation Trust received the settlement proceeds from settlements with RLF ($5 million), PCA ($1.9 million), and Baker Tilly ($1.9 million). 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 3.913% to former GWG bondholders on account of their prepetition bond holdings (or $3,913 per $100,000 in pre-petition bond holdings), as shown in Exhibit B.

The Litigation Trustee has 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 was 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

[7] 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)].

[8] The Litigation Trustee made a good faith determination that the economic value of these claims was substantially less than $5 million (and likely *de minimis*), 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)].

[9] 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.

Heppner Related Parties[10] 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. The Bankruptcy Court held a virtual hearing on this settlement with Beneficient on July 20, 2026, and took the Trustee's motion under advisement. The Bankruptcy Court entered an order on October 14, 2026, approving the Amended Joint Prosecution and Allocation Settlement Agreement with Beneficient [ECF No. 2965].

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, 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 September 30, 2026, the Litigation Trust has paid approximately $4.37 million in expenses, including approximately: $1.255 million in Litigation Trust expenses and monthly fees paid to the Litigation Trustee; $2.038 million in expert fees; $539,400 in fees associated with storing and producing documents and other electronically stored information; $356,500 in arbitration and mediation fees; and $180,000 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 anticipated that funds in excess of the Initial Litigation Trust Funding Amount would 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 anticipates that additional funds may be needed to fund ongoing litigation expenses and 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.[11]

* * * *

[10] 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.; 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.

[11] *See* [ECF No. 1910 at § 4.3(b)].

The Trustees encourage holders to review the information found on the Trust website 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.

GWG WIND DOWN TRUST

STATEMENT OF NET ASSETS IN LIQUIDATION (Unaudited)

As of September 30, 2026

ASSETS		
Cash	**$**	4,059,208
Restricted Cash		3,345,152
Restricted Cash - Litigation Trust Proceeds		6,205,112
Accounts Receivable – Litigation Trust		2,512,070
Prepaid Insurance		33,853
TOTAL ASSETS	**$**	**16,155,395**
LIABILITIES		
Accounts Payable		89,775
Amounts Distributable - Litigation Trust Proceeds		6,205,112
Liability for Estimated Costs During Liquidation & Distributable Cash		4,059,208
TOTAL LIABILITIES	**$**	**10,354,094**
NET ASSETS IN LIQUIDATION	**$**	**5,801,301**

GWG WIND DOWN TRUST

STATEMENT OF CHANGES IN NET ASSETS IN LIQUIDATION (Unaudited)

Year-to-Date September 30, 2026

NET ASSETS IN LIQUIDATION, BEGINNING OF PERIOD	**$**	**5,697,647**
Cash Receipts		
Cash Received From - Litigation Trust Proceeds		-
Interest and Other Income		145,826
Total Cash Receipts	**$**	**145,826**
Cash Disbursements:		
Payment of Consulting Costs		(8,673)
Payments for General and Administrative Costs		(990,309)
Total Cash Disbursements	**$**	**(998,982)**
NET CASH FLOW	**$**	**(853,156)**
Non-Cash Changes:		
Restricted Cash - Litigation Trust Proceeds		(67,756,953)
Change in Accounts Payable		(18,192)
Change in Amounts Distributable – Litigation Trust Proceeds		67,756,953
Change in Liability for Estimated Costs During Liquidation		941,148
Change in Prepaid Insurance		33,853
Total Non-Cash Changes	**$**	**956,810**
TOTAL CHANGES IN NET ASSETS IN LIQUIDATION	**$**	**5,801,301**

GWG WIND DOWN TRUST

Notes to Unaudited Financial Statements

September 30, 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 judgements 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.

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 September 30, 2026, the estimated future costs to operate the Trust through August 1, 2028, are approximately $3.0 million with approximately $90,000 of expenses that have been incurred but not yet paid. The remaining cash currently held plus amounts receivable, approximately $3.5 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. Through September 30, 2026, the GWG Wind Down Trust had received a total of $66,548,647 in cash, net of fees and expenses 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 $6,205,111 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. See additional discussion related to distributions in Footnote 6 below.

5. Accounts Receivable

Included in accounts receivable as of September 30, 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.

6. Distributions

On July 15, 2026, the GWG Wind Down Trust commenced an initial distribution to the interest holders of the Trust. The distribution of $60,000,000 or 3.7071 cents per Trust interest unit held by individual interest holders remains ongoing. The distribution is considered a return of capital for the interest holders. The distribution has for the most part been completed. The GWG Wind Down Trust, along with Computershare, the Trust's interest holder agent continues to work with the interest holders of the Trust to complete the distribution.