

PARAGON LITIGATION TRUST

To holders of B-unit Interests in the Paragon Litigation Trust:

On May 12, 2021, the United States Trustee filed a Motion to Compel Filing of Post-Confirmation Quarterly Reports and Payment of Statutory Fees pursuant to 28 U.S.C. § 1930(a)(6). The Bankruptcy Court held a hearing on this matter before Judge Sontchi on June 3, 2021.

On June 28, 2021, the Bankruptcy Court entered an Order denying the Motion to Compel. The fourteen-day period in which the movant might appeal that Order is now elapsed and the Order is now final.

The Litigation Trustee and KCC, the Distributing Agent, will now conduct the initial and final distribution to B-unit holders. As previously disclosed, the distributions will be made to registered holders of B-units in the amount of \$7.81/ unit.

In accordance with Section 2.7 of the Litigation Trust Agreement, the Litigation Trust shall automatically terminate upon the date of the final distribution of the Trust Assets to the Plan's Beneficiaries, namely the B-unit holders. The Litigation Trust Management shall maintain the powers, authorities, and discretions solely for the purpose of winding up the affairs of the Litigation Trust, including the completion of outstanding tax filings.

On behalf of the Litigation Trust Management, we wish to thank our Oversight Committee, our esteemed lawyers and professionals, and our beneficiaries for the constant support and guidance in this undertaking. Finally, we always appreciate your patience in connection with this matter.

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