

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

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In re: : Chapter 11  
: :  
PENSON WORLDWIDE, INC., *et al.*,<sup>1</sup> : Case No. 13-10061 (LSS)  
: :  
Debtors. : (Jointly Administered)  
: :  
: :  
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**NOTICE OF (I) FINAL REPORT IN CHAPTER 11 CASES AND FINAL REPORT OF THE CHIEF OFFICER AND LIQUIDATING TRUSTEE, (II) PROPOSED FINAL DISTRIBUTION, (III) ABANDONMENT AND DESTRUCTION OF LEGACY DOCUMENTS AND (IV) PROPOSED CLOSURE OF CHAPTER 11 CASES**

**To: (I) All Holders of Allowed Claims Against Penson Worldwide, Inc.; SAI Holdings, Inc.; Penson Financial Services, Inc.; Penson Financial Futures, Inc.; Penson Holdings, Inc.; Penson Execution Services, Inc.; Nexa Technologies, Inc.; GHP2, LLC; and Penson Futures; (II) the Office of the United States Trustee; and (III) all other persons that have requested notices in these cases under Fed. R. Bankr. P. 2002 and Del. Bankr. L.R. 2002-1**

**PLEASE TAKE NOTICE THAT** on June 26, 2021, the Court entered its *Order in Aid of Plan Implementation and Wind-Down with respect to (i) Procedures for (a) Final Distributions and Wind-Down, and (b) Closing the Chapter 11 Cases; (ii) Extension of Trust; (iii) Extending Claims Objection Deadline; and (iv) Abandonment and Destruction of Legacy Books And Records* [Docket No. 1601] (the “Wind-Down and Closure Order” and the motion requesting its entry, Docket No. 1598, the “Wind-Down and Closure Motion”). Capitalized terms used but not defined in this notice have the meaning ascribed to them in the Wind-Down and Closure Order or Wind-Down and Closure Motion, and copies of these documents can be obtained (i) online, without charge, at the claims agent’s website [www.kccllc.net/penson](http://www.kccllc.net/penson) under the heading “Important Dates, Deadlines and Documents”, (ii) by email request to [pensoninfo@kccllc.net](mailto:pensoninfo@kccllc.net), or (iii) for a fee, by using the Court’s PACER system at [www.pacer.uscourts.gov](http://www.pacer.uscourts.gov).<sup>2</sup>

<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Penson Worldwide, Inc. (6356); SAI Holdings, Inc. (3657); Penson Financial Services, Inc. (3990); Penson Financial Futures, Inc. (6207); and Penson Futures (6207). The Debtors’ mailing address is 5960 W. Parker Rd. #278-198, Plano, Texas 75093.

<sup>2</sup> Other documents filed in these cases can also be obtained: (i) without charge, from the claims agent’s website under the “Court Documents” tab or (ii) for a fee, by using the PACER system.



**PLEASE TAKE FURTHER NOTICE THAT** attached hereto as **Exhibit 1** is the *Final Report in Chapter 11 Cases and Final Report of the Chief Officer and Liquidating Trustee*, which constitutes the Preliminary Report under the Closing Procedures and is intended to be the final report required by Del. Bankr. L.R. 3022-1(c). ***The proposed Final Distribution is described in the Preliminary Report.***

**PLEASE TAKE FURTHER NOTICE THAT** not sooner than the date that is thirty days after the date of this notice, PTL and the Trust intend to abandon or destroy the Legacy Books and Records.<sup>3</sup>

**PLEASE TAKE FURTHER NOTICE THAT** not sooner than the date that is thirty days after the date of this notice, PTL intends to submit orders under certification of counsel (in the forms attached to the Wind-Down and Closure Motion as Exhibits B-1 and B-2) closing the chapter 11 cases of and issuing final decrees for SAI Holdings, Inc. and Penson Financial Services, Inc.

**PLEASE TAKE FURTHER NOTICE THAT** once PTL and the Trust have completed any remaining wind-down activities and filed their respective final tax returns, the Chief Officer shall, as soon as reasonably practicable, submit an order under certification of counsel (in the form attached to the Wind-Down and Closure Motion as Exhibit B-3) approving the dissolution and cancellation of PTL, discharging the Chief Officer, and closing the Chapter 11 Case of Penson Worldwide, Inc.

**PLEASE TAKE FURTHER NOTICE THAT** any party wishing to respond or object to the actions proposed to be taken in this notice or the Preliminary Report attached hereto as **Exhibit 1** shall do so by filing a response or objection on the Court's docket and serving it upon the undersigned counsel for PTL and the Trust not later than August 2, 2021.

Dated: July 2, 2021  
Wilmington, Delaware

YOUNG CONAWAY STARGATT & TAYLOR, LLP

/s/ Ryan M. Bartley

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Kenneth J. Enos (No. 4544)

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*Counsel to Penson Technologies, LLC and Bryce B. Engel  
in his capacity as Trustee for the Penson Liquidation Trust*

<sup>3</sup> "Legacy Books and Records" means the Debtors' books, records, documents, files, and electronic data, which were referred to in the Plan (in whatever format, including native format) as the "Books and Records." For the avoidance of doubt, Legacy Books and Records does not include books and records created or prepared by PTL or the Trust for purposes of carrying out the responsibility and duties of PTL and the Trust.

**EXHIBIT 1**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

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In re:	:	Chapter 11
	:	
PENSON WORLDWIDE, INC., <i>et al.</i> , <sup>1</sup>	:	Case No. 13-10061 (LSS)
	:	
Debtors.	:	(Jointly Administered)
	:	
	:	
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**FINAL REPORT IN CHAPTER 11 CASES AND  
FINAL REPORT OF THE CHIEF OFFICER AND LIQUIDATING TRUSTEE**

Pursuant to Local Rule 3022-1(c), Section 12.1 of the Operating Agreement of Penson Technologies, LLC (the “**LLC Agreement**”), and Section 5.8 of the Penson Liquidation Trust Liquidation Trust Agreement (the “**Trust Agreement**”) the following is the final report regarding these chapter 11 cases:

1. On August 15, 2012, the *Fifth Amended Joint Liquidation Plan of Penson Worldwide, Inc., and its Affiliated Debtors* (the “**Plan**”), became effective. The Plan has been substantially consummated and all distributions that were required to be made pursuant to the Plan have been made or will be made, as described herein.
  
2. Pursuant to the Plan, Penson Technologies, LLC (“**PTL**”) and the Penson Liquidation Trust (the “**Trust**”) were formed. Bryce B. Engel was appointed as the Chief Officer (as defined in the LLC Agreement) of PTL and the trustee for the Trust (the “**Trustee**”). In accordance with the terms of the LLC Agreement, as Chief Officer, I have filed periodic reports

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<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Penson Worldwide, Inc. (6356); SAI Holdings, Inc. (3657); Penson Financial Services, Inc. (3990); Penson Financial Futures, Inc. (6207); and Penson Futures (6207). The Debtors’ mailing address is 5960 W. Parker Rd. #278-198, Plano, Texas 75093.

with the Court regarding the status of the wind-down and distributions to creditors, each of which are incorporated herein by reference. *See* [Docket Nos. 1035, 1125, 1230, 1290, 1338, 1375, 1407, 1441, 1472, 1503, 1512, 1552, 1572, 1588]

3. In accordance with the Plan, all of the Debtors' assets were transferred to PTL, other than certain patents that remained with Debtor Penson Worldwide, Inc. ("PWI") and certain membership interests in non-debtor entities that remained with Penson Financial Services, Inc. ("PFSI"). The efforts to realize value on PWI's patents has concluded, and PFSI has disposed of those membership interests. PTL has reduced its remaining assets to cash or intends to abandon such assets.

4. On the Effective Date, PTL held \$11,304,560 in cash; since the Effective Date, PTL has collected \$85,972,334<sup>2</sup> in cash from the liquidation or other proceeds of its assets.

5. PTL and the Trust have expended or anticipate expending \$20,978,970 on Wind-Down Expenses through their respective cancellation or termination, including a current reserve of \$776,609.<sup>3</sup> It is anticipated that the current reserves and any potential Unclaimed Distributions may be insufficient to pay in full the Wind-Down Expenses. As an accommodation, the Chief Officer and the sole remaining employee of PTL have agreed to reduce their compensation for the remaining wind-down period in an amount equal to any resulting shortfall.

6. PTL has paid secured, administrative or priority claims against all Debtors in the amount of \$879,844.

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<sup>2</sup> This includes the anticipated receipt from the recent disposition of an asset for a gross price of \$41,199.25.

<sup>3</sup> This includes the anticipated receipt from the recent disposition of an asset for a gross price of \$41,199.25 that will be used to fund future Wind-Down Expenses.

7. To date, cash has been distributed to holders of unsecured claims<sup>4</sup> as follows:

<b>Debtor</b>	<b>Allowed Claim Amounts</b>	<b>Percentage Recovery</b>	<b>Amount Distributed<sup>5</sup></b>
PWI	\$288,698,641	7.99%	\$22,287,416
SAI Holdings, Inc.	\$220,724,537	12.69%	\$28,001,619
Penson Holdings, Inc.	\$0	n/a	n/a
PFSI <sup>6</sup>	\$23,551,258	100%	\$24,843,667 <sup>7</sup>
Penson Financial Futures, Inc.	\$116	100%	\$116
Penson Execution Services, Inc.	\$0	n/a	n/a
Nexa Technologies, Inc.	\$285,378	100%	\$285,378
GHP2, LLC	\$0	n/a	n/a
Penson Futures	\$96,275	100%	\$96,275
<b>Total</b>			<b>\$75,514,471</b>

8. PTL is proposing to make a final distribution to holders of Class A and Class B Units and General Unsecured Claims against SAI, in the following amounts:

<b>Debtor</b>	<b>Percentage Recovery</b>	<b>Amount Distributed<sup>8</sup></b>
PWI – Class A and Class B Units	0.28%	\$804,314
SAI – Class A Units and General Unsecured Claims against SAI	0.06%	\$122,944
<b>Total</b>		<b>\$927,258</b>

9. Through the first quarter of 2021, the Debtors and PTL have paid an aggregate amount of \$437,423 in U.S. Trustee fees. PTL will continue to pay U.S. Trustee fees for each Debtor in each quarter that its chapter 11 case remains opened.

<sup>4</sup> The Second Lien Notes issued by PWI were secured by equity interest in certain direct or indirect subsidiaries of PWI. There were no proceeds from such equity interests

<sup>5</sup> Certain distributions have not been negotiated resulting in forfeiture of such distributions pursuant to Section 11.10.

<sup>6</sup> PWI and SAI also held Subordinated Loan Claims against PFSI, which were to be paid once all unsecured claims against PFSI were paid in full. The Subordinated Loan Claims are not reflected in this chart, but the total amount distributed by PFSI with respect to the Subordinated Loan Claims was \$23,933,602.

<sup>7</sup> This amount is inclusive of post-petition date interest.

<sup>8</sup> Certain distributions have not been negotiated resulting in forfeiture of such distributions pursuant to Section 11.10.

10. To the best of my knowledge, information, and belief, the following chart sets forth the allowed fees and expenses of professionals retained in these cases pursuant to section 327 of the Bankruptcy Code pursuant to the *Omnibus Order Approving Final Fee Applications* [Docket No. 948] and *Order Approving Final Fee Application of Young Conaway Stargatt & Taylor, LLP* [Docket No. 952] for the period from the Petition Date to the Effective Date, and such amounts were paid by the Debtors or PTL:

<b>Firm</b>	<b>Fees &amp; Expenses Paid</b>
<b>Attorneys for the Debtors</b>	
1. Paul, Weiss, Rifkind, Wharton & Garrison, LLP	\$727,076.00
2. Young Conaway Stargatt & Taylor, LLP	\$711,164.30
3. Mayer Brown LLP	\$39,041.45
<b>Other Professionals for the Debtors</b>	
1. KPMG LLP	\$886,320.70
2. Sandtree Finance LLC	\$166,935.00
3. Kurtzman Carson Consultants LLC	\$7,888.48
<b>Attorneys for the Official Committee of Unsecured Creditors</b>	
1. Hahn & Hessen LLP	\$609,045.69
2. Cousins Chipman & Brown LLP	\$76,431.97
<b>Other Professionals for the Official Committee of Unsecured Creditors</b>	
1. Capstone Advisory Group, LLC	\$517,908.50

11. No trustee or examiner was appointed in the Debtors' chapter 11 cases. Accordingly, no fees or expenses were incurred in respect of a trustee or examiner or their respective counsel and other professionals.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

Dated: July 2, 2021

/s/ Bryce Engel  
Bryce Engel, Chief Officer and Trustee