

## PARAGON LITIGATION TRUST

To holders of Interests in the Paragon Litigation Trust:

On February 3, 2021, the Paragon Litigation Trust executed a settlement agreement by and among Noble Corporation plc, its affiliates and the defendant directors and officers of Noble Corporation at the time of the 2014 spin-off. This settlement agreement resolves all claims and causes of action in connection with the adversary proceeding U.S. Bankruptcy Court for the District of Delaware (Adv. Proc. No. 17-51882 (CSS)).

The general terms of the settlement remain the same as those communicated in our notice dated October 9, 2020. No later than a month after entry of a Modification Order granting Noble and its affiliates relief from the automatic stay to enter into this settlement agreement in the U.S. Bankruptcy Court for the Southern District of Texas and a Settlement Approval Order approving the Trust's entry into this agreement in the U.S. Bankruptcy Court for the District of Delaware, the Trust is to receive \$90.375 million in cash from Noble Corporation plc and its insurers. The Trust then will file a motion seeking entry of a Dismissal Order finally dismissing the claims with prejudice.

In accordance with the Litigation Trust Agreement and following the resolution of the aforementioned claims, the Litigation Trust Management will take steps to resolve the Trust. Distributions will be made in accordance with Section 6.6, *Application of Trust Assets*, of the Litigation Trust Agreement.

As set forth and in order to expedite the distribution of the Trust Assets to creditors and beneficiaries, the Litigation Trust Management will establish a reserve in the amount of \$300,000.00 (the "Expense Reserve") to fund the wind down of the Trust, including but not limited to, any remaining accounting, tax, legal or management fees between and the final dissolution.

The Trust will repay principal and interest amounts due under the Additional Litigation Funding Loans, then the principal amount due under the Litigation Trust Loan, and then make payments to the Litigation Trust Beneficiaries.

For the avoidance of doubt, given the terms set forth in the Litigation Trust Agreement, there shall be no Class A Distribution on account of Class A Litigation Trust Interests.

Following the repayment of the Additional Litigation Funding Loans and the Litigation Trust Loan, the Trust will distribute the remaining Trust Assets (less the Expense Reserve) to Litigation Trust Beneficiaries on account of Class B Litigation Trust Interests on a *pro rata* basis to record holders (as detailed in the Register) **as of February 15, 2021**. Following that record date, no further transfers of the Class B Litigation Trust Interests will be permitted, and distributions will only be made to those record holders that the registrar in its sole discretion recognizes to this date.

For further direction on how the Litigation Trust Management may make distributions, we refer beneficiaries to Sections 6.6, 6.7, 6.8 and 6.9 of the Litigation Trust Agreement. If beneficiaries of Litigation Trust need to update tax identification or administrative contact information, we ask that updates be sent to [paragon@drivetrainadvisors.com](mailto:paragon@drivetrainadvisors.com) delays in payments or other reporting.

To set an expectation of how this process translates to the calendar, please observe the following target dates, each of which is subject to vary depending necessary approvals are achieved:

Week of February 1-5	Filing of the Modification Order and the Settlement Approval Orders
Week of March 1-5	Target Date for Settlement Approval Hearing
Week of April 19-23	Target Date for Settlement Receipt
Week of April 26-30	Target Date for Repayment of Loans
1st half of May	Target Date for Distributions to Beneficiaries of Litigation Trust B-unit holders

Finally, for demonstrative purposes and in further explanation of the amounts payable in accordance with Section 6.6, the addendum to this notice includes an indicative waterfall. Please note that this illustrative is subject to further legal analysis and potential adjustments but is provided in response to many of the inquiries that have been made since the October 8, 2020 notice.

Paragon Litigation Trust Management  
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## ADDENDUM

(\$MM)	<u>Projected</u>
Aggregate Gross Proceeds (AGP)	90.38
Cash on hand (2/21)	13.75
less Expenses Reserve	(0.30)
Net Cash	13.45
Available for Distribution	103.83
Additional Loan Funding (P)	(40.00)
Additional Loan Funding (Contingent Interest)	(14.91)
Initial Loan Funding	(10.00)
Available for B-units	\$ 38.91
B-units # (in MMs)	4.981
Distribution per B-unit	\$ 7.81

***This illustration is provided for informational purposes but is subject to further verification and legal analysis and is subject to change.***