

The Ad Hoc Committee of Broker/Dealers

April 18, 2023

American Trust Investment Services, Inc.  
Arete Wealth Management, LLC  
Ausdal Financial Partners, Inc.  
Centaurus Financial, Inc.  
Emerson Equity LLC  
Greenberg Financial Group  
Independent Financial Partners  
Krilogy  
Meridian Wealth Management, LLC  
Moloney Securities Inc.  
Newbridge Securities Corporation

**To: Clients of the Members of the Ad Hoc Committee of Broker/Dealers**

**Re: The Ad Hoc Committee's Support for the Debtors' Chapter 11 Plan**

If you are receiving this letter, your securities broker/dealer and/or registered investment advisor is a member of the Ad Hoc Committee of Broker/Dealers (the "Ad Hoc Committee"), a group formed to represent the interests of broker/dealers and their respective clients and to assist in the resolution of the Debtors' Chapter 11 Cases.

Since its inception, the members of the Ad Hoc Committee have worked tirelessly towards a single goal – ensuring that all parties who hold economic interests in GWG receive the highest degree of recovery possible. To that end, the Ad Hoc Committee (i) attended mediation sessions with GWG and other parties in interest, (ii) proposed value-maximizing terms for a Chapter 11 Plan, including the partial subordination of L Bond claims held by L Bond Management LLC to the claims of other L Bondholders, and (iii) negotiated the resolution of the Debtors' Chapter 11 Cases with the Debtors and other parties in interest outside of the context of mediation.

The Ad Hoc Committee believes the *Debtor's Modified Second Amended Joint Chapter 11 Plan, Submitted by the Debtors, the Bondholder Committee, and L Bond Management, LLC as Co-Proponents* [Docket No. 1583] (the "Plan") constitutes the best opportunity for creditors, especially L Bondholders, to receive the highest possible recovery on their claims. The Plan contemplates the creation of both a "Wind Down Trust" and a "Litigation Trust." The Wind Down Trust presents parties with the opportunity for substantial recovery on their claims and interests through the monetization and liquidation of GWG's assets and economic interests, particularly through the retention of the Debtors' interests in Beneficient Company Holdings, L.P. and Beneficient Company Group, LP (collectively, "Ben"). Should Ben consummate its contemplated merger with Avalon Acquisition Inc., the Ad Hoc Committee believes the merger's enterprise valuation of \$3.5 billion suggests a significant return on the Debtors' interests, all for the benefit of the Debtors' creditors and equity interest holders. Separately, the Litigation Trust will retain all non-released causes of action currently held by the Debtors' estates which, in the event the Debtors do not settle the associated claims against Ben and its affiliates, may include such claims. The Litigation Trustee will be empowered to take whatever action is in the best interest of creditors, including the litigation or the compromise and settlement of all causes of action. The Plan therefore maximizes all available assets for the benefit of creditors and parties in interest.

**As a result, the members of the Ad Hoc Committee support confirmation of the Plan, and encourage all clients entitled to vote on the Plan to vote in favor of the Plan's approval.**

The Ad Hoc Committee of Broker/Dealers  
Page 2

Regards,

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