

NOTICE OF PROPOSED DERIVATIVE AND CLASS ACTION SETTLEMENT

TO: ALL PERSONS WHO PURCHASED OR OTHERWISE ACQUIRED BENEFICIAL INTERESTS IN NP SKYLOFT, DST (THE “TRUST”), AND HELD SUCH INTERESTS AT ANY POINT FROM NOVEMBER 7, 2018 TO PRESENT (THE “INVESTORS”)

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS WILL BE AFFECTED BY THE LEGAL PROCEEDINGS IN THE ACTIONS.

PLEASE TAKE NOTICE that a legal action is being resolved on the terms set forth in a Stipulation of Settlement and Releases, dated August 22, 2024 (the “Settlement Agreement” or “Settlement”), attached hereto, between Named Plaintiffs¹ and Axonic Credit Opportunities Master Fund LP, Burgundy 523 Offshore Fund Ltd., Axonic Special Opportunities SBL Master Fund LP, ACO Skyloft Manager LLC, Axonic Capital LLC, and Clayton DeGiacinto (collectively, the “Axonic Parties”).

The purpose of this Notice is to inform you of:

- the existence of the above-captioned action *Stacy R. Schiffman, et al v. Nelson Partners, LLC, et al*, Cause No. D-1-GN-21-000097, Before the 98th Judicial Court of Travis County, Texas, asserting derivative claims against the Axonic Parties, which have been severed into a separate action Cause No. D-1-GN-24-005548 (the “Texas Action”);
- the existence of the Supplemental Petition for Class Action, filed on August 26, 2024 in the Texas Action, asserting additional claims for settlement purposes only against the Axonic Parties on behalf of a class of purchasers of beneficial interests in the Trust;
- the proposed settlement of the derivative and class claims between Named Plaintiffs and the Axonic Parties reached in the Texas Action;
- the hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement; and
- Class Counsels’ application for fees and expenses.

This Notice describes what steps you may take in relation to the Settlement. This Notice is not an expression of any opinion by the Court about the truth or merits of Named Plaintiffs’ claims or the Axonic Parties’ defenses. This Notice is solely to advise you of the proposed Settlement of the derivative and class claims in the Texas Action and of your rights in connection with the proposed Settlement.

Summary

On August 22, 2024, Named Plaintiffs and the Axonic Parties entered into the Stipulation of Settlement and Releases in the Texas Action. The Settlement Agreement was the result of a mediation conducted between Named Plaintiffs and the Axonic Parties after the trial of derivative claims against the Axonic Parties and the Court’s ruling on post-trial motions.

Pursuant to the Settlement Agreement, the Axonic Parties have agreed to pay \$9,000,000 to resolve derivative and direct and class action claims with respect to NP Skyloft, DST and its Investors against the Axonic Parties as well as TCG Skyloft Owner, LLC (“TCG Skyloft Owner”). The Settlement Agreement, subject to the approval of the Court, is intended to fully, finally, and forever compromise, resolve, discharge, and settle all claims on behalf of

¹ All capitalized terms used herein shall have the definition assigned in the Settlement Agreement, unless otherwise defined.

NP Skyloft, DST and its Investors against the Axonic Parties and TCG Skyloft Owner, TCG Skyloft JV, LLC, and Triangle Capital Group, LLC (the “TCG Parties”) to result in the dismissal of all asserted claims in the Texas Action or that could have been asserted in the Texas Action against the Axonic Parties and TCG Parties with prejudice and release of the Axonic Parties and TCG Parties upon fulfillment of the Settlement Agreement and payment of the amounts due thereunder, upon the terms and subject to the conditions set forth in the Settlement Agreement.

On August 27, 2024, the Court in the Texas Action entered an order of preliminary approval of the Settlement, certifying a class solely for the purposes of effectuating the Settlement, appointing Class Counsel and an Administrator, and providing for notice to all Investors.

What is the Background of the Claims that are the subject of the Settlement?

The Derivative Claims

Named Plaintiffs brought derivative claims in the Texas Action on behalf of nominal party NP Skyloft, DST and alleged that the Axonic Parties engaged in self-dealing in the sale of the Skyloft Apartments in December 2020. Named Plaintiffs’ petitions in the Texas Action alleged that the Axonic Parties breached their fiduciary duties to the Trust, breached the Trust Agreement of NP Skyloft, DST, breached the covenant of good faith and fair dealing, and for declaratory judgment of rescission of the sale of the Skyloft Apartments. Named Plaintiffs also asserted that TCG Skyloft Owner aided and abetted the Axonic Parties’ alleged breaches of fiduciary duties.

Starting in late April 2022, Named Plaintiffs conducted a three-week trial before a jury of the claims against the Axonic Parties and TCG Skyloft Owner. On May 9, 2022, the jury rendered a verdict in favor of the Trust against the Axonic Parties on counts of breach of fiduciary duty by gross negligence and breach of the covenant of good faith and fair dealing and apportioning responsibility between the Axonic Parties and Patrick Nelson and certain entities related to him (the “Nelson Parties”). The jury’s verdict found that TCG Skyloft Owner was not liable for aiding and abetting a breach of fiduciary duty by any of the Axonic Parties. After extensive post-trial briefing, the Court ruled on October 13, 2022 that it would enter a judgment in favor of the Named Plaintiffs on behalf of the Trust in the amount of \$4,250,000.00 against the Axonic Parties and would deny rescission of the sale of the Skyloft Apartments to TCG Skyloft Owner. The Axonic Parties indicated they would vigorously appeal any adverse judgment entered against them by the Court.

A separate case styled *Collins v. NP Skyloft ST, LLC et al.*, Case No. 30-2021-01184473-CU-MC-CXC, was filed in the Superior Court of California, Orange County (the “*Collins Case*”) on February 21, 2021, asserting derivative claims on behalf of the Trust against the Nelson Parties, the Axonic Parties, certain of the TCG Parties, and others, seeking declaratory relief and damages for an alleged breach of the Trust Agreement, breaches of fiduciary duty, and aiding and abetting breaches of fiduciary duty. The *Collins Case* was stayed in favor of the Texas Action on June 20, 2021.

The Individual Direct and Class Claims in Federal Court

On February 21, 2021, certain investors filed a class action styled *Parziale et al v. Patrick Nelson, et al.*, Case No. 2:21-cv-01803-CBM-JEM, before the United States District Court for the Central District of California, against the Axonic Parties and Patrick Nelson and certain Nelson entities (the “Federal Class Action”). The class action Complaint alleged federal and state securities fraud and common law fraud on behalf of a class of all purchasers of interests in NP Skyloft, DST. The Complaint alleged false and misleading representations in the offering and sale of the interest in NP Skyloft, DST, specifically, that the private placement memorandum (the “PPM”) and supplement to the PPM (the “Supplement”) misrepresented the consequences of a failure by Nelson Partners to repay the preferred equity provided by certain of the Axonic Parties and failed to disclose certain of the Axonic Parties right to force a sale of the Skyloft Apartments. The Federal Class Action was dismissed by the Court on September 17, 2021 because the Court found that the Trust should be joined as an indispensable party. The plaintiffs in the Federal Class Action appealed that dismissal to the U.S. Court of Appeals for the Ninth Circuit, which appeal was eventually dismissed in July 2022 as a result of the settlement with the Nelson Parties.

On August 10, 2021, certain investors filed *Puleo, et al. v. Nelson, et al.*, Case No. 2:21-CV-06443-CBM-JEM (the “*Puleo Case*”), before the United States District Court for the Central District of California. The

Complaint alleged individual claims for federal and state securities fraud, common law fraud and for some investors elder financial abuse. The *Puleo* Case was brought on behalf of certain individual investors against the Axonic Parties, Patrick Nelson and certain Nelson entities, and NP Skyloft, DST. On August 29, 2022, the Court ordered the claims alleged in the *Puleo* Case by individual investors against NP Skyloft, DST to be referred to arbitration. The Court stayed the claims against the Axonic Parties and Nelson Parties until the conclusion of arbitration.

On December 28, 2022, certain investors filed *Ames et al. v. Nelson et al.*, Case No. 2:22-cv-09400-CBM-AGR (the “*Ames* Case”), before the United States District Court for the Central District of California. The Complaint alleges claims similar to those alleged in the *Puleo* Case against the Axonic Parties, Patrick Nelson and certain Nelson entities, and NP Skyloft, DST. On October 12, 2023, the Court ordered the claims alleged in the *Ames* Case by individual investors against NP Skyloft, DST to be referred to mediation and stayed the claims against the Axonic Parties and Nelson Parties until the conclusion of arbitration.

The Mediation

On March 15, 2023, counsel for the Named Plaintiffs in the Texas Action, the *Collins* Case, the *Puleo* Case and the *Ames* Case, on the one side, and the Axonic Parties, on the other side, conducted a full-day mediation by Zoom teleconference before Robert A. Meyer, Esq. As a result of that mediation and subsequent negotiations over the following year, the Axonic Parties agreed to pay a total of \$9,000,000 to resolve both the derivative claims tried to the Texas jury and direct and class action claims asserted against them arising out of the sale of interests in NP Skyloft, DST, including those claims asserted in the *Collins* Case, *Puleo* Case and *Ames* Case and that could have been asserted in the Federal Class Action. The settling parties entered the Settlement Agreement setting forth the specific terms and conditions of the Settlement. A Supplemental Petition alleging a class action for settlement purposes only against the Axonic Parties was filed in the Texas Action to effectuate the Settlement.

Why is there a Proposed Settlement?

The trial of the derivative claims will result in a judgment, subject to appeal, of \$4,250,000. The Federal Class Action was dismissed and the individual direct fraud claims in the *Puleo* Case and *Ames* Case against the Axonic Parties remain pending but are stayed. Class Counsel believe that the derivative and class claims have substantial merit, and the Settlement is not intended to be and shall not be construed as an admission as to the relative strengths or weaknesses of the claims asserted in the Texas Action, the *Collins* Case, the Federal Class Action, the *Puleo* Case, or the *Ames* Case. Class Counsel recognize the significant risk, expense, and length of continued proceedings necessary to prosecute the derivative and class claims against the Axonic Parties through appeal, especially in complex cases such as this one.

As part of the Settlement, the Axonic Parties deny allegations of wrongdoing or liability arising out of or relating in any way to the events, conduct, statements, acts, or omissions alleged in the Texas Action, the *Collins* Case, the Federal Class Action, the *Puleo* Case and the *Ames* Case. Nonetheless, the Axonic Parties have entered into the Settlement Agreement, without admitting or conceding any fault, liability, wrongdoing, or damage whatsoever, in order to avoid the expense, distraction, and uncertainty of further litigation.

Based on Class Counsel’s thorough review and analysis of the relevant facts, allegations, defenses, controlling legal principals, and court rulings in the Texas and Federal Actions, counsel believe that the Settlement is fair, reasonable, and adequate and substantially benefits the Trust and its Investors.

What will the Trust and its Investors receive?

If the Settlement Agreement is fully effectuated, the Axonic Parties will pay a total amount of \$9,000,000 to establish a Settlement Fund, which will be held in an escrow account controlled by the Administrator approved by the Court, in full resolution of the derivative, direct, and class action claims in the Texas Action, the *Collins* Case, the Federal Class Action, the *Puleo* Case and the *Ames* Case. The Settlement Fund will be comprised of two parts. First, \$4,500,000 of the Settlement Fund will be contributed to NP Skyloft, DST in full and final settlement of all derivative claims that could have been asserted on behalf of NP Skyloft, DST against the Axonic Parties and the TCG Parties as well as certain other related parties, all as set forth in more detail in the Settlement Agreement (the “Derivative Claims Settlement”). Second, \$4,500,000 of the Settlement Fund will be contributed in full and final

settlement of all direct claims that the Investors could have asserted in in the Texas Action, the *Collins* Case, the Federal Class Action, the *Puleo* Case and the *Ames* Case against the Axonic Parties or TCG Parties (the “Direct Claims Settlement”). Under the Settlement Agreement, NP Skyloft, DST will contribute the funds it receives in connection with the Derivative Claims Settlement to the Direct Claims Settlement for distribution to Investors. \$2,500,000 of the Settlement Fund contributed to the Direct Claims Settlement will be subject to a holdback pending resolution of certain covered claims, to the extent any are brought against the Released Parties (the “Holdback”). The exact nature of the claims covered by the Holdback is confidential to avoid incentivizing meritless claims against the Settlement Fund. Once all covered claims are resolved or the statute of limitations passes with respect thereto, the remainder of the funds subject to the Holdback, if any, will be distributed to the Investors pursuant to the Plan of Distribution. Upon approval of the Court, the Administrator appointed by the Court, Gregory S. Milligan (“Administrator”), will distribute the Settlement Fund *pro rata* to the Investors in proportion to their interests in the Trust pursuant to the Plan of Distribution. The Class Representatives named by the Court will also be entitled to an incentive payment of \$5,000 each.

The Settlement Agreement also provides for the dissolution of NP Skyloft, DST and for all claims and causes of action held by it, other than Released Claims against Released Parties (both as defined in the Settlement Agreement), to be assigned and conveyed to a Liquidating Trust. The Administrator will also serve as the Liquidating Trustee and will have the power and authority to pursue the claims and causes of action assigned to it by NP Skyloft, DST.

The Settlement Agreement is conditioned upon (1) final approval of the Settlement by the Court following notice and a Settlement Hearing, (2) Court entry of judgment, in a form satisfactory to the Axonic Parties, approving the Settlement and dismissing with prejudice the derivative and class claims against the Axonic Parties and TCG Skyloft Owner, which judgment is final and non-appealable; (3) approval of the Fee and Expense Amount (discussed below), and (4) signed releases by the persons named as individual parties in the Texas Action. Once effectuated, the derivative claims on behalf of NP Skyloft DST against the Axonic Parties and TCG Parties and direct claims for federal and state securities and common law fraud on behalf of a class of all purchasers of interests in NP Skyloft DST against the Axonic Parties will be dismissed with prejudice and released, including those claims asserted in the Federal Class Action, the *Collins* Case, the *Puleo* Case, and the *Ames* Case.

How will the Class Counsel be Paid?

Class Counsel will apply to the Court for an award of attorney’s fees in the amount of Thirty Percent (30%) of the Settlement Fund, or \$2,700,000.00, together with expenses (the “Fee and Expense Amount”), which is subject to Court approval. The Fee and Expense Amount will compensate Class Counsel for their efforts in prosecuting the actions against the Axonic Parties and the substantial benefits achieved for Investors. Expenses of administration of the Settlement Agreement, including notice to all Investors, will be paid from the Settlement Fund.

The Settlement Hearing

The Court will hold a hearing (the “Settlement Hearing”) on **December 5, 2024 at 9:00 a.m.** (Central Time) before the Honorable Karin Crump, District Judge, at the Travis County Civil and Family Courts Facility, Courtroom 9B, located at 1700 Guadalupe, Austin, Texas 78701, to, among other things: (i) determine whether the proposed settlement is fair, reasonable and adequate and in the best interests of the Trust and its Investors; (ii) consider any objections to the Settlement submitted in accordance with this Notice; (iii) determine whether the Court should approve the Fee and Expense Amount; and (iv) consider any other matters that may properly be brought before the Court in connection with the Settlement.

The Court may, in its discretion, change the date and/or time of the Settlement Hearing without further notice to you. The Court also has reserved the right to hold the Settlement Hearing telephonically or by videoconference without further notice to you. If you intend to attend the Settlement Hearing, please consult the Travis County District Court Administrators’ Office (Warren Vavra) at phone number (512) 854-2484 for any change in date, time or format of the Settlement Hearing.

Your Right Exclude Yourself from the Direct Claims Settlement

Any Investor who wishes to exclude themselves from the Direct Claims Settlement must submit a timely, written request for exclusion to the Settlement Administrator by **October 21, 2024**. The exclusion request must include the following information: the Investor's full name, address, and telephone number; a statement that the Investor wishes to be excluded from the Direct Claims Settlement; the case name and case number; and the amount of beneficial interests in NP Skyloft DST held by the Investor.

Your Right to Object to the Settlement

Any Investor who wishes to object to the fairness, reasonableness, or adequacy of the proposed settlement as set forth in the Settlement Agreement, or to the Fee and Expense Amount, shall make a written objection to the Settlement by **October 21, 2024**. The objection shall be filed with the Clerk of the Court and served (either by hand delivery or by first class mail) upon the below listed counsel and Administrator and set forth (a) the objecting Investor's full name, address, and telephone number, and that of their counsel, if any; (b) the grounds for all objections, stated with specificity; (c) any evidence the objecting Investor wishes to introduce in support of the objections; (d) whether the objection applies only to the objector, to a specific subset of the Class, to the entire Class, or to the proposed Derivative Claims Settlement; (e) proof of membership in the Class; and (f) a statement as to whether the Investor intends to appear at the Settlement Hearing, either individually or through their counsel; the Investor's signature; and the case name and case number.

Any objector who does not timely file and serve a notice of intention to appear in accordance with this paragraph shall be foreclosed from raising any objection to the Settlement and shall not be permitted to appear at the Settlement Hearing, except for good cause shown.

IF YOU MAKE A WRITTEN OBJECTION, IT MUST BE ON FILE WITH THE CLERK OF THE COURT NO LATER THAN OCTOBER 21, 2024.

The Clerk's address is:

Travis County District Clerk
Travis County Civil and Family Courts Facility
1700 Guadalupe Street
Austin, Texas 78701
Mailing Address: P.O. Box 679003, Austin, TX 78767-9003

YOU ALSO MUST DELIVER COPIES OF THE MATERIALS TO THE ADMINISTRATOR, ADMINISTRATOR'S COUNSEL, CLASS COUNSEL AND AXONIC PARTIES' COUNSEL SO THEY ARE RECEIVED NO LATER THAN OCTOBER 21, 2024.

The Administrator's address is:

Administrator:
Gregory S. Milligan
HARNEY PARTNERS
8911 Capital of Texas Highway, Suite 2120
Austin, Texas 78759
gmilligan@harneypartners.com

Counsel's addresses are:

Counsel for Administrator:
Jason M. Rudd
WICK PHILLIPS
3131 McKinney Ave, Suite 500
Dallas, Texas 75218
With a copy by email: jason.rudd@wickphillips.com

Counsel for Named Plaintiffs and the Class:

Robert Brownlie
BROWNLIE HANSEN LLP
10920 Via Frontera, Suite 550
San Diego, California 92127
(858) 357-8001
rbrownlie@brownliehansen.com

D. Douglas Brothers
GEORGE BROTHERS KINCAID & HORTON LLP
114 West 7th Street, Ste. 1100
Austin, Texas 78701
(512) 495-1400
dbrothers@gbkh.com

Counsel for Axonic Parties:

Barney Given
LOEB & LOEB LLP
10100 Santa Monica Blvd., Suite 2200
Los Angeles, CA 9006
(310) 282-2000
bgiven@loeb.com

Bethany D. Simmons
LOEB & LOEB LLP
345 Park Avenue
New York, NY 10154
(212) 407-4000
bsimmons@loeb.com

Any current Investor in NP Skyloft, DST who does not timely file and serve a written objection complying with the above terms shall be deemed to have waived, and shall be foreclosed from raising, any objection to the Settlement, and any untimely objection shall be barred.

Any objector who files and serves a timely, written objection in accordance with the instructions above, may appear at the Settlement Hearing either in person or through counsel retained at the objector's expense. Objectors need not attend the Settlement Hearing, however, in order to have their objections considered by the Court.

If you are an Investor and do not take steps to appear in this action and object to the proposed Settlement, you will be bound by the Judgment of the Court and will forever be barred from raising an objection to the Settlement and from pursuing any of the released claims.

INVESTORS WHO HAVE NO OBJECTION TO THE SETTLEMENT DO NOT NEED TO APPEAR AT THE SETTLEMENT HEARING OR TAKE ANY OTHER ACTION.

Scope of the Notice

This notice is a summary only and does not describe all of the details of the proposed Settlement. For full details of the matters discussed in this summary, please see the attached Settlement Agreement, the pleadings filed in the Texas Action, available from the Clerk's Office or at <http://research.Txcourts.gov>, or contact Class Counsel at the addresses listed above.

Please Do Not Call the Court or Clerk's Office with Questions About the Proposed Settlement.

STIPULATION OF SETTLEMENT AND RELEASES

This Stipulation of Settlement and Releases (“**Settlement Stipulation**”) is entered into as of August 22, 2024, between and among (a) Paul Tessier as Co-Trustee of the Anne T. Tessier Family Trust and Black Tortuga Group, LLC (collectively, the “**Named Plaintiffs**”), on behalf of themselves and, subject to Court approval, on behalf of all Settlement Class Members (as defined below) and derivatively on behalf of NP Skyloft DST; and (b) Axonic Credit Opportunities Master Fund LP, Burgundy 523 Offshore Fund Ltd., Axonic Special Opportunities SBL Master Fund LP, ACO Skyloft Manager LLC (“**ACO Manager**”), Axonic Capital LLC, and Clayton DeGiacinto (collectively, the “**Defendants**”), each by and through their undersigned counsel. Named Plaintiffs and Defendants are collectively referred to in this Settlement Stipulation as the “**Parties**.”

WHEREAS, the Parties are engaged in litigation styled *NP Skyloft DST et al. v. Burgundy 523 Offshore Fund, Ltd.*, Cause No, D-1-GN-21-000097, before the 261st Judicial District Court of Travis County, Texas (“**Underlying Litigation**”) wherein claims have been asserted relating to sale of beneficial interests in NP Skyloft DST, the management of the Skyloft Entities (defined below) and the purchase and sale of the Skyloft Property (defined below);

WHEREAS, Class Members have commenced other cases against the Defendants asserting both direct claims and derivative claims on behalf of NP Skyloft DST, arising out of or relating to the sale of beneficial interests in NP Skyloft DST, the management of the Skyloft Entities and the purchase and sale of the Skyloft Property, including (1) *Parziale v. Nelson, et al.*, No. 2:21-cv-01803 (C.D. Cal.); (2) *Puleo, et al. v. Nelson, et al.*, No. 2:21-cv-06443 (C.D. Cal.); (3) *Ames, et al. v. Nelson, et al.*, No. 2:22-cv-09400 (C.D. Cal.); and (4) *Collins v. NP Skyloft ST, LLC, et al.*, No. 30-2021-01184473-CU-MC-CXC (Cal. Sup. Ct., Orange Cnty.) (collectively, the “**Related Actions**”);

WHEREAS, simultaneous with filing this Settlement Stipulation, Named Plaintiffs will file a Supplemental Class Action and Shareholder Derivative Petition (for Settlement Purposes Only) and Motion to Sever (the “**Settlement Action**”) in the Underlying Litigation; and

WHEREAS, Defendants continue to deny that they are liable for any of the claims, whether direct of Class Members or derivative claims on behalf of NP Skyloft DST, asserted against them in the Settlement Action, in the Underlying Litigation, and in the Related Actions, but have agreed to enter into this Settlement Stipulation to avoid further risk, burden, expense, inconvenience, and distraction of further protracted litigation; and

WHEREAS, Named Plaintiffs and Lead Counsel (defined below) have concluded, after due investigation and carefully considering the relevant circumstances, that: (1) it is in the best interests of the Class (defined below) and NP Skyloft DST to enter into this Settlement Stipulation to avoid the uncertainties of litigation and to ensure that the benefits reflected in this Settlement Stipulation are obtained for the Class and derivatively for NP Skyloft DST; and (2) the settlement set forth in this Settlement Stipulation is fair, reasonable, and adequate within the meaning of Texas Rule of Civil Procedure 42 and in the best interests of the Class and NP Skyloft DST.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is acknowledged, it is agreed by, between and among the Parties that, subject to Court

approval, the Settlement Action shall be fully and completely settled, compromised, and dismissed with prejudice, without costs except as stated below, and that releases and covenants not to sue be extended, according to the following terms and conditions:

1. Definitions. For purposes of this Settlement Stipulation, in addition to any terms defined above and below, the following terms shall have the meanings:

“**CAFA Notice**” means the notice of this proposed Settlement in compliance with the requirements of the federal Class Action Fairness Act, 28 U.S.C. § 1711 *et seq.*

“**Class**” means all Person(s) who purchased or otherwise acquired beneficial interests in NP Skyloft DST, a Delaware statutory trust, and held such interests at any point from November 7, 2018 to the Effective Date.

“**Class Member**” means a member of the Class.

“**Class Representatives**” means the Class Representatives appointed in the Preliminary Approval Order. For purposes of this Settlement Stipulation, the Parties stipulate that the Named Plaintiffs are the Class Representatives; *provided* that Defendants stipulate that the Named Plaintiffs are Class Representatives solely for purposes of this Settlement Stipulation and reserve all rights to seek discovery into the Named Plaintiffs’ adequacy as a Class Representative, or to challenge the Named Plaintiffs’ claim to status as a Class Representative, in the event this Settlement Stipulation is terminated pursuant to Section 20 below.

“**Covered Claims**” has the definition in the Confidential Addendum attached as Exhibit D.

“**Days**” means calendar days.

“**Defendants’ Counsel**” means the following lawyers and their respective law firms:

Bernard R. Given II
Loeb &Loeb LLP
10100 Santa Monica Blvd.
Suite 2200
Los Angeles, CA 90067

Bethany D. Simmons
Loeb & Loeb LLP
345 Park Ave.
New York, NY 10154

-and-

Steve Skarnulis
Ben Evans

Cain & Skarnulis, PLLC
303 Colorado St.
Suite 2850
Austin, TX 78701

“**Derivative Claims Settlement**” means the derivative claims on behalf of NP Skyloft DST that have been or may have been asserted against the Defendants in the Settlement Action, Underlying Action and Related Actions.

“**Direct Claims Settlement**” means the individual direct and class claims that have been or may have been asserted against the Defendants by Class Members in the Settlement Action, Underlying Action and Related Actions.

“**Distribution Checks**” means the checks issued by the Settlement Administrator to Class Members for their respective portions of the Net Settlement Funds.

“**Effective Date**” has the meaning set forth in Section 13 below.

“**Exclusion Deadline**” means the date identified in the Preliminary Approval Order and Settlement Notice by which a Class Member must file or serve an Exclusion Request.

“**Exclusion Request**” means a request by a Class Member to be excluded from the Settlement that meets all of the requirements for exclusion as set out in Section 11 of this Settlement Stipulation, the Settlement Notice, and as ordered by the Court.

“**Execution Date**” means the date this Settlement Stipulation is executed by all Parties or their counsel on their behalf.

“**Fairness Hearing**” means the hearing at which the Court will make a final determination as to whether the terms of the Settlement Stipulation are fair, reasonable, and adequate, and whether the settlement should be finally approved by the Court under Texas Rule of Civil Procedure 42.

“**Final Approval Motion**” means the motion filed by Lead Counsel in advance of the Fairness Hearing requesting the Final Approval Order.

“**Final Approval Order**” means the order entered by the Court after the Fairness Hearing, which must be materially in the form attached as Exhibit B, except to the extent it may be modified by the Court with consent of the Parties or by other agreement of the Parties, that has not been reversed, vacated, materially modified, or dismissed on appeal in whole or in part and that is no longer appealable, and that, among other things, approves the Settlement, dismisses the Settlement Action with prejudice and releases the Released Parties of the Released Claims.

“**Lead Counsel**” has the meaning set forth in the Court’s Preliminary Approval Order, which means the following lawyers and law firms:

D. Doug Brothers (dbrothers@gbkh.com)

Russ Horton (rhorton@gbkh.com)
George Brothers Kincaid & Horton, L.L.P.
1100 Norwood Tower
114 West 7th Street, Suite 1100
Austin, Texas 78701
(512) 495-1400

-and-

Robert W. Brownlie (Robert.Brownlie@brownliehansen.com)
Brownlie Hansen L.L.P.
10920 Via Frontera
Suite 550
San Diego, CA 92127
858.877.0322

“Liquidating Trust” means that certain trust named the “Skyloft Liquidating Trust” that will come into existence on the Effective Date, which trust shall be formed pursuant to, and governed by, the provisions of the Liquidating Trust Order and the Liquidating Trust Agreement.

“Liquidating Trust Agreement” means the Skyloft Liquidating Trust Agreement governing the Liquidating Trust dated as of the Effective Date, substantially in the form included as an exhibit to the Liquidating Trust Order.

“Liquidating Trustee” means the trustee of the Liquidating Trust, appointed pursuant to the Liquidating Trust Order and the Liquidating Trust Agreement.

“Liquidating Trust Order” means the order of the Court appointing the Liquidating Trustee, approving the Liquidating Trust Agreement, and effectuating the provisions of Section 14 of this Settlement Stipulation, and which must be materially in the form agreed to by the Parties.

“Nelson Parties” means Nelson Partners, LLC, Nelson Brothers Property Management, Inc d/b/a Nelson Partners Property Management, Inc., NP Skyloft Equity, LLC, and Patrick Nelson, and each of their respective affiliates or immediate family members (which shall include children, parents, spouses, and siblings).

“Net Settlement Funds” means the amount of funds to be paid on behalf of the Defendants referenced in Section 3(c) of this Settlement Stipulation less: (1) attorneys’ fees for Lead Counsel that are approved by the Court, (2) reimbursable expenses of Lead Counsel that are approved by the Court, (3) amounts paid pursuant to Section 6 from the Holdback Funds in connection with Covered Claims, (4) amounts paid for Taxes and Tax Expenses, (5) amounts for payment to the Settlement Administrator and his Retained Personnel, including indemnity advances, allowed pursuant to Section 7, and (6) any costs of notice.

“**Objection Deadline**” means the date identified in the Preliminary Approval Order and Settlement Notice by which a Class Member must file or serve written objections, if any, to the Settlement in accordance with Section 12 of this Settlement Stipulation. The Objection Deadline shall be no later than forty-five (45) Days before the Fairness Hearing or as the Court may otherwise direct.

“**Person(s)**” means an individual, corporation, partnership, limited partnership, limited liability company, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any business or legal entity and his, her or its spouses, heirs, predecessors, successors, representatives, or assignees.

“**Preliminary Approval Order**” means the proposed order preliminarily approving the Settlement and directing notice to the Class, and which must be materially in the form attached hereto as Exhibit C, except to the extent modified by the Court with consent of the Parties or by other agreement of the Parties.

“**Released Claims**” means any and all manner of claims and potential claims, including Unknown Claims, against the Released Parties, including but not limited to any and all known and unknown allegations, charges, complaints, claims, judgments, debts, setoffs, rights of recovery, grievances, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, penalties, expenses (including attorneys’ fees and costs incurred), punitive or exemplary damages, equitable, declaratory, or other grounds for relief, of any nature whatsoever, known or unknown, contingent or non-contingent, that the Releasing Parties have, that the Releasing Parties may have had, or that have been or may have been made directly or indirectly, by, through or under the Releasing Parties, whether by subrogation, impleader, interpleader, derivatively on behalf of any entity or otherwise, against the Released Parties, whether or not apparent or yet to be discovered, or which may hereafter develop, whether arising in law or in equity including but not limited to under any federal, state, or local law, rule, or regulation, for any conduct, duties, obligations, acts or omissions in connection with or arising out of or relating in any way to any purchase, sale or investment in the beneficial interests in NP Skyloft DST, the management or operation of the Skyloft Entities (including, without limitation relating to taxes, preparation or filing of tax returns or statements related to income and expenses and like matters) and/or in any way related to the Skyloft Property. For avoidance of doubt, the claims and/or causes of action asserted or that could have been asserted in the Settlement Action, Underlying Litigation and the Related Actions against the Released Parties constitute Released Claims. For further avoidance of doubt, Released Claims does not include or refer to any claims by Releasing Parties against (i) any of the broker-dealers, brokers, or registered representatives involved in the marketing or sale of beneficial interests in NP Skyloft DST (“**Brokers**”), and (ii) any of the Nelson Parties, and nothing in this release language nor any other provision of this Stipulation is intended to release any claims Releasing Parties may have against such Brokers and the Nelson Parties.

“Released Parties” means Defendants, TCG Skyloft Owner, LLC, TCG Skyloft JV, LLC, and Triangle Capital Group, LLC, together with each of their respective, past or present directors, officers, employees, partners, member firms or affiliates, principals, agents, predecessors, successors, parents, subsidiaries, divisions, joint ventures, attorneys, accountants, insurers, co-insurers and reinsurers, assigns, heirs, executors, trustees, general or limited partners or partnerships, limited liability companies, members, personal or legal representatives, estates, administrators, predecessors, successors and assigns or other individuals or entities in which Defendants, TCG Skyloft Owner, LLC, TCG Skyloft JV, LLC and/or Triangle Capital Group, LLC have a controlling interest or which is related to or affiliated with any of the Defendants, TCG Skyloft Owner, LLC, TCG Skyloft JV, LLC and/or Triangle Capital Group, LLC. For avoidance of doubt, the reference to “agents” does not include or refer to any of the Brokers, and nothing in this release language nor any other provision of this Settlement Stipulation is intended to release any claims Releasing Parties may have against such Brokers. For further avoidance of doubt, Released Parties does not include any of the Nelson Parties.

“Releasing Parties” means each of the Named Plaintiffs (individually and, with the Court’s approval, in their capacity as Class Representatives and derivatively on behalf of NP Skyloft DST), and the Settlement Class Members who have not excluded themselves from the Settlement pursuant to Section 11, together with any Person(s) claiming by, through, or on behalf of any of the foregoing, and shall include, for avoidance of doubt, natural persons, entities, trusts, or organizations of any kind or nature, as well as the predecessors, successors, heirs, executors, administrators, and assigns of any of the foregoing.

“Settlement” means the Direct Claims Settlement and the Derivative Claims Settlement as set forth in this Settlement Stipulation.

“Settlement Administrator” means, subject to the Court’s approval: Gregory S. Milligan, Executive Vice President, HMP Advisory Holdings, LLC, dba Harney Partners, Westech 360, 8911 Capital of Texas Highway, Suite 2120, Austin, Texas 78759.

“Settlement Administrator Counsel” means, subject to the Court’s approval: Jason M. Rudd and Catherine Curtis, Wick Phillips Gould and Martin, LLP, 3131 McKinney Ave, Suite 500, Dallas, Texas 75204, jason.rudd@wickphillips.com, catherine.curtis@wickphillips.com.

“Settlement Class Members” are those Class Members who do not exclude themselves from the Direct Claims Settlement pursuant to Section 11.

“Settlement Fund” means the escrow account to be treated as a Qualified Settlement Fund within the meaning of Treasury Regulation § 1.468B-1 and established pursuant to Section 3 of this Settlement Stipulation, to be comprised of the Direct Claims Fund the and Derivative Claims Fund, including all monies held in the escrow account in accordance with the terms of this Settlement Stipulation.

“**Settlement Notice**” means a notice of the proposed Settlement to be provided to the members of the Class, attached as Exhibit A, and to be posted on the website for the case hosted on the Settlement Administrator’s site, <https://www.skyloftsettlement.com/>

“**Settlement Payment**” means the payment of benefits from the Settlement Fund to Class Members in accordance with Section 7 of this Settlement Stipulation.

“**Skyloft Entities**” means NP Skyloft DST, NP Skyloft JV, LLC, NP Skyloft ST, LLC, NP Skyloft IB, LLC, and NP Skyloft Leaseco, LLC.

“**Skyloft Property**” means that certain real property located at 507 W. 23rd Street, Austin, Texas 78705, and all personal property and other rights appurtenant thereto.

“**Tax Disclosure**” means a disclosure for federal income tax purposes to be provided to Class Members containing sufficient financial information related to NP Skyloft DST and the Skyloft Property for Class Members to use for filing personal federal income taxes related to their beneficial interests in NP Skyloft DST.

“**Tax Expenses**” means the expenses and costs incurred by Lead Counsel or the Settlement Administrator in connection with determining the amount of, and paying, any taxes owed by the Settlement Fund (including, without limitation, expenses of tax attorneys and/or accountants and mailing and distribution costs and expenses relating to filing, or failing to file, tax returns for the Settlement Fund).

“**Taxes**” means all: (i) taxes or other similar imposts or charges (including any estimated taxes, interest, penalties, or additions to tax) arising with respect to the income earned by the Settlement Fund, including any taxes or tax detriments that may be imposed upon the Released Parties with respect to any income earned by the Settlement Fund for any period during which the Settlement Fund does not qualify as a “Qualified Settlement Fund” within the meaning of Treasury Regulation § 1.468B-1 (or any relevant equivalent for state tax purposes); and (ii) other taxes imposed on or in connection with the Settlement Fund.

“**Unknown Claims**” means any and all claims that a Releasing Party does not know or suspect to exist in the Releasing Party’s favor as of the Effective Date, which if known by the Releasing Party might have affected such Releasing Party’s decisions with respect to the Settlement. With respect to any and all Released Claims against any and all Released Parties, the Parties stipulate and agree that, by operation of the Final Approval Order, upon the Effective Date, the party providing the release shall have expressly waived the provisions, rights and benefits of California Civil Code § 1542 or any federal, state or foreign law, rule, regulation or common-law doctrine that is similar, comparable, equivalent or identical to, or that has the effect in whole or part of, Section 1542 of the California Civil Code, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR

HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

2. Submission of the Settlement to the Court for Approval.

(a) The Parties agree to recommend approval of the Settlement by the Court as being fair, reasonable, and adequate. In that regard, the Parties agree that, as soon as practicable after the Execution Date, Lead Counsel shall submit the Settlement Stipulation, together with its exhibits, to the Court and shall apply for entry of the Preliminary Approval Order preliminarily approving the proposed Settlement, certifying the Class, and setting a date for the Fairness Hearing.

(b) Lead Counsel shall request that, after the Settlement Notice is complete, the Court hold the Fairness Hearing to approve the Settlement as set forth in this Settlement Stipulation. The Fairness Hearing shall be scheduled no earlier than ninety (90) Days after the CAFA Notices are mailed to ensure compliance with 28 U.S.C. § 1715.

(c) Before the Fairness Hearing, Lead Counsel shall file the Final Approval Motion, requesting that the Court enter the Final Approval Order. The proposed Final Approval Order that will be filed with the Final Approval Motion shall be in a form agreed upon by Lead Counsel, Defendants' Counsel, and Settlement Administrator's Counsel and shall, among other things:

(i) Determine that the Settlement is fair, adequate, and reasonable;

(ii) Determine that the Settlement Notice provided satisfied due process requirements;

(iii) Dismiss the Settlement Action with prejudice;

(iv) Release the Released Parties from the Released Claims; and

(v) Reserve the Court's continuing and exclusive jurisdiction over Defendants and all Class Members (including any objectors) to administer, supervise, construe, and enforce this Settlement Stipulation and the Final Approval Order in accordance with their terms; and over any action against the Settlement Administrator or any Retained Personnel, in each case in its capacity as such, and upon a motion by the Settlement Administrator, the Court may enter an order relieving the Settlement Administrator, his agents, professionals, and employees of any further duties, discharging, and releasing the Settlement Administrator..

3. Settlement Fund.

(a) The Settlement Administrator, in coordination with Lead Counsel, shall establish or cause to be established an account or accounts to be used in connection with administering the Settlement Fund. Lead Counsel or the Settlement Administrator shall

provide Defendants with all information necessary to complete a wire transfer into the accounts.

(b) Within sixty (60) Days of the Final Approval Order becoming final and non-appealable, Defendants shall deposit or cause to be deposited into the Settlement Fund the amount of Nine Million United States Dollars (\$9,000,000.00). None of the Defendants shall have any liability, obligation, or responsibility whatsoever for making any other payment into the Settlement Fund.

(c) The Settlement Fund shall be allocated into two funds: (1) the first fund shall be allocated to the Derivative Claims Settlement (the “**Derivative Claims Fund**”) and shall be in the amount of Four Million Five Hundred Thousand United States Dollars (\$4,500,000), and (2) the second fund shall be allocated to the Direct Claims Settlement (the “**Direct Claims Fund**”) and shall be in the amount of Four Million Five Hundred Thousand United States Dollars (\$4,500,000). Subject to Court approval, NP Skyloft DST will contribute the Derivative Claims Fund to the Direct Claims Fund for distribution to Class Members.

(d) Two Million Five Hundred Thousand United States Dollars (\$2,500,000) of the Direct Claims Fund shall be held back from distribution out of the Settlement Fund (the “**Holdback Fund**”).

(i) In accordance with the procedures set forth in this subsection (d), the Holdback Fund shall be used to pay (1) any and all attorneys’ fees, costs, and expenses over \$200,000 in the aggregate incurred by the Released Parties after the Effective Date relating to or arising from any Covered Claims, (2) amounts necessary for the Released Parties to settle any Covered Claims, and (3) judgments entered against the Released Parties relating to or arising from any Covered Claims (subsections 1, 2, and 3, collectively, the “**Permitted Uses**”). For avoidance of doubt, Permitted Uses excludes any attorneys’ fees, costs, or expenses incurred by the Released Parties relating to or arising from the Settlement Action, Underlying Action and/or Related Actions; amounts incurred by the Released Parties to settle any claims asserted in the Settlement Action, Underlying Action and/or Related Actions, or judgment entered against the Released Parties in the Settlement Action, Underlying Action and/or Related Actions.

(ii) Any Released Party shall notify Lead Counsel of any Covered Claims within five (5) business days of receiving notice of the existence of a Covered Claim.

(iii) Any Released Party shall notify Lead Counsel within five (5) business days of receiving invoices for attorneys’ fees, expenses and costs arising out of or relating to Covered Claims that exceed the \$200,000 threshold.

(iv) Any Released Party shall notify Lead Counsel and the Settlement Administrator of their intent to use Holdback Funds for Permitted Uses and the amount no less than twenty-one (21) days before any such proposed release of Holdback Funds. Lead Counsel shall state its dispute as to the use of the Holdback Funds for such purposes within fourteen (14) days of receipt of notice of the proposed use. If Lead Counsel does not dispute the use of the Holdback Funds within the required time period, the Settlement Administrator shall release the Holdback Funds to the Released Party that provided the notice by no later than twenty-one days after the initial notice.

(v) Any dispute between any Released Party and Lead Counsel regarding the use of the Holdback Funds for Permitted Uses shall be resolved by the district court in the Settlement Action on an expedited basis. Upon resolution of any dispute related to the use of the Holdback Funds, the Settlement Administrator shall make payments to the Released Parties from the Holdback Fund in accordance with the court's ruling.

(vi) The Settlement Administrator shall maintain the Holdback Fund until the later of (1) January 1, 2027, (2) the date of entry of a final non-appealable order resolving all Covered Claims, and (3) the entry of a final non-appealable order resolving any disputes regarding the use of Holdback Funds for Permitted Uses (the "**Holdback Termination Date**").

(e) The Settlement Fund shall be administered by the Settlement Administrator pursuant to this Settlement Stipulation and subject to the Court's continuing supervision and control. No monies shall be disbursed from the Settlement Fund prior to the Effective Date and without the specific authorization of the Court, except in the event of termination of this Settlement Stipulation and return of the Settlement Fund to the Defendants pursuant to Section 20 (upon termination of this Settlement Stipulation) below.

(f) The Settlement Fund shall be invested by the Settlement Administrator in short-term (up to one year maturity) United States agency or Treasury securities or other instruments backed by the full faith and credit of the United States government or an agency thereof, or fully insured by the United States government or an agency thereof, and the proceeds of these instruments shall be reinvested in similar instruments at their then-current market rates as they mature. In the event that the yield on securities identified herein is negative, in lieu of purchasing such securities, all or any portion of the Settlement Fund held may be deposited in a non-interest bearing account that is fully insured by the Federal Deposit Insurance Corporation. All risks related to the investment of the Settlement Fund in accordance with the investment guidelines set forth in this Section shall be borne by the Settlement Fund.

(g) All funds held by the Settlement Administrator shall be deemed and considered to be in the Court's custody and shall remain subject to the jurisdiction of the Court, until such time as such funds are either returned to Defendants pursuant to Section 20 of this Settlement Stipulation (upon termination of this Settlement Stipulation)

or distributed subsequent to the Effective Date pursuant to the Plan of Distribution (described in Section 6) approved by the Court or pursuant to other orders of the Court.

4. Dismissals, Releases and Covenants Not to Sue.

(a) Releases

(i) Subject to Court approval, Named Plaintiffs, in their individual and representative capacities as Class Representatives on behalf of all Class Members and derivatively on behalf of NP Skyloft DST, agree that this Settlement Stipulation shall be in full and final disposition of: (x) the Settlement Action against the Defendants; (y) any and all Released Claims by all Releasing Parties as against all Released Parties; and (z) the Related Actions, including all claims that were raised or could have been raised therein.

(ii) Upon final approval of the Settlement reflected in this Settlement Stipulation, and as part of the entry of the Final Approval Order, the Settlement Action shall be dismissed with prejudice as to the Defendants.

(iii) Upon the Effective Date, the Releasing Parties hereby release, waive, relinquish, and discharge to the fullest extent permitted by law, the Released Parties for and from any and all Released Claims, that any of the Releasing Parties have or could have made against the Released Parties in any capacity, whether direct, derivative, or otherwise.

(iv) The Releasing Parties acknowledge that they may discover facts in addition to or different from those that they now know or believe to be true with respect to the subject matter of this release, but that it is their intention to finally and forever release, waive, relinquish and discharge the Released Claims and that, notwithstanding the discovery or existence of any such additional or different facts, as to which the Releasing Parties expressly assume the risk, they freely and voluntarily give the release as set forth above.

(b) Covenant Not to Sue. Upon the Effective Date, the Releasing Parties hereby agree and covenant not to sue any of the Released Parties with respect to any Released Claims or to assist any third party in commencing or maintaining any suit or action against any Released Party related to or arising from the Released Claims. This covenant not to sue extends to asserting, commencing, prosecuting, instituting, or in any way participating in the commencement or prosecution of any action or proceeding, in any forum, relating to the Released Claims against the Released Parties.

(c) Dismissals. For avoidance of doubt, the claims and/or causes of action asserted or that could have been asserted in the Underlying Litigation and the Related Actions against the Released Parties constitute Released Claims. Within seven (7) Days of the Effective Date, the Parties hereto, and their counsel, shall do all things, including, but not limited to, the execution of additional documents, necessary to cause all the claims

asserted in the Underlying Litigation and the Related Actions to be dismissed with prejudice and without costs as against the Released Parties.

5. Attorneys' Fees and Expenses.

(a) At the same time as the filing of the Final Approval Motion, Lead Counsel will apply to the Court for an award of attorneys' fees equal to 30% of the Settlement Fund, together with such expenses incurred as are approved by the Court for reimbursement, subject to approval by the Court. These funds shall be sought to compensate Lead Counsel for fees and expenses incurred in connection with the Underlying Litigation, Related Actions and Settlement Action. Defendants agree not to object to a fee award in this amount. Any fee awarded by the Court shall in no way alter the total amount required to be deposited by Defendants into the Settlement Fund as stated in section 3(b).

(b) Payment of attorneys' fees and expenses approved by the Court shall be made from the Settlement Fund within thirty (30) Days of the Effective Date, and the Released Parties shall have no responsibility or liability for such fees or expenses beyond the initial funding of the Settlement Fund under Section 3. Any application for attorneys' fees and expenses is not a term of this Settlement Stipulation, and it is not a condition of this Settlement Stipulation that any award of attorneys' fees and expenses, or particular amount or particular percentage award of attorneys' fees and expenses, be approved. Any application for attorneys' fees and expenses shall be considered by the Court separate and apart from its consideration of the fairness, reasonableness, and adequacy of the Settlement, and any order or proceeding relating to such applications for fees and expenses, or any appeal of any order relating thereto or reversal or modification thereof, shall not operate to terminate or cancel this Settlement Stipulation or the Settlement as to Defendants, or affect the finality or binding nature of any of the releases set forth in this Settlement Stipulation.

(c) The Class Representatives appointed in the Preliminary Approval Order will be entitled to an incentive payment of \$5,000 each for their service, subject to approval by the Court, which will be paid from the Settlement Funds as a distribution in accordance with Section 6 below.

6. Distribution of Settlement Funds to Settlement Class Members.

(a) Class Members will receive a *pro rata* distribution of the Net Settlement Funds in accordance with the procedures set forth in this Section 6 (the "**Plan of Distribution**"). Each Class Member's *pro rata* distribution will be based on the "Allowed Claim Amount" and "Pro Rata Percentage" set forth in the Notice of First Distribution Schedule and Response Deadline pursuant to the Distribution Procedures dated March 31, 2023, (the "**Prior Distribution Notice**") as informed, supplemented, and amended pursuant to the Unopposed Order Approving Distribution Procedures Pursuant to Plan of Liquidation Sections 5(b) and 10 entered by the Court (the "**Distribution Procedures Order**") in Cause No. D-1-GN-22-001980. Once the Plan of Distribution below is approved by the Court in the Final Approval Order, any order or proceeding relating to the Plan of Distribution, or any appeal of any order relating thereto or reversal or modification thereof, shall not operate

to terminate or cancel this Settlement Stipulation or the Settlement as to Defendants, or affect the finality or binding nature of any of the releases set forth in this Settlement Stipulation.

(b) Except for their obligation to fund the Settlement Fund in Section 3, Defendants shall have no responsibility, obligations, or liabilities whatsoever with respect to the Plan of Distribution or implementation of any plan of distribution, or with respect to any other issue arising out of or relating to the administration or distribution of the Settlement Fund.

(c) The Plan of Distribution shall include the following proposed procedures:

(i) NP Skyloft DST will, with Court approval, contribute the Derivative Claims Fund to the Direct Claims Fund, for distribution to Settlement Class Members. The Settlement Administrator will mail the Distribution Checks corresponding to the Settlement Funds, less the Holdback Funds, less attorneys' fees and expenses as approved by the Court, to the Settlement Class Members eligible for a Settlement Payment within forty-five (45) Days after payment by Defendants into the Settlement Fund.

(ii) Class Members will be entitled to participate in the Settlement and receive Distribution Checks representing each Class Member's *pro rata* share of the Net Settlement Fund based on the Prior Distribution Notice.

(iii) Eligibility for a Distribution Check from the Settlement Fund is limited to Class Members who have not objected to the proposed Distribution Amount by the Settlement Administrator.

(iv) No payment is due to any Class Member until that Class Member meets the requirements of this Section 6, including all subparts. Class Members who do not meet the eligibility requirements to be Class Members have no right to or interest in any relief as to the Settlement Fund, and no debt exists between the Settlement Fund, Defendants, and any such Class Members.

(iv) The Settlement Administrator will mail the Distribution Checks corresponding to the remainder of the Direct Claims Fund, less any Holdback Funds disbursed to the Releasing Parties in connection with Covered Claims, less Lead Counsel's attorneys' fees and expenses as approved by the Court, less paid, incurred, and budgeted reserve for Settlement Administrator's and Retained Personnel fees and expenses, including any indemnity claims, as approved under the procedures set forth in this Settlement

Stipulation without further order of the Court or as otherwise approved by the Court, to the Settlement Class Members eligible for a Distribution Check within thirty (30) days after the Holdback Termination Date.

(vi) The Prior Distribution Notice, as amended and supplemented pursuant to the Distribution Procedures Order and this Settlement Stipulation, shall determine the *pro rata* amounts the Settlement Administrator distributes to Class Members and Settlement Class Members without further order of the Court or notice to the Class Members and Settlement Class Members; *provided however*, the Settlement Administrator is permitted, but not required, to request further orders from the Court regarding distributions and any other matters. To the extent of any inconsistency between the Plan of Distribution and the Distribution Procedures Order, the Plan of Distribution will control.

7. Settlement Administrator.

(a) The Settlement Administrator, under the supervision of Lead Counsel, shall be responsible for dissemination of the Settlement Notice as ordered and approved by the Court, management of Class Member data, tracking, reviewing and approving claims, and distributing appropriate amounts to Class Members with respect to the Derivative Claims Settlement and to Settlement Class Members with respect to the Direct Claims Settlement. The Settlement Administrator shall be paid a fee to perform all responsibilities as set forth in the Settlement Stipulation at the Settlement Administrator's ordinary hourly rate of \$600.00. The Settlement Administrator may retain and reasonably compensate counsel and other professionals, including accountants and claims agent as needed, to assist in his duties as Settlement Administrator (the "**Retained Personnel**") on such terms as the Settlement Administrator deems appropriate without further Court approval. The Settlement Administrator shall pay his compensation and expenses, the costs and expenses for Retained Personnel, the costs of claims administration, and the Settlement Notice from the Settlement Fund without further order of the Court. For avoidance of doubt, the Settlement Administrator's retention of the following professionals is approved: (i) HMP Advisory Holdings, LLC d/b/a Harney Partners as financial advisors with the following rates: Erik White, managing director at \$525.00; and (ii) Wick Phillips Gould and Martin, LLP as counsel with the following rates: Jason M. Rudd, partner at \$695.00 per hour, Catherine Curtis, associate at \$550.00 per hour.

(b) The Settlement Administrator, the Retained Personnel, and the Settlement Administrator's agents (each, an "Indemnified Party" and collectively, the "Indemnified Parties"), shall not be liable for actions taken or omitted in its capacity as, or on behalf of, the Settlement Administrator, except those acts arising out of its or their own willful misconduct, gross negligence, bad faith, self-dealing, breach of fiduciary duty, or ultra vires acts, and each shall be entitled to indemnification and reimbursement for fees and

expenses in defending any and all of its actions or inactions in its capacity as, or on behalf of, the Settlement Administrator, provided, however, such indemnity shall not apply to the extent it is found in a final judgment by a court of competent jurisdiction (not subject to further appeal) to have resulted from the willful misconduct, gross negligence, bad faith, self-dealing, breach of fiduciary duty, or ultra vires acts. The Settlement Administrator shall pay any indemnification claim of the Indemnified Parties from the Settlement Fund. Any Indemnified Party shall be entitled to advances from the Settlement Fund to cover its actual and reasonably anticipated expenses of defending itself in any action threatened against or brought against it as a result of any act or omission, actual or alleged, of the Indemnified Party in its capacity as such. The Indemnified Party shall provide an undertaking to repay promptly any amounts so paid, advanced, or reimbursed upon the entry of a final order finding that such Indemnified Party was not entitled to indemnity under this Settlement Stipulation.

(c) The Settlement Administrator will be responsible for administering the Settlement Fund, including payment of all Distribution Checks as described in Section 6. The Settlement Administrator may establish and withhold from any distribution of the Settlement Fund such reserves that the Settlement Administrator determines in his sole judgment.

(d) The Settlement Administrator is entitled to rely, in good faith, on the advice of his Retained Personnel and on information provided by the Defendants and their counsel and the Lead Counsel. The Settlement Administrator is authorized to seek further orders from the Court as the Settlement Administrator deems appropriate in his sole judgment.

(e) Any Class Member who fails to submit to the Settlement Administrator paperwork reasonably necessary for the Settlement Administrator to make a Settlement Payment to such Class Member shall be barred from any participation in distributions from the Settlement Fund, but otherwise shall be bound by all of the terms of this Settlement Stipulation and the Settlement, including the terms of the Final Approval Order, and shall be Releasing Parties barred from bringing any action against any Released Parties concerning any Released Claims.

(f) The Released Parties shall have no liability, obligation, or responsibility for reviewing or challenging claims, or administering, settling, or disbursing claim distributions from the Settlement Fund.

(g) If there is any balance remaining in the Settlement Fund after a reasonable period of time after the initial date of distribution of the Settlement Fund, the Settlement Administrator shall, if feasible, allocate such balance among authorized Settlement Class Members in an equitable and economic fashion. These redistributions shall be repeated until the remaining balance in the Settlement Fund is negligible, and any such remaining balance shall be donated to an appropriate 501(c)(3) non-profit organization selected by Lead Counsel and approved by the Court.

8. Taxes Related to Settlement Fund.

(a) The Parties agree that the Settlement Fund is intended to be treated at all times as a “**Qualified Settlement Fund**” within the meaning of Treasury Regulation § 1.468B-1 and agree not to take any position for Tax purposes inconsistent therewith. The Settlement Administrator shall timely make such elections as necessary or advisable to carry out the provisions of this Section 8 of this Settlement Stipulation including the “relation-back election” (as defined in Treasury Regulation § 1.468B-1) back to the earliest permissible date. Such elections shall be made in compliance with the procedures and requirements contained in such regulations. It shall be the responsibility of the Settlement Administrator to timely and properly prepare and deliver the necessary documentation for signature by all necessary parties, and thereafter to cause the appropriate filing(s) to occur.

(b) For purposes Section 1.468B of the Internal Revenue Code and the Treasury regulations thereunder, the Settlement Administrator shall be designated as the “administrator” of the Settlement Fund. The Settlement Administrator shall timely and properly file all income, informational, and other tax returns necessary or advisable with respect to the Settlement Fund (including, without limitation, the returns described in Treasury Regulation § 1.468B-2(k)). Such returns shall be consistent with this Section 8 and in all events shall reflect that all Taxes on the income earned by the Settlement Fund shall be paid out of the Settlement Fund as provided herein.

(c) All Taxes and Tax Expenses shall promptly be paid out of the Settlement Fund by the Settlement Administrator without prior order from the Court. Taxes shall be treated as, and considered to be, a cost of administration of the Settlement Fund, and the Settlement Administrator shall be obligated (notwithstanding anything herein to the contrary) to withhold from distribution to any Settlement Class Member authorized by the Court any funds necessary to pay such amounts including the establishment of adequate reserves for any Taxes (as well as any amounts that may be required to be withheld under Treasury Regulation § 1.468B-2(1)(2)). The Parties agree to cooperate with the Settlement Administrator, each other, and their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions of this Section.

(d) Neither the Parties nor their counsel shall have any responsibility for or liability whatsoever with respect to: (i) any act, omission, or determination of the Settlement Administrator or any other person, or any of their respective designees or agents, in connection with the administration of the Settlement Fund or otherwise; (ii) any plan of distribution; (iii) the determination, administration, calculation, or payment of any claims asserted against the Settlement Fund; (iv) any losses suffered by, or fluctuations in the value of, the Settlement Fund; or (v) the payment or withholding of any Taxes and/or costs incurred in connection with the taxation of the Settlement Fund or the filing of any returns.

9. Notice to the Class. The Settlement Notice shall be approved by the Court prior to distribution and shall set forth a summary of the terms of the Settlement Stipulation (including a description of the Released Claims), the proposed Plan of Distribution, Lead Counsel’s request for attorneys’ fees and expenses, the date and time of the Fairness

Hearing, the right to object to the Settlement, and the right to request exclusion from the Settlement.

10. CAFA Notice. Within ten (10) Days following the filing of the Motion for Preliminary Approval, the Defendants shall serve the CAFA Notice in compliance with the requirements of the federal Class Action Fairness Act, 28 U.S.C. § 1711 *et seq.*
11. Requests for Exclusion from the Settlement. Any member of the Class may opt out of the Direct Claims Settlement by submitting a written Exclusion Request to the Settlement Administrator at the address set out in the Settlement Notice prior to the Exclusion Deadline. Exclusion Requests must state the Class Member's full name, address, and telephone number; a statement that the Class Member wishes to be excluded from the Direct Claims Settlement; the case name and case number; and the amount of beneficial interests in NP Skyloft DST held by the Class Member. Every Class Member who does not timely and properly submit an Exclusion Request shall be bound by all proceedings, orders, and judgments in the Settlement Action. Class Members who timely submit Exclusion Requests have the right to revoke their Exclusion Request in writing up to seven (7) Days before the Fairness Hearing.
12. Objections to the Settlement. Class Members who have not excluded themselves from the Direct Claims Settlement pursuant to Section 11 may object to the proposed Direct Claims Settlement by submitting a written statement noting the Class Member's objection to the Court and served on all counsel of record prior to the Objection Deadline. Likewise, any Class Member may object to the proposed Derivative Claims Settlement by submitting a written statement noting the Class Member's objection to the Court and served on all counsel of record prior to the Objection Deadline. A written objection must state the objecting Class Member's full name, address, and telephone number, and that of the Class Member's counsel, if any; the grounds for all objections, stated with specificity, and any evidence the objecting Class Member wishes to introduce in support of the objections; whether the objection applies only to the objector, to a specific subset of the Class, to the entire Class, or to the proposed Derivative Claims Settlement; proof of membership in the Class; a statement as to whether the Class Member intends to appear at the Fairness Hearing, either individually or through the Class Member's counsel; the Class Member's signature; and the case name and case number. Any Class Member who fails to comply with the provisions of this Section shall waive and forfeit any and all rights the Class Member may have to appear separately and/or to object, and shall be bound by all the terms of the Settlement Stipulation and by all proceedings, orders, and judgments in the Settlement Action.
13. Effective Date. The Effective Date of this Settlement shall be the date when all the following have occurred:
 - (a) entry of the Preliminary Approval Order;
 - (b) the Fairness Hearing, approval by the Court of the Settlement, and issuance of the Final Approval Order, as prescribed by Texas Rule of Civil Procedure 42 and

issuance by the Court of a judgment and Final Approval Order without material change to the Parties' agreed-upon proposed Final Approval Order as described in Section 2(c); and

(c) the time for seeking appellate or other review of the Final Approval Order has expired, and no appeal or petition for rehearing or review has been timely filed; or the Settlement is affirmed on appeal or review without material change, no other appeal or petition for rehearing or review is pending, and the time period during which further petition for hearing, review, appeal, or certiorari could be taken has finally expired.

The Effective Date shall not be affected by any appeal or other proceeding regarding solely an application for attorneys' fees and expenses by Lead Counsel.

14. Assignment of Claims by NP Skyloft DST to Skyloft Liquidating Trust. As of the Effective Date, all claims and causes of action held by NP Skyloft DST other than Released Claims against Released Parties are assigned and conveyed to a Liquidating Trust pursuant to 12 Del. C. § 3808(d), as further set forth in the Liquidating Trust Order and the Liquidating Trust Agreement. Lead Counsel, Defendant's Counsel, and the Settlement Administrator's Counsel shall agree on a proposed form of Liquidating Trust Order, which shall attach a proposed form of the Liquidating Trust Agreement and will be filed at least fourteen (14) Days before the Fairness Hearing. The Liquidating Trust Order shall appoint the Liquidating Trustee, which can be the Settlement Administrator.
15. Dissolution of NP Skyloft DST. The Parties acknowledge and agree, and the Final Order shall make a finding, that the sale of the Skyloft Property constituted a dissolution under the terms of the NP Skyloft DST Trust Agreement and 12 Del. C. § 3808(c)(2). The Parties further represent that they have no knowledge of any obligations that NP Skyloft DST owes to third parties other than to the Class Members, which are being resolved pursuant to this Stipulation of Settlement. The Parties further acknowledge and agree that any claims or causes of action against third parties that are owned by NP Skyloft DST, with the exception of Released Claims against Released Parties, are assigned to a Liquidation Trust under Section 14 hereto. Within 15 Days after the payment pursuant to Section 3(b) being made to the Settlement Fund, the Axonic Parties will cause NP Skyloft ST, LLC, the signatory trustee of NP Skyloft DST, to file a Certificate of Cancellation of NP Skyloft DST with the Delaware Secretary of State.
16. No Admission of Wrongdoing. This Settlement Stipulation shall not be construed or deemed to be evidence of an admission or concession on the part of any of the Released Parties with respect to any actual or potential claim, fault, liability, wrongdoing, or damage whatsoever. The Released Parties expressly deny all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts, or omissions alleged, or that could have been alleged, in the Settlement Action or arising out of or related to the Released Claims, and the Defendants continue to believe the claims asserted against them in the Settlement Action are without merit. Notwithstanding these denials, the Defendants have concluded that continuing to litigate the Settlement Action would be protracted and expensive and that, in light of its cost, risk, and uncertainty, it is desirable that the Settlement Action be fully and finally resolved pursuant to the terms set forth in this Settlement Stipulation.

17. Tax Disclosure to Class Members. ACO Manager will provide a draft of the Tax Disclosure to Lead Counsel within thirty days after entry of the Preliminary Approval Order. Lead Counsel shall then have fourteen days to object to the sufficiency of the Tax Disclosure. If Lead Counsel objects to the sufficiency of the Tax Disclosure, the Parties shall confer in good faith. If there remains disagreement as to the adequacy of the Tax Disclosure, the Parties shall submit the dispute, on an expedited basis, to a neutral third party accountant or other tax professional hired by Lead Counsel and consented to by Defendants, which consent shall not be unreasonably withheld or delayed. If the Defendants, in their sole good faith discretion, are dissatisfied with the results of the dispute resolution process with the neutral third party, the Defendants may terminate this agreement in accordance with Section 20. If the Parties are able to agree on the form of the Tax Disclosure and the Effective Date occurs, ACO Manager shall mail the Tax Disclosure to all Class Members within fourteen days of the Effective Date. The Settlement Administrator shall provide its current mailing list of Class Members to Defendants for purpose of this Tax Disclosure.
18. No Distribution or Credit to Nelson Parties or NP Skyloft IB, LLC. NP Skyloft IB, LLC, the Nelson Parties and their respective affiliates or immediate family members (which shall include children, parents, spouses, and siblings) shall not directly or indirectly receive (1) the proceeds of any payments or distributions from the Settlement Fund, nor (2) any credit as a result of this Agreement to any amounts owed by the Nelson Parties under the Joint Stipulation and Liquidation Plan approved in an Order dated July 21, 2022, the Agreed Judgment dated September 26, 2023, or any other Judgments or Orders entered by the Court against the Nelson Parties in Cause No. D-1-GN-22-001980.
19. Privacy of Documents and Information. All agreements made and orders entered during the course of this Settlement Action relating to the confidentiality of documents and information exchanged during the course of the Settlement Action shall survive this Settlement.
20. Termination.
 - (a) This Settlement Stipulation is entered into only for purposes of effectuating the Settlement. This Settlement Stipulation will be null and void, and the Parties will return to their respective positions as if this Settlement Stipulation was never negotiated, drafted, or executed, in the event that: (i) the Court fails to finally approve the Settlement Stipulation or enter the Final Approval Order; (ii) judgment is not entered for any reason other than Lead Counsel's request for attorneys' fees and expenses; or (iii) an appellate court enters an order declining to enter, reversing, vacating, or materially modifying, in whole or in part, the Final Approval Order or Settlement for any reason other than the Lead Counsel's request for attorneys' fees and expenses.
 - (b) Each of the Defendants shall have the right to unilaterally terminate this Settlement Stipulation by providing written notice to Lead Counsel of the Defendant's election to do so if the total amount of beneficial interests in NP Skyloft DST held by all persons or entities that timely submitted Exclusion Requests is more than a threshold amount separately agreed to by the Parties. The Parties have agreed to keep the amount of

the Holdback Fund and this threshold confidential as set forth in Exhibit D unless ordered otherwise by the Court.

(c) Each of the Defendants shall have the right to unilaterally terminate this Settlement Stipulation by providing written notice to Lead Counsel of the Defendant's election to do so if there is a disagreement between Defendants and Lead Counsel about the form of the Tax Disclosure to be provided by ACO Manager to Class Members within seven days after conclusion of the dispute resolution set forth in Section 17.

(d) Within fifteen (15) Days following any such termination being delivered to Lead Counsel, the Settlement Fund shall be returned in its entirety to Defendants (including any accrued interest thereon), less any Taxes due, if any. At the request of Defendants' Counsel, the Settlement Administrator shall apply for any tax refund owed on the Settlement Fund, net of the Settlement Administrator's fees and expenses, and pay the proceeds to the Defendants.

21. Entire Agreement. The recitals set forth at the beginning of this Settlement Stipulation are incorporated by reference and made a part of this Settlement Stipulation. Other than the confidentiality agreements described in Section 19, which is incorporated herein by reference, this Settlement Stipulation and its Exhibits A-D constitute the entire agreement and understanding of the Parties and supersedes all prior negotiations and/or agreements, proposed or otherwise, written or oral, concerning the subject matter hereof. Furthermore, no modification of this Settlement Stipulation shall be binding unless in writing and signed by each Party hereto.
22. Interpretation. The terms of this Settlement Stipulation are not severable, but are interdependent and have been agreed to only as a whole by the Parties. The headings within this Settlement Stipulation are purely for convenience and are not to be used as an aid in interpretation. Moreover, since all Parties and their counsel participated in the drafting of this Settlement Stipulation and it is a result of lengthy, intensive arm's-length negotiations, the presumption that ambiguities shall be construed against the drafter does not apply. None of the Parties will be deemed the drafter of the Settlement Stipulation for purposes of construing its provisions.
23. Governing Law and Choice of Forum. This Settlement Stipulation is made and entered into within and shall be governed by, construed, interpreted, and enforced in accordance with the laws of the State of Texas, without regard to the principles of conflicts of laws. Any action to enforce this Settlement Stipulation shall be brought only in the Judicial District Courts of Travis County, Texas.
24. Continuing Jurisdiction. The Court shall retain continuing and exclusive jurisdiction over the Parties to this Settlement Stipulation, including the Class Representatives and all Class Members, for purposes of the administration and enforcement of this Settlement Stipulation.
25. Third-Party Beneficiaries. Each of the Released Parties is intended to be and is a third-party beneficiary of this Settlement Stipulation and is authorized to enforce the provisions

of this Settlement Stipulation, including without limitation the release of Released Claims against the Released Parties and covenant not to sue the Released Parties, and such other provisions of this Settlement Stipulation as are applicable to each Released Party.

26. Authority. Each of the undersigned attorneys represents that he or she is fully authorized to enter into the terms and conditions of, and to execute, this Settlement Stipulation, subject to Court approval, and the undersigned Lead Counsel represent that they are authorized to execute this Settlement Stipulation on behalf of each of the Class Representatives and, subject to Court approval, enter into this Settlement Stipulation on behalf of the Class Members.
27. Notice. All notices hereunder shall be in writing. Any notice hereunder shall be deemed effective the day after it is sent by any air express courier company and addressed to the intended recipients as set in Section 1, with a copy also sent concurrently by electronic mail to the electronic mail addresses of such intended recipients. Any Party may change the address to which notices are to be delivered to such Party by giving notice in the manner set forth in this Agreement.
28. Counterparts. This Settlement Stipulation may be executed by the Parties in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.


[SIGNATURE PAGE FOLLOWS]

IN WITNESS HEREOF, the Parties hereby execute and cause this Settlement Stipulation to be executed, by themselves or their duly authorized representatives, as of the date(s) indicated on the lines below.

LEAD COUNSEL

Date: August 22, 2024

D. Doug Brothers
(dbrothers@gbkh.com)
George Brothers Kincaid & Horton, L.L.P.
1100 Norwood Tower
114 West 7th Street, Suite 1100
Austin, Texas 78701
(512) 495-1400

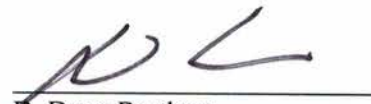


Robert W. Brownlie (rbrownlie@brownliehansen.com)
Brownlie Hansen L.L.P. *Robert Brownlie*
10920 Via Frontera
Suite 550
San Diego, CA 92127
858.877.0322

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LEAD COUNSEL

Date: August 22, 2024



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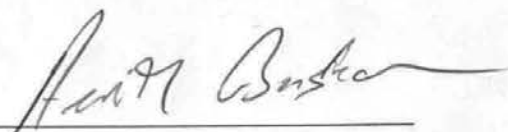
Robert W. Brownlie (rbrownlie@brownliehansen.com)
Brownlie Hansen L.L.P.
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San Diego, CA 92127
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PLAINTIFFS

ANNE T. TESSIER FAMILY TRUST

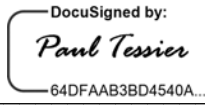
By: _____
Paul Tessier, Co-Trustee

BLACK TORTUGA GROUP, LLC

By:  _____
Heath Basham, Manager

PLAINTIFFS

ANNE T. TESSIER FAMILY TRUST

By:  _____
Paul Tessier, Co-Trustee

BLACK TORTUGA GROUP, LLC

By: _____
Heath Basham, Manager

DEFENDANTS' COUNSEL

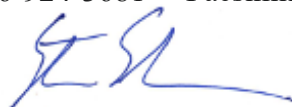
Date: August 22, 2024



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ATTORNEYS FOR DEFENDANTS

Exhibit A: Settlement Notice [Exhibit Excluded - Approved form already included]

Exhibit B: Proposed Final Approval Order and Final Judgment

Exhibit C: Proposed Preliminary Approval Order [Exhibit Excluded - already approved by Court]

Exhibit D: Confidential Addendum [Exhibit Excluded - Confidential]

EXHIBIT B

CLASS ACTION SETTLEMENT APPROVAL ORDER AND FINAL JUDGMENT

On the ___ day of _____, 2024, a hearing having been held before this Court to determine: (1) whether the proposed Settlement should be approved as fair, reasonable, and adequate; (2) whether a Judgment should be entered dismissing the above-captioned action (“**Action**”) on the merits and with prejudice against all Defendants; (3) whether the Releasing Parties’ release of the Released Claims, as set forth in the Stipulation of Settlement and Releases executed by the Parties on August 22, 2024 (“**Settlement Stipulation**”), should be provided to the Released Parties; (4) whether the proposed Plan of Distribution is fair and reasonable and should be approved by the Court; (5) whether the Settlement Notice and the notice methodology implemented pursuant to the Settlement Stipulation and the Preliminary Approval Order of August [], 2024, (“**Preliminary Approval Order**”): (a) constituted the best practicable notice, (b) constituted notice that was reasonably calculated, under the circumstances, to apprise potential Class Members of the pendency of the Action, their right to object to the proposed Settlement, their right to appear at the Fairness Hearing, and their right to exclude themselves from the Class, (c) were reasonable and constituted due, adequate, and sufficient notice to all persons entitled to notice, and (d) met all applicable requirements of the Texas Rules of Civil Procedure, the United States Constitution (including the Due Process Clause), and any other applicable law; and (6) the amount of reasonable attorneys’ fees and reimbursement of costs to be paid to Lead Counsel; and the Court having considered all matters submitted to it at the hearing and otherwise; and it appearing that the Settlement Notice substantially in the form approved by the Court was sent to all reasonably identifiable potential Class Members, as shown by the records of the Administrator at the respective addresses set forth in such records, that the Settlement Notice provided sufficient and adequate notice of the hearing and that the Settlement Notice was sent to the potential Class Members and published on the Settlement Website pursuant to the Preliminary Approval Order.

THE COURT FINDS AND ORDERS AS FOLLOWS:

1. **Settlement Stipulation Incorporated.** This Judgment incorporates herein and makes a part hereof the Settlement Stipulation and the Preliminary Approval Order. Unless otherwise provided herein, the capitalized terms used herein shall have the meanings and/or definition given to them in the Preliminary Approval Order and Settlement Stipulation.

2. **Jurisdiction.** The Court has jurisdiction over the subject matter of the above-captioned action, the Class Representatives, and all Class Members, and has jurisdiction to enter this Class Action Settlement Approval Order and Final Judgment (the “**Judgment**”).

3. **Class.** For purposes of this Judgment (and for Settlement purposes only), the “Class” means the Class certified solely for purposes of Settlement under the Preliminary Approval Order, consisting of: “all Persons who purchased or otherwise acquired beneficial interests in NP Skyloft, DST and held such interests at any point from November 7, 2018 to the Effective Date of the Settlement Stipulation.” “**Class Member**” means, for purposes of this Judgment (and for Settlement purposes only), a member of the Class. “**Settlement Class Members**” are those Class Members who did not timely exclude themselves from the Settlement. Certification of the Class is hereby reaffirmed as a final Class pursuant to Rule 42 of the Texas Rules of Civil Procedure. This Court finds, on the record before it, that the Action, for purposes of the Settlement, may be maintained as a class action on behalf of the Class.

4. **Class Representatives.** In the Preliminary Approval Order, this Court previously appointed the Named Plaintiffs as Class Representatives. The Court hereby reaffirms that appointment, finding, on the record before it, that the Class Representatives have and continue to adequately represent the Settlement Class Members.

5. **Class Counsel.** In the Preliminary Approval Order, this Court previously appointed the law firms of Brownlie Hansen LLP and George Brothers Kincaid & Horton LLP as Class Counsel for settlement purposes only and hereby reaffirms that appointment, finding, on the record before it, that Class Counsel have and continue to adequately and fairly represent the Settlement Class Members.

6. **Settlement Notice.** The Court finds that the distribution and publication of the Settlement Notice and the notice methodology as set forth in the Preliminary Approval Order all were implemented in accordance with the Preliminary Approval Order. The Court further finds that, as required by the Preliminary Approval Order, the Settlement Notice was directed individually to a list of all persons potentially within the Class by first class United States Mail. The Court further finds that the Settlement Notice was posted to the Settlement Website. The Court further finds that the Settlement Notice, and the notice methodology implemented pursuant to the Preliminary Approval Order (i) constituted the best notice practicable under Rule 42 of the Texas Rules of Civil Procedure, (ii) constituted notice that was reasonably calculated, under the circumstances, to apprise Class Members of the pendency of the Action, of the effect of the Settlement Stipulation (including the release of claims), of their right to object to the proposed Settlement, of their right to exclude themselves from the Class, and of their right to appear at the Fairness Hearing, (iii) were reasonable and constituted due, adequate, and sufficient notice to all persons or entities entitled to receive notice, and (iv) met all applicable requirements of the Texas Rules of Civil Procedure, the United States Constitution (including the Due Process Clause), and any other applicable law. ___ Exclusion Requests were submitted, and ___ requests for revocation of a prior Exclusion Request were submitted.

7. **CAFA Notices.** Defendants properly and timely notified the appropriate government officials of the Settlement pursuant to the Class Action Fairness Act of 2005 (“CAFA”), 28 U.S.C. § 1715. The Court has reviewed the substance of Defendants’ notice and finds that it complied with all applicable CAFA requirements. Further, Defendants’ CAFA notice preceded the Fairness Hearing by more than 90 days.

8. **Final Settlement Approval.** The Settlement, as set forth in the Settlement Stipulation, is fully and finally approved as fair, reasonable, and adequate, consistent and in full compliance with all applicable requirements of the Texas Rules of Civil Procedure, the United States Constitution (including the Due Process Clause) and the Class Action Fairness Act, and in the best interests of each of the Class Members. The Court finds that the Settlement is fair, reasonable, and adequate and that (A) the Class Representatives and Class Counsel have adequately represented the Class; (B) the Settlement Stipulation was negotiated at arm’s length; (C) the relief provided for the class is adequate, taking into account (i) the costs, risks, and delay of trial and appeal, (ii) the effectiveness of the Plan of Distribution and the relief it provides to the Settlement Class Members, (iii) the terms of the award of attorneys’ fees, including the timing of payment, and (iv) the agreement identified under Rule 42(e); and (D) the Settlement treats Class members equitably relative to each other. The settling Parties are directed to implement and consummate the Settlement Stipulation in accordance with its terms and provisions. The Court approves the documents submitted to the Court in connection with the implementation of the Settlement Stipulation. Accordingly, the Settlement shall be consummated in accordance with the

terms and provisions of the Settlement Stipulation, with each Settlement Class Member bound by the Settlement Stipulation, including any releases therein.

9. **Attorneys' Fees and Expenses.** The Court awards Class Counsel attorney's fees in the amount of \$_____ and expenses in the amount of \$_____ to be paid to Class Counsel from the Settlement Fund within thirty days after the Settlement Fund is funded. The Court finds these amounts to be reasonable. Class Counsel presented an application for attorney's fees justifying their fees on the basis of their work and the results achieved. Except as otherwise set forth in this order, the Parties shall bear their own costs and attorneys' fees. The Court approves an incentive payment of \$5,000 each from the Settlement Fund for each of the Class Representatives.

10. **Dismissal of Action.** The Action, including all Class claims that have been asserted, is dismissed on the merits and with prejudice, without fees or costs to any Party except as provided in the Settlement Stipulation.

11. **Dismissal of Underlying Litigation and Related Litigation.** Within seven (7) Days of the Effective Date, Defendants and Class Counsel shall do all things, including, but not limited to, the execution of additional documents, necessary to cause all the claims asserted in the Related Actions to be dismissed with prejudice and without costs as against the Released Parties.

12. **Dissolution of NP Skyloft DST.** Pursuant to the Settlement Stipulation, the Court finds that the sale of the Trust Property, the Skyloft Apartments at 527 West 23rd Street, Austin, Texas 78703, consisted a dissolution under the terms of the NP Skyloft DST Trust Agreement and 12 Del. C. § 3808(c).

13. **Releases.** The releases as set forth in the Settlement Stipulation are expressly incorporated and approved in all respects. For avoidance of doubt:

- a. **"Releasing Parties"** means each of the Named Plaintiffs (individually and, with the Court's approval, in their capacity as Class Representatives and derivatively on behalf of NP Skyloft DST), and the Settlement Class Members who have not excluded themselves from the Settlement, together with any Person(s) claiming by, through, or on behalf of any of the foregoing, and shall include, for avoidance of doubt, natural persons, entities, trusts, or organizations of any kind or nature, as well as the predecessors, successors, heirs, executors, administrators, and assigns of any of the foregoing.
- b. **"Released Parties"** means Defendants, TCG Skyloft Owner, LLC, TCG Skyloft JV, LLC, and Triangle Capital Group, LLC, together with each of their respective, past or present directors, officers, employees, partners, member firms or affiliates, principals, agents, predecessors, successors, parents, subsidiaries, divisions, joint ventures, attorneys, accountants, insurers, co-insurers and reinsurers, assigns, heirs, executors, trustees, general or limited partners or partnerships, limited liability companies, members, personal or legal representatives, estates, administrators, predecessors, successors and assigns or other individuals or entities in which Defendants, TCG Skyloft Owner, LLC, TCG Skyloft JV, LLC and/or Triangle Capital Group, LLC have a controlling interest or which is related to or affiliated with any of the Defendants, TCG Skyloft Owner, LLC, TCG Skyloft JV, LLC and/or Triangle Capital Group, LLC. For avoidance of doubt, the reference to "agents" does not include or refer to any of the Brokers, and nothing in this release language nor any other provision of this Settlement Stipulation is intended to release any claims

Releasing Parties may have against such Brokers. For further avoidance of doubt, Released Parties does not include any of the Nelson Parties.

- c. **“Released Claims”** means any and all manner of claims and potential claims, including Unknown Claims, against the Released Parties, including but not limited to any and all known and unknown allegations, charges, complaints, claims, judgments, debts, setoffs, rights of recovery, grievances, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, penalties, expenses (including attorneys’ fees and costs incurred), punitive or exemplary damages, equitable, declaratory, or other grounds for relief, of any nature whatsoever, known or unknown, contingent or non-contingent, that the Releasing Parties have, that the Releasing Parties may have had, or that have been or may have been made directly or indirectly, by, through or under the Releasing Parties, whether by subrogation, impleader, interpleader, derivatively on behalf of any entity or otherwise, against the Released Parties, whether or not apparent or yet to be discovered, or which may hereafter develop, whether arising in law or in equity including but not limited to under any federal, state, or local law, rule, or regulation, for any conduct, duties, obligations, acts or omissions in connection with or arising out of or relating in any way to any purchase, sale or investment in the beneficial interests in NP Skyloft DST, the management or operation of the Skyloft Entities (including, without limitation relating to taxes, preparation or filing of tax returns or statements related to income and expenses and like matters) and/or in any way related to the Skyloft Property. For avoidance of doubt, the claims and/or causes of action asserted or that could have been asserted in the Settlement Action, Underlying Litigation and the Related Actions against the Released Parties constitute Released Claims. For further avoidance of doubt, Released Claims does not include or refer to any claims by Releasing Parties against (i) any of the broker-dealers, brokers, or registered representatives involved in the marketing or sale of beneficial interests in NP Skyloft DST (“Brokers”), and (ii) any of the Nelson Parties, and nothing in this release language nor any other provision of this Stipulation is intended to release any claims Releasing Parties may have against such Brokers and the Nelson Parties. On the Effective Date of the Settlement Stipulation, the Releasing Parties shall release, waive, relinquish, and discharge to the fullest extent permitted by law, the Released Parties for and from any and all Released Claims, that any of the Releasing Parties have or could have made against the Released Parties in any capacity, whether direct, derivative, or otherwise.

14. **Permanent Injunction.** The Court bars and enjoins (i) the Releasing Parties from filing, commencing, prosecuting, intervening in, participating in (as Class Members or otherwise), or receiving any benefits or other relief from any other lawsuit, arbitration, or other proceeding or order in any jurisdiction that is based upon, arises out of, or relates to any Released Claims as to any Released Party, and (ii) all persons and entities from organizing any Releasing Party for purposes of pursuing as a purported class action (including by seeking to amend a pending complaint to include class allegations, or by seeking class certification in a pending action) any lawsuit that is based upon, arises out of, or relates to any Released Claims as to any Released Party,

including, but not limited to, any claim that is based upon, arises out of, or relates to the Action or the transactions and occurrences referred to in the Petition filed to commence the Action.

15. **No Admissions.** This Order and Final Judgment, the Settlement Stipulation, and compliance with this Judgment or the Settlement Stipulation shall not be construed or deemed to be evidence of an admission or concession on the part of any Released Party with respect to any actual or potential claim, fault, liability, wrongdoing, or damage whatsoever.

16. **Modification of Settlement Stipulation.** Without further approval from the Court, the settling Parties are authorized to agree to and adopt such amendments, modifications, and expansions of the Settlement Stipulation and all exhibits attached to the Settlement Stipulation as (i) are not materially inconsistent with the Judgment and (ii) do not materially limit the rights of Class Members under the Settlement Stipulation.

17. **Retention of Jurisdiction.** Without in any way affecting the finality of this Judgment, the Court expressly retains continuing and exclusive jurisdiction over the settling Parties and the Class Members for all matters relating to the Action, including the administration, consummation, interpretation, effectuation, or enforcement of the Settlement Stipulation and of this Judgment, and for any other reasonably necessary purpose, including, without limitation:

- a) enforcing the terms and conditions of the Settlement Stipulation (including, without limitation, enforcing the permanent injunction);
- b) resolving any disputes, claims, or causes of action that, in whole or in part, are related to or arise out of the Settlement Stipulation or this Judgment (including, without limitation, whether a person or entity is or is not a Class Member, and whether claims or causes of action allegedly related to the Action are or are not barred by this Judgment or the releases);
- c) entering such additional orders as may be necessary or appropriate to protect or effectuate this Judgment, and
- d) entering any other necessary or appropriate orders to protect and effectuate this Court's retention of continuing jurisdiction.

18. **Rule 13 Findings.** The Court finds that the petition in the Action was filed on a good-faith basis in accordance with Rule 13 of the Texas Rules of Civil Procedure based upon all publicly available information. The Court finds that all settling Parties and their counsel have complied with each requirement of Rule 13 of the Texas Rules of Civil Procedure as to all proceedings in this litigation.

19. **Termination.** In the event that the Settlement does not become final in accordance with the terms of the Settlement Stipulation, certification of the Class shall be automatically vacated and this Judgment shall be rendered null and void to the extent provided by and in accordance with the Settlement Stipulation, shall be of no further force and effect, and the Parties' rights and defenses shall be restored, without prejudice, to their respective positions as if the Settlement Stipulation had never been executed.

20. **Entry of Judgment.** There is no just reason to delay the entry of this Order and Final Judgment, and immediate entry by the Clerk of the Court is expressly directed.

SO ORDERED.

Dated this ___ day of _____, 2024.

TRAVIS COUNTY DISTRICT JUDGE