

## PARAGON LITIGATION TRUST

To holders of Interests in the Paragon Litigation Trust:

You are receiving this Notice because Paragon Offshore plc (“Paragon”) has notified us that you are a beneficial holder of an Allowed Revolver Claim, an Allowed Term Loan Claim, and/or an Allowed Senior Notes Claim classified into Classes 3 and/or 4 under the Fifth Joint Chapter 11 Plan of Paragon Offshore PLC and Its Affiliated Debtors (the “Plan”).

**Your Litigation Trust Interests.** The Plan became effective on July 18, 2017. Paragon subsequently provided us with a schedule of holders of Allowed Claims who have been distributed Class A Litigation Trust Interests and Class B Litigation Trusts Interests under the Plan. Paragon’s schedule indicates that, in accordance with Sections 4.3 and 4.4 of the Plan, *you have been distributed Class A Litigation Trust Interests and/or Class B Litigation Trust Interests in the amount(s) reflected on Exhibit A to this Notice.* A total of five million Class A Litigation Trust Interests and five million Class B Litigation Trust Interests will be issued.<sup>1</sup>

Exhibit A also sets forth the mailing address that Paragon has provided us for you. If you wish to change that address, please notify the Paragon Litigation Trust Management at: [paragon@drivetrainadvisors.com](mailto:paragon@drivetrainadvisors.com).

**Transfers.** The Litigation Trust Agreement governing the Paragon Litigation Trust generally authorizes the transfer of Litigation Trust Interests. *All prospective transferors and transferees of Litigation Trust Interests must complete the Amended Transfer Notice attached as Exhibit B to this Notice and return it to the Litigation Trust Management at the email address: [paragon@drivetrainadvisors.com](mailto:paragon@drivetrainadvisors.com).*

Be advised that Section 3.8 of the Litigation Trust Agreement governs transfers of Litigation Trust Interests. Section 3.8 provides, among other things, that the Litigation Trust “need not reflect any transfer and will give notice to such holder, and proposed transferee, that no transfer has been recognized in the event the Litigation Trust Management reasonably believes that such transfer (i) would constitute a violation of applicable laws or (ii) would cause the Litigation Trust to be required to register Litigation Trust Interests under, and/or to become subject to the reporting requirements of Sections 13 or 15(d) of the Exchange Act.” Further, “[t]he Litigation Trust Management may request from any proposed transferor any information or any representations regarding the transfer which it reasonably deems necessary in order to determine (1) whether the transfer would constitute a violation of applicable laws and/or, as applicable, (2) whether the Litigation Trust might, immediately after such transfer, become required to so register Litigation Trust Interests under, and/or become subject to the such reporting requirements of, the Exchange Act. Without limiting the foregoing, the Litigation Trust Interests may not be sold, assigned, or otherwise transferred in any respect to Noble Corporation plc or any of its affiliates, successors, designees, or any entity or person acting on behalf thereof.”

**Taxation and Valuation.** The Paragon Litigation Trust was formed pursuant to the Plan to investigate and, as appropriate, pursue certain claims and causes of action on behalf of holders of Allowed Revolver Claims, Allowed Term Loan Claims, and Allowed Senior Notes

---

<sup>1</sup> Approximately ninety percent of those Litigation Trust Interests have been issued as of the date of this Notice. We are in the process of identifying the owners of the remaining Interests.

Claims. The Paragon Litigation Trust is intended to qualify as a liquidating trust for U.S. federal income tax purposes and, pursuant to Section 5.1 of the Litigation Trust Agreement, “all holders of Litigation Trust Interests must treat the transfer to the Litigation Trust of the portion of the Trust Assets attributable to such Litigation Trust Beneficiaries as a transfer of such assets directly to such Litigation Trust Beneficiaries followed by a contribution of the Trust Assets to the Litigation Trust. Consistent therewith, . . . all holders of Litigation Trust Interests must treat the Litigation Trust as a grantor trust of which the Litigation Trust Beneficiaries are the deemed owners and grantors and must treat the taxable earnings of the Litigation Trust (under U.S. federal income tax principles) as subject to current taxation as though taxable income of such holders of Litigation Trust Interests” under applicable law.

In accordance with Section 5.1 of the Litigation Trust Agreement, “[t]he Litigation Trust Management shall make a good-faith valuation of the Trust Assets as soon as possible after the Effective Date, and the Litigation Trust Beneficiaries and the Litigation Trust Management shall consistently use this valuation for all U.S. federal income tax purposes, including for determining gain, loss, or tax basis.” When that valuation is complete, we will make it available to holders of Litigation Trust Interests on the Paragon Litigation Trust website referenced below.

**Website.** We have established a website for purposes of communicating with holders of Litigation Trust Interests. You may access the website at: [www.paragonlitigationtrust.com](http://www.paragonlitigationtrust.com).

All future communications to you will be made via the website. The website also has copies of the Litigation Trust Agreement and Transfer Notice. Pursuant to Section 6.14 of the Litigation Trust Agreement, we will post to the website our first semi-annual report on or before January 17, 2018. As required by the Litigation Trust Agreement, that report will include “the amount of indebtedness incurred by the Litigation Trust, the cash balance, a summary of prior distributions to holders of Litigation Trust Interests, the current outstanding balance of Litigation Expenses and an estimate of Litigation Trust Expenses for the following six-month period, an accounting of any claims brought against any Indemnified Party, and a brief summary of the status of the claims and material events.”

August 23, 2017

Paragon Litigation Trust Management  
c/o Alan Carr and Tim Daileader  
Drivetrain, LLC  
630 Third Avenue, 21st Floor  
New York, NY 10017  
[paragon@drivetrainadvisors.com](mailto:paragon@drivetrainadvisors.com)

# **Exhibit A**

**Exhibit A**

**Litigation Trust Interest Holdings**

<b>Name</b>	<b>Address</b>	<b>Class A Litigation Trust Interest</b>	<b>Class B Litigation Trust Interest</b>
-------------	----------------	--	--

## **Exhibit B**

**Exhibit B**  
**Amended Transfer Notice**

Pursuant to the terms of the Litigation Trust Agreement, including, but not limited to Section 3.8, the undersigned parties (the “Transferee” and the “Transferor”), respectively, desire to acquire and to sell the Litigation Trust Interests listed below. The Transferee and Transferor must complete this notice and return it along with the Transferee’s completed Internal Revenue Service Form W-9 or Internal Revenue Service Forms W-8BEN or W-8BEN-E, as applicable (or other applicable Form W-8) to the Litigation Trust Management.

Class A Litigation Trust Interests \_\_\_\_\_

Class B Litigation Trust Interests \_\_\_\_\_

*To Be Completed by the Buyer*

Buyer’s Name \_\_\_\_\_

Contact Person \_\_\_\_\_

Address 1 \_\_\_\_\_

Address 2 \_\_\_\_\_

City \_\_\_\_\_

State/Province \_\_\_\_\_

Country \_\_\_\_\_

Zip/Postal Code \_\_\_\_\_

Phone \_\_\_\_\_

Fax \_\_\_\_\_

Email \_\_\_\_\_

Authorized  
Signature \_\_\_\_\_

Date \_\_\_\_\_

Tax Identification Number \_\_\_\_\_

Check if non-US (no TIN)

*Continued on the following page*

**Exhibit B**  
**Amended Transfer Notice**

*(continued from previous page)*

*To Be Completed by the Seller*

Seller's Name \_\_\_\_\_

Contact Person \_\_\_\_\_

Address 1 \_\_\_\_\_

Address 2 \_\_\_\_\_

City \_\_\_\_\_

State/Province \_\_\_\_\_

Country \_\_\_\_\_

Zip/Postal Code \_\_\_\_\_

Phone \_\_\_\_\_

Fax \_\_\_\_\_

Email \_\_\_\_\_

Authorized  
Signature \_\_\_\_\_

Date \_\_\_\_\_