



**NORTHSTAR FINANCIAL SERVICES (BERMUDA) LTD
(IN LIQUIDATION)
(THE “COMPANY” OR “NORTHSTAR”)**

**JOHN JOHNSTON AND ELIZABETH CAVA
JOINT PROVISIONAL LIQUIDATORS
 (“JPLS”)**

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**Fourth Progress Report of the Joint Provisional Liquidators
(the “Report”)**

17 December 2025

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DISCLAIMER

The JPLs, in undertaking their work and preparing this Report, have principally relied upon information provided to them by the Company's former management group and the Company's professional advisors, the Company records or information available from public sources. The information has not been audited by the JPLs and an independent verification of the information as to its validity has not been conducted. Except where specifically stated, the JPLs have not sought to establish the reliability of the sources of information presented to them by reference to independent evidence. Information contained in this Report may be subject to change in light of subsequent information or explanations that become available to the JPLs.

For the avoidance of doubt, nothing in this report shall be taken to waive any claim of privilege between the JPLs and their legal counsel.

INDEX OF DEFINED TERMS

In this Report, the following defined terms are used:

Defined Term	Meaning
AML	Anti-Money Laundering
AHCOI	Ad Hoc Committee of Inspection
BMA	The Bermuda Monetary Authority
Class Representatives	The individuals or law firms appointed as class representatives pursuant to the Court's Order dated 26 August 2021, and the Amicus Curiae for the General Creditor Class appointed pursuant to the Court's Order dated 13 December 2021
Company or Northstar	Northstar Financial Services (Bermuda) Ltd- In Liquidation
Court	The Supreme Court of Bermuda
CMR	Investment Business (Client Money) Regulations 2004
CRS	Common Reporting Standard
Debtors	Together Northstar, Omnia, PBLA and PBIHL
Deloitte	Deloitte Financial Advisory Ltd in Bermuda
Directions Application	The JPLs' application for directions issued by <i>ex parte</i> summons dated 13 October 2023
D&O	Directors & Officers
DOJ	US Department of Justice
ECL	Eye Care Leaders - a group of OpCos indirectly owned by Global Growth Holdings, Inc
ESOA	Estimated Statement of Affairs
FATCA	Foreign Account Tax Compliance Act
First Meetings	The meetings of creditors and contributories of the Company under section 171 of the Companies Act 1981
Fund Houses	Fund houses such as BlackRock, Morgan Stanley, and Franklin Templeton
IALA	Interim Amendment to Loan Agreement entered into on 27 June 2019 by the Company's intermediary agents with borrowers, preferred equity owners and issuers etc
JPLs	In this Report, reference to the Joint Provisional Liquidators or "JPLs" in relation to work undertaken prior to 11 August 2023 is reference to Mr John Johnston and Ms. Rachelle Frisby, in relation to work undertaken after 23 August 2023, is reference to Mr John Johnston and Mr Edward Willmott and work undertaken after 17 January 2025 is reference to Mr John Johnston and Ms. Elizabeth Cava. Ms. Frisby resigned as joint provisional liquidator in

	August 2023 and Mr. Willmott was appointed by court order dated 23 August 2023 as a joint provisional liquidator together with Mr. John Johnston. Mr. Willmott passed away on 20 October 2024. Accordingly, between 20 October 2024 and 4 February 2025, Mr. John Johnston was the sole Provisional Liquidator of the Company. By Order of Court dated 17 January 2025, Ms. Elizabeth Cava was appointed to act as a joint provisional liquidator together with John Johnston
Lindberg	Greg E. Lindberg
Lindberg Entities	Entities registered in the US that are directly or indirectly owned by Lindberg
MOU	A memorandum of understanding entered into by the Company on 27 June 2019 with a number Lindberg Entities
NCIC	North Carolina Insurance Companies, collectively Bankers Life Insurance Company, Colorado Bankers Life Insurance Company, Southland National Insurance Corporation, and Southland National Reinsurance Corporation
Omnia	Omnia Ltd – in liquidation
PEC	Prairie Eye Center Ltd – an entity acquired by Prairie.
PIPA	Personal Information Protection Act
Prairie	Prairie E&L Management, LLC, a holding company for an operating company of Global Growth and a defendant in the JPLs’ US Complaint in connection with its Chapter 7 bankruptcy in North Carolina
Previous Reports	First, Second and Third Progress Reports of the JPLs
R&P	Receipts and Payments
SAC	Segregated Accounts Companies Act 2000 of Bermuda
Third Progress Report	Progress Report of the JPLs dated 20 September 2024
UKAT	UKAT Entities (UKAT Holdings, LLC, UKAT Interco Limited, UKAT Investments Limited, UK Addiction Treatment Group Limited, and UK Addiction Treatment Limited)
UNFCU	United Nations Federal Credit Union (a member of the ad hoc committee of inspection and an assignee of its members’ fixed policies)
US	United States of America
US Bankruptcy Court	United States Bankruptcy Court in the Southern District of New York
US Complaint	The Complaint filed with the US Bankruptcy Court on 4 January 2023 and subsequent amendments
VAC	Variable account charges: Contractual charges applied on investments which are actively in mutual funds. These funds are company generated income

1. OVERVIEW AND PURPOSE OF REPORT

This report provides the creditors, contributories, and the Supreme Court of Bermuda with an overview of the progress of the liquidation since the date of the Third Progress Report, including an overview of the current financial situation of the Company and work undertaken by the JPLs. This report summarizes key matters in relation to the liquidation whilst considering, inter alia, the sensitive, confidential, and ongoing nature of some of these matters. The Report is not intended to be a comprehensive account of all the activities and tasks undertaken by the JPLs.

The JPLs have kept and continue to keep the Supreme Court of Bermuda and the AHCOI (representing the interests of policyholders and the general body of creditors) updated on the progress of various matters in relation to the liquidation. The JPLs meet with the AHCOI regularly to discuss matters relating to the liquidation.

The JPLs remain cognizant of the need to progress and/or finalize key matters in relation to the liquidation. The progress made by the JPLs since the Third Progress Report should allow for distributions to variable policyholders and a first creditors' meeting for the fixed policyholders (as implied term creditors) and general creditors in 2026. The JPLs will continue to provide periodic updates to policyholders, creditors, and other relevant stakeholders.

2. WORK UNDERTAKEN BY THE JPLS

2.1. THE SEGREGATION APPLICATION AND SEGREGATION WORK UNDERTAKEN BY THE JPLS AND THEIR LEGAL TEAM

2.1.1. The Consequential Hearing

As previously set out in our Third Progress Report, following the segregation judgment in 2023, it was necessary to address how costs of those proceedings, historical and future costs of the liquidation were to be divided between the various classes of creditors. A hearing was held, and judgment was handed down in relation to the same on 22 March 2024.

Following the judgment, the JPLs engaged with the relevant representatives of the classes of creditors to produce an order reflecting the judgment. A short hearing was held, and an order on the cost allocation was issued on 5 March 2025. This means that the JPLs now have directions on how costs will be allocated to the various classes of policyholders and creditors that needed to be resolved prior to distributions.

2.1.2. The Directions Application

As set out in our Third Progress Report, following the segregation judgment in 2023, the JPLs sought directions from the Supreme Court of Bermuda to establish a framework for the valuation of claims and to progress the liquidation towards distributions for the company's policyholders and creditors. In 2024 and early 2025, the JPLs received and considered various submissions from various policyholders in relation to the same.

In particular, a significant dispute arose as to the application of the CMR to policyholder assets. Contrary to the view of the JPLs, it was argued by UNFCU that the application of the CMR had potential to desegregate variable policyholder segregated account assets. To consider and provide sanction for and/or guidance as to the JPLs' approach, the Court provided for a hearing on 21-24 July 2025, which occurred as planned.

The Court issued its ruling on 25 September 2025. As updated in the notification dated 3 November 2025, the Court held that the CMR did not operate to allow fixed policyholders to share in variable

policyholder assets. As a result, variable policyholder assets shall remain segregated in accordance with their policies. Furthermore, the Court held that fixed policyholders can maintain a claim against the Company's general account assets for the losses from their segregated accounts.

The Court approved directions in respect of variable policyholders, a process for the liquidation of the relevant funds, valuation, notice of valuation, and the distribution of the resulting monies. In respect of fixed policyholders, the Court approved directions for the valuation of claims for voting purposes, notice of valuation, and for the holding of a first meeting of creditors to appoint Permanent Liquidators with a view to distributing the Company's general account assets.

The JPLs are now finalizing the Court Order resulting from the Judgment and will begin the processes above. The JPLs will contact policyholders and creditors in due course with their valuations of policyholder and creditor claims, which policyholders and creditors will have an opportunity to review and or contest these valuations. This will be explained in more detail in the valuation notices. The JPLs will communicate to the variable policyholders on the expected distribution date, and to the fixed policyholders and general creditors on the expected date for the first meeting of creditors in due course.

The summary above does not cover all the issues addressed in the judgment. Policyholders and Creditors are advised to review the detailed judgment which is available on the Company's website at <https://secure.northstarbermuda.com>.

2.2. ASSET CUSTODY AND REALIZATION

2.2.1. JPLs' estimated statement of affairs (ESOA)

The assets and liabilities as of 31 August 2025 is as summarized below.

Category	Amount (\$)
Assets	211,935,084
Liabilities	(443,049,846)

**Includes \$4.2 million out of \$6.5 million relating to UKAT proceeds that is payable to Northstar.*

The ESOA is based on the asset recoveries and/or valuations reflecting the actual realizations and liabilities accrued to 31 August 2025. These values could change in the future depending on any further recoveries and factors such as market movements.

The ESOA does not take into account:

- Accrued and future liquidation expenses – As of 31 August 2025, the total liquidation expenses paid amount to \$59,341,669. Further liquidation expenses are also expected. These expenses will be borne by the policyholders and creditors of the Company, as directed by the Court. The exact amounts attributable to each policyholder and creditor will be communicated in due course.
- Policy valuation - The liability positions above are based on the Company's records. A valuation of the policies has not yet been conducted, which may affect these figures.
- Priority of distributions and CMR - The priority of distributions and CMR will influence the flow of funds to general creditors.

Please refer to Appendix I for a detailed version of the ESOA and Appendix III for the accompanying notes.

2.2.2. JPLs' receipts and payments (R&P)

The Receipts & Payments as of 31 August 2025 is as summarized below.

Item (Amounts in USD)	Amount (\$)
Receipts	154,398,190
Payments (Liquidation expenses)	(59,341,669)
Surplus/deficit	95,056,521

The receipts and surplus include approximately \$2.4M relating to UKAT proceeds which Northstar is holding on behalf of related entities.

The liquidation expenses are made up of the following:

Summary of costs	Amount (\$)
Reinsurance premium payments	13,580,581
Employee salary & benefits	7,875,758
Legal fees	16,893,195
Liquidators' fees	16,504,871
Other costs	4,487,265
Total	59,341,669

The liquidation expenses will be borne by the policyholders and creditors of the Company as directed by the Court. The costs to be borne by each policyholder and creditor will be communicated in due course.

Northstar made a further recovery of \$19.5M from the Clanwilliam sale in the month of September 2025, which is not included in the R&P. Please refer to section 2.2.3 of the report for the details.

Please refer to Appendix II for a detailed Receipts & Payments and Appendix III for the accompanying notes.

2.2.3. Asset custody and realization activities undertaken by the JPLs

The notable realization work includes the following:

Clanwilliam sale

One of the largest Lindberg-affiliated assets which the JPLs had been working to realize was Clanwilliam which was a group of companies which were owned by the Clanwilliam Trust.

Discussions and negotiations regarding the realization of Clanwilliam had been ongoing since 2024. The JPLs had to resolve several issues regarding how to allocate net sale proceeds. NCIC had been insisting on splitting the proceeds in accordance with a North Carolina state court order dated 1 March 2023, *i.e.*, satisfy all senior debt first, which benefited the NCIC who held mostly so-called senior debt. The JPLs objected to the proposed allocation and argued that so-called investments should be treated similarly.

Furthermore, the buyer of Clanwilliam insisted on a release of the JPLs' litigation claims as a condition precedent to the closing. The JPLs used this leverage appropriately to achieve a fair return to Northstar.

On 3 July 2025, the Special Master filed the distribution approval motion with the federal District Court in Mr. Lindberg's criminal case. On 22 July 2025, the federal District court entered its order approving the motion.

The distribution of the Clanwilliam Group sale proceeds was subsequently approved by the North Carolina state Court, the US Bankruptcy Court, and the Bermuda Supreme Court.

Having satisfied all preconditions to closing, the Clanwilliam sale closed on 20 September 2025. Northstar received approximately \$19 million.

It should be noted that \$20 million of the net sale proceeds from Clanwilliam was kept in escrow for estimated taxes, which reduced the initial distribution on a pro rata basis. To the extent that the ultimate tax liability is less than \$20 million, Northstar would be entitled to a further pro-rata allocation of the unused balance in the escrow.

UKAT settlement

In the US Complaint, the JPLs listed UK Addiction Treatment Limited (UKAT) and its subsidiaries as defendants. The operating company (UKAT) was placed into administration proceedings in the United Kingdom in July 2023. Since then, the administrators have explored options to refinance or sell the trade and assets. The JPLs' pending litigation against UKAT and its subsidiaries caused the purchaser to seek a waiver from the JPLs in exchange for some consideration. The parties agreed that an amount of £ 5 million as well as an additional £1 million (subject to the fulfillment of certain conditions) will be paid as full settlement of any claims that have been or could have been asserted against UK Addiction Treatment Limited and its subsidiaries.

On 12 September 2024, \$6,504,991 was received in accordance with the settlement agreement. The proceeds of the settlement are to be shared among Northstar Financial Services Bermuda Ltd, Omnia Limited (in Liquidation) and two other affected Bermuda insurance companies. The JPLs are finalizing the allocation of the realization to the affected companies. The estimated amount that Northstar is expected to realize is \$4.2 million.

Prairie E&L Management, LLC

On 25 June 2025, the JPLs' US counsel was contacted by an attorney representing the Chapter 7 Trustee for Prairie E&L Management, LLC ("Prairie"), a holding company for an operating company of Global Growth and a defendant in the JPLs' US Complaint in connection with its Chapter 7 bankruptcy in North Carolina. The attorney advised that he is considering fraudulent transfer claims against Prairie Eye Center Ltd.'s ("PEC") former owner, Dr. Sandra Yeh, in connection with Prairie's acquisition of PEC's stock. US counsel's preliminary analysis suggests that funds from Northstar were transferred to Prairie and PEC, including Dr. Yeh, in connection with Lindberg's acquisition of PEC in January 2018. On 4 August 2025, the JPL's US counsel filed a proof of claim in Prairie's bankruptcy case, citing fraudulent transfer. On 11 August 2025, the Chapter 7 Trustee filed a complaint against Dr. Yeh and Blue Daffodil, alleging that Lindberg used Blue Daffodil to divert over \$21 million from Northstar to illegally acquire PEC from Dr. Yeh. This deal also generated nearly \$1.5 million in various fees for Lindberg. The complaint seeks to void the transfer to Dr. Yeh as fraudulent towards Prairie's creditors, that is, Bermuda insurance companies and to disallow or subordinate a \$33.9million claim filed by Colorado Life Insurance, linked to Blue Daffodil's fraudulent activities. The case holds potential for Northstar to recover funds.

Eye Care Leaders ("ECL") Debtors

On 16 January 2024, ECL, a group of OpCos indirectly owned by Global Growth Holdings, Inc, filed Chapter 11 in Texas, and soon thereafter sought to sell all their assets as a going concern. JPLs' representative was appointed to the Official Creditors' Committee for ECL, and the JPLs have been monitoring the case. Colorado Bankers Life was the successful bidder with a bid of \$15.25 million including cure costs. The JPLs filed proofs of claim against the ECL Debtors concerning (i) the JPLs' \$700 million lawsuit before the US Bankruptcy Court, and (ii) Northstar's secured claims for loans to one or more of the ECL Debtors. ECL disputed these claims and filed a lawsuit to avoid Northstar's (and other secured creditors') secured claims, and ECL counsel contacted JPLs' US counsel advising that ECL disputes the \$700 million litigation claims. Therefore, the JPLs engaged in settlement negotiations with the ECL Debtors and Official Creditors' Committee for ECL to stipulate to allowed

claim amounts and thereby avoid incurring unnecessary expense to defend the JPLs' disputed claims. After several offers and counteroffers, the JPLs have settled at \$475,000 with ECL Trust Counsel as a settlement of all Northstar claims. The JPLs are working on the paperwork to close the settlement.

Other activities undertaken by the JPLs in relation to asset custody and realization include:

- Continued review of the asset recovery position, calls with legal counsel regarding strategy, and the filing of the Amended US Complaint and the Restated Amended US Complaint;
- Maintenance of asset schedules and notes in respect of the current asset position and likely asset recoveries;
- Pursuit of sale transactions and refinancing options for assets where Northstar is invested;
- Meetings with the counterparties to the MOU and IALA to discuss potential avenues for collaboration and recovery;
- Engaged with the U.S. DOJ and Special Master on victim restitution initiatives, including correspondence, internal preparation, and meetings;
- Negotiated and facilitated asset recovery efforts, including the Clanwilliam transaction and realizations under the MOU;
- Conducted investigations and tracking of assets, updating schedules, and maintaining interest schedules for loans; and
- Managed UKAT proceeds, including banking arrangements and allocation of sale proceeds among Bermuda debtors.

2.3. LEGAL PROCEEDINGS IN THE US

2.3.1. US Complaint

The US Bankruptcy Court's decision on the motions to dismiss is still pending since the hearing in September 2024. The overall objective of the US Complaint is to obtain a judgment against defendants for the purpose of making policyholders whole. In line with that objective, the JPLs have been able to leverage the US Complaint to obtain favorable settlements with certain groups of defendants, further details of which can be found in section 2.2.3 above. The JPLs' next steps regarding this matter are dependent on the US Bankruptcy Court's decision on the pending motions to dismiss.

2.3.2. Victim restitution

On 12 November 2024, Greg Lindberg pled guilty to two criminal counts which were (i) conspiracy to commit crimes in connection with insurance business, wire fraud, and investment adviser fraud, and (ii) money laundering conspiracy. At his sentencing hearing, the JPLs expect that Lindberg will be ordered to make restitution to his victims, including Northstar and Omnia. The DOJ invited Lindberg's victims - Northstar, Omnia, the other Bermuda insurance companies, the NCIC, and Universal Life Insurance Company (ULICO) - to a meeting on 4 December 2024, at the DOJ's office in Charlotte, North Carolina to discuss victim restitution issues.

On 5 December 2024, the DOJ filed a motion to appoint a Special Master to oversee the administration of restitution to victims including the Bermuda insurance companies. On 23 January 2025, Joseph Grier was appointed as the Special Master. The JPLs have been coordinating with the Special Master and his professionals on various restitution issues including presenting Northstar's

restitution claims. On 6 March 2025, the DOJ filed its revised Presentence Investigation Report under seal. On 12 March 2025, the JPLs submitted their victim impact statement.

On 21 May 2025, Lindberg filed Objections to the Presentence Investigation Report under seal. On 26 August 2025, a status conference was held concerning victim restitution. The Special Master requested Lindberg's sentencing to occur in 2026. The JPLs continue to cooperate with the Special Master to enable the recovery of assets which will ultimately be distributed to policyholders.

2.4. ADDITIONAL WORK UNDERTAKEN BY THE JPLS

2.4.1. Accounting, Banking & Treasury

- Addressing banking and counterparty inquiries, including those from fund houses and service providers.
- Reviewing and approving payments to vendors, consultants, reinsurers, legal advisors, and JPLs.
- Monthly preparation, reviews and reconciliations of company financials including receipts and payments and statement of affairs.
- Processed quarterly trust true-ups and transferred amounts to respective trust accounts for commissions and premiums.
- Drafting JPLs' funding requests for multiple periods.
- Preparing and reviewing cash projections, operating expenses, and budgets on an ongoing basis.
- Managing term deposits with the bank.
- Allocation of liquidation costs among policyholders and creditors based on the court's consequential ruling.
- Tax and compliance matters, including filing IRS tax returns and completing Economic Substance Filing in Bermuda.

2.4.2. Administration, Planning & Strategy

- Ongoing discussions to determine the next steps in the liquidation process.
- Allocation and delegation of tasks across various workstreams.
- Regular planning and strategy discussions on ongoing legal proceedings in Bermuda and the U.S., including engagement with counsel and formulating next steps in the liquidation process.
- Day-to-day operations management, including staff supervision, vendor onboarding, and risk appraisals.
- Engagement with service providers such as actuaries, tax advisors, and trustees.
- Reviewed and updated company policies in line with compliance requirements, including PIPA implementation.

2.4.3. Creditors, Contributories, and Other Stakeholders

- Regular communication and updates to policyholders, creditors, and distributors, including handling surrender requests, broker changes, and ad hoc calls.
- AHCOI meetings to provide updates and address queries.
- Hosting distributor calls, providing updates and responding to concerns following significant court orders.
- Responding to enquiries from policyholders and creditors.

2.4.4. Investigations

- Conducting investigations and other compliance procedures.
- Corresponding with U.S. counsel on litigation matters, including court submissions, motion reviews, and creditor notifications.
- Monitoring and investigating ongoing U.S. litigation and asset tracing matters.

2.4.5. Case Specific Matters

- Matters relating to the JPLs' obligations under section 37(2) of the Bermuda Insurance Act 1978 concerning the Company's long-term business.
- Reviewing reinsurance treaties and addressed various reinsurance calculation matters.
- Work on matters related to Directors & Officers insurance.
- FATCA and CRS reporting requirements.
- Administration system and operational matters.
- Vulnerability assessments with the operations team.
- Performed ongoing due diligence with fund houses.

2.4.6. Other Court-Related Matters

- Drafted and filed court submissions, reviewed counterpart filings, and finalized court orders on matters such as cost allocation and procedural timelines.
- Prepared for and attended key hearings, including the consequential hearing and directions hearing.
- Engaged with the DOJ on restitution matters, Lindberg-related issues, and other U.S. litigation, including motions to dismiss and settlement agreements.
- Submitted quarterly status reports to the U.S. Bankruptcy Court and provided updates on U.S. litigation and asset recovery efforts.
- Managed court-related matters on the Clanwilliam sale, UKAT settlement, and procedural orders.
- Extension of the first meetings of creditors & contributories.

2.4.7. Statutory Meetings, Filings and Reporting

- Reviewed and finalized the Third Progress Report and drafted confidential reports for the Court.
- Updated the ESOA and the Receipts & Payments account as part of ongoing financial reporting.
- Client risk committee matters.
- Engagement on operational and finance matters.
- Discussions on policyholder liabilities and submissions relating to restitution matters.
- Work on statutory filings, including tax filing requirements.

2.4.8. SAC-Related Matters (Fixed, Variable & General Classes)

- Reviews relating to the Investment Business Act 2003 and its accompanying CMR.
- Managing proceedings related to fixed and variable policyholder claims, including supplemental submissions and procedural orders.
- Finalizing cost allocation models and addressed complex issues regarding segregation proceedings and general account claims.

3. OTHER MATTERS

3.1. THE FIRST MEETINGS OF CREDITORS AND CONTRIBUTORIES

The JPLs filed an application on 24 March 2025, seeking an extension of time for the first creditors' meeting from 26 March 2025 to 26 December 2025. The application for this extension was based on the need to allow time to resolve the various issues arising following the Consequential Ruling and the various complex issues to be determined in Directions Application. The extension was granted by the Court on 25 March 2025.

Following the ruling in the Directions Application, it is anticipated a further extension will be required to enable the JPLs to convene the first meeting of creditors. The JPLs anticipate that the meeting will be held in the first 6 months of 2026. Further information will be provided to policyholders and creditors ahead of the first meetings.

3.2. NEXT STEPS

The JPLs are working to finalize the Court Order resulting from the Judgment received following the Directions Application.

The JPLs will contact policyholders and creditors in due course with their valuations of policyholder and creditor claims, which policyholders and creditors will have the opportunity to review and or contest these valuations.

The JPLs will communicate to policyholders and creditors in due course in regard to:

- The expected distribution date for variable policyholders; and
- The expected date for the first meeting of creditors. The attendees of the first meeting will include the fixed policyholders as implied term creditors, and general creditors.



Elizabeth Cava – Joint Provisional Liquidator

Dated this 17 December 2025

APPENDIX 1: JPLS' ESTIMATED STATEMENT OF AFFAIRS

NORTHSTAR FINANCIAL SERVICES (BERMUDA) LTD (IN LIQUIDATION)					
ALL CREDITORS					
JPLS' STATEMENT OF AFFAIRS AS OF 31 AUGUST 2025					
		25 September 2020, Updated	Balance in the Third Progress Report	Change since Third Progress Report	Total
				B	A+B
		Book Value	Estimated to Realize	Realized to 30 April 2024	Realized to 31 August 2025
		\$	\$	\$	\$
					Balance as at 31 August 2025
					\$
ASSETS					
	NOTE				
Cash and cash equivalent	1	4,157,008	4,157,008	4,157,008	6,744
Investment in affiliated investments	2	234,424,629	1	13,098,214	6,504,990
Non-affiliated investments: Level 1	3.1	11,574,627	11,574,627	8,707,647	2,868,880
Non-affiliated investments: Other	3.2	55,471,384	25,219,364	28,157,113	118,286
Non-affiliated investments: Fund Houses	3.3.1	104,690,916	104,690,916	57,173,410	2,788,082
Non-affiliated investments: Holding Account (Cash at Bank)	3.3.2	232,254	232,254	59,337,988	5,525,033
Non-affiliated investments: Receivables from Fund Houses	3.3.3	-	-	794,117	(794,117)
Non-affiliated investment: Reinsurance Recoveries	3.3.4	-	1	2,866,919	4,486,378
Non-affiliated investments: Indexed Warrants	3.4	338,998	338,998	313,478	782
Non-affiliated investments: Other Warrants	3.4	175,000	175,000	-	-
Pre-liquidation Intercompany recharges	4.1	3,849,598	1	-	-
Liquidation Intercompany recharges	4.2	-	-	1,688,300	379,086
Claim from former employee	5	112,514	112,514	27,484	29,596
Management fees	6	-	-	5,708,757	2,855,629
Bank interest receipts	7	-	-	283,203	-
Interest on term deposits	8	-	-	-	3,383,123
Premium receipts	9	-	-	-	3,597,114
Other receipts	10	-	-	296,440	-
TOTAL ASSETS		415,026,927	146,500,683	182,610,076	31,749,606
Proceeds from UKAT due to other debtors					214,359,682
TOTAL ASSETS NET OF UKAT					(2,424,599)
Liquidation expenses as at 31 August 2025	See R&P				211,935,084
TOTAL ASSETS NET OF COSTS AND UKAT					(59,341,669)
					152,593,414
LIABILITIES					
Indexed active and surrendered contracts	11	(1,627,844)	(1,627,844)	(1,679,954)	(18,270)
Implied term claims	12	(245,048,216)	(245,048,216)	(253,105,008)	(2,746,236)
Variable active and surrendered contracts	13	(104,923,170)	(104,923,170)	(117,378,771)	(7,518,998)
Long-term policyholders	14	(52,313,341)	(52,313,341)	(51,139,913)	(5,701,620)
Other general creditors	14	(3,416,247)	(3,416,247)	(3,664,340)	(96,735)
TOTAL LIABILITIES		(407,328,818)	(407,328,818)	(426,967,986)	(16,081,860)
					(443,049,846)

APPENDIX 2: THE JPLS' RECEIPTS & PAYMENTS ACCOUNT

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NORTHSTAR FINANCIAL SERVICES (BERMUDA) LTD (IN LIQUIDATION)				
JPLS' RECEIPTS & PAYMENTS ACCOUNT				
AS OF 31 AUGUST 2025				
		Balance (Years 1-4)	Year 5	Total
		A	B	A+B
		Balance as at 30 April 2024 (Third Progress Report)	Changes since Third Progress Report	Balance as at 31 August 2025
Note				
		\$	\$	\$
RECEIPTS				
Opening cash at bank	1	4,389,683	(225,931)	4,163,752
Opening cash at bank - redemptions	1	-	-	225,931
Realizations from affiliated investments	2	13,098,214	6,504,990	19,603,204
Realizations from non-affiliated investments	3.1, 3.2	39,733,639	118,286	39,851,925
Cash received on hold from redemptions	3.3.2	61,694,904	2,942,186	64,637,090
Recovery from reinsurer	3.3.4	2,866,919	4,486,378	7,353,297
Index warrants	3.4	314,260	-	314,260
Liquidation Intercompany recharge	4.2	1,688,300	379,086	2,067,386
Claim against former employee	5	27,484	29,596	57,080
Management fees	6	5,708,756	2,855,629	8,564,386
Bank interest receipts	7	283,203	-	283,203
Interest on term deposits	8	-	3,383,123	3,383,123
Premium receipts	9	1,440,457	2,156,657	3,597,114
Other receipts	10	296,440	-	296,440
		131,542,258	22,630,001	154,398,190
DISBURSEMENTS				
Reinsurance premium payment	15	(11,091,039)	(2,489,542)	(13,580,581)
Employee salary & benefits	16	(6,330,114)	(1,545,644)	(7,875,758)
Policy administration expense	16	(2,193,904)	(242,513)	(2,436,416)
Other vendor payments	16	(1,227,654)	(45,890)	(1,273,544)
Bank & other charges	17	(116,335)	(14,259)	(130,594)
Other disbursements	17	(68)	-	(68)
Liquidators fees	18	(14,286,071)	(2,218,800)	(16,504,871)
Legal fees	18	(12,611,677)	(4,281,518)	(16,893,195)
Valuation fees	19	(41,345)	-	(41,345)
Blackrock fees	20	(332,609)	-	(332,609)
Custody fees	21	(176,443)	149,408	(27,035)
Trust fees	22	-	(245,655)	(245,655)
		(48,407,258)	(10,934,411)	(59,341,669)
EXCESS OF RECEIPTS OVER DISBURSEMENTS		83,135,000		95,056,521

APPENDIX 3: NOTES TO THE ESOA AND THE R&P

1. Cash and Cash Equivalent

This represents the cash realized in the Company's general account, fixed investment accounts, and trust and non-trust accounts as at the JPLs' appointment date.

The increment of \$6,744 in the ESOA is a reclassification of non-redemption related opening balance which was previously considered as redemption related.

The \$225,931 decrease in the R&P represents an opening balance adjustment for funds traced in the redemption holding bank account. These funds have now been reported separately.

Following a reconciliation, the opening balance has also been adjusted upwards by \$421.

2. Affiliated Investments

These are investments, in the form of loans and preferred equities, in entities that the JPLs consider to be affiliated to Greg Lindberg. During the period 01 May 2024 to 31 August 2025, the JPLs received proceeds from the UKAT settlement amounting to \$6,504,990. The JPLs are finalizing the allocation of the realization to the affected Bermuda companies, including Northstar. The allocation will subject to sanction by the Court. Northstar is expected to receive an estimated amount of \$4.2 million and the rest would be payable to related entities.

3. Non-Affiliated Investments

3.1 Level 1

This represents Northstar' non-affiliated investments including, but not limited to, corporate bonds, asset-backed securities, warrants and other mortgage investments that were managed by BlackRock. The \$2,868,880 increment in the ESOA relates to an addback of expenses (mostly reinsurance premium payments) made from bank accounts that hold realizations in this category. These expenses are shown under the liquidation expenses line and in the R&P. This brings the gross realization for this category to \$11,576,526.

3.2 Other

These assets are interests in other non-affiliated entities, namely (1) Carrington Holding Company, LLC in the form of a loan, and (2) Diversified Terra Holdings Ltd and DTH Holdings Ltd, both in the form of equity. The JPLs received \$118,286 during the period from DTH. No additional realizations are anticipated.

3.3 Variable Assets

3.3.1 Fund Houses

Funds from variable products have been invested in non-affiliated entities via fund houses such as BlackRock, Morgan Stanley, and Franklin Templeton ("Fund Houses"). The value of the investments is based on Company records available to the JPLs. As at 31 August 2025, the fund houses' holding totaled \$59,961,492, representing a market gain of \$2,788,082 during the period to 31 August 2025.

3.3.2 Holding Account

Holding account represents amounts where policyholders have surrendered their policy or redeemed their investment into a transfer holding fund.

The value of the holding account as at 31 August 2025 in the ESOA was \$64,863,021, representing a net increase of \$5,525,033 for the period to 31 August 2025.

The value as at 31 August 2025 in the R&P is \$64,637,090 as the opening cash balance of \$225,931 has been reported separately. (please refer to note 1 in the R&P). The JPLs completed certain redemption reconciliations within the R&P during the period ending 31 August 2025, which accounts for the increment of \$2,942,186 reflected in the R&P.

The JPLs have invested the holding account funds in a term deposit. The interest from the term deposit will help in defraying the costs of the liquidation.

3.3.3 Receivables from fund houses

This (in the ESOA) represents an adjustment for funds previously held in fund houses pending due diligence clearance which have since been received in the holding account.

3.3.4 Reinsurance recoveries

These are amounts received in relation to death claims from reinsurers.

3.4 Warrants

All warrants were realized by 24 September 2022 and no further realizations are expected. The background on the index warrants is available in the Third Progress Report.

Indexed warrants associated with indexed policyholders totaled \$258,993 while those linked to the general account totaled \$55,268.

4. Intercompany Recharges Receivable

4.1 Pre-liquidation Intercompany recharges

This relates to recharges for services provided by Northstar to PB Life & Annuity Company Ltd and Omnia Ltd, which are both in liquidation. Further background is available in the Third Progress Report. The outstanding balances prior to the appointment of JPLs, totaling \$3,849,598, are considered unsecured claims by Northstar against the three companies. The estimated realizable value for these pre-appointment amounts is uncertain.

4.2 Liquidation Intercompany recharges

As at 31 August 2025, the intercompany recharges since the start of the liquidation proceedings totaled \$2,067,386.

5. Claim Against Former Employee

This is a claim against a former employee of Northstar who was paid advance commissions that were unearned. During the period to 31 August 2025, \$29,596 was received from the debtor.

6. Management Fees

These are fees received by Northstar for managing the variable investments in the Fund Houses, earned pursuant to the terms of the policy contracts. A total of \$2,855,629 has been received during the period to 31 August 2025. The allocation of these funds is subject to court guidance.

7. Bank Interest Receipts

This represents bank interest earned from deposits held in Northstar's various accounts up to 31 April 2024. During the period to 31 August 2025 no bank interest was realized.

8. Interest on Term Deposits

This is interest earned on term deposits invested by the Company. During the period to 31 August 2025 term deposit interest received amounted to \$3,383,123. These funds are subject to court guidance on how they should be allocated.

9. Premium Receipts

Premiums are paid to Northstar based on the individual circumstances and decisions made by policyholders i.e., should a policyholder think it beneficial to keep their policy in-force they will continue to pay premiums. Northstar continues its duty to notify all policyholders when the cash value in their account is inadequate to meet the cost of insurance.

All premiums received from policyholders have two purposes:

- to pay the related cost of insurance and the reinsurance for the specific policies (where applicable), and
- to maintain or increase the policyholder's existing contract value.

The Company received premiums from different policyholders as per the terms of their policies and did a further reconciliation of the account. The total premium receipts as of 31 August 2025 is \$3,597,114.

10. Other receipts

Other receipts mostly relate to the following:

- Northstar received \$3,060 from the sale of assets upon the closure of the Northstar Dubai office and reimbursement of a portion of the annual registration fees of the Company in Dubai International Financial Centre; and
- A US Court award which required Lindberg entities to pay \$291,908 (allocation to Northstar of the total fee award) in relation to attorneys' fees and expenses.

11. Indexed Active and Surrendered Contracts

The indexed active and surrendered contracts relating to policyholders who had invested in indexed investment products as at 31 August 2025 totaled \$1,698,224. The net increase in policy value is due to accrued interest on those respective contracts.

12. Implied term claims

The active and surrendered contracts relating to policyholders who had invested in fixed investment products as at 31 August 2025 totaled \$255,851,244. The net increase in policy value is due to accrued interest on those respective contracts.

The Court, in its recent decision, has recognized an implied term claim applicable to non-variable segregated policyholders. The valuation of the implied term claim, along with other claims, will be determined in due course in accordance with the Court's directions and the applicable winding-up rules. For present purposes, the JPLs have used the values due to fixed active and surrendered contracts as proxy for the implied term claims.

13. Variable Active and Surrendered Contracts

The active and surrendered contracts relating to policyholders who had invested in variable investment products as at 31 August 2025 totaled \$124,897,769. The fluctuation in the value of active and surrendered variable contracts is due to market movements.

14. General Creditors

Long-Term Policyholders

The total liabilities for long-term contracts in the General Creditor Class as at 31 August 2025 totaled \$56,841,534.

Other General Creditors

Other general creditors include policyholders without segregation protection and the GAP fixed policyholders who have recourse against the general account, totaling \$3,295,325 and trade creditors amounting to \$465,750.

The above-mentioned figures are based on Company records. The JPLs have not yet called for claims, which could impact these figures. Further details will be communicated in due course.

15. Reinsurance Premium Payments

As part of Northstar's risk mitigation strategy, certain policies are reinsured. This allows Northstar to mitigate potential financial losses and to protect policyholders to the extent possible. As at 31 August 2025 total reinsurance premium payments amounted to \$13,580,581.

16. Operating Expenses

Northstar incurs expenses to pay staff, consultants, vendors, and other service providers to continue some of the processes that are vital to the day-to-day management of the Company. These include, inter alia; policy administration, IT and communications and other day-to-day operational expenses of the Company. The total costs of operating expenses as at 31 August 2025 totaled \$11,585,718.

17. Bank and Other Charges

The total bank and other charges as of 31 August 2025 were \$130,662.

18. Liquidation Expenses

Liquidators' fees

During the reporting period ending 31 August 2025, \$2,218,800 was disbursed in respect to JPLs' fees.

Legal fees

During the reporting period ending 31 August 2025, \$4,281,518 was disbursed in respect to legal fees. The legal expenses are for legal representatives for the various classes and counsel for the JPLs in Bermuda, the United Kingdom, and the United States.

The JPLs' fees and expenses are approved by the Ad Hoc Committee of Inspection (AHCOI).

19. Valuation Fees

These costs relate to the valuation of affiliated assets and non-affiliated assets to assist with the asset recovery process. No fees were incurred during the reporting period.

20. Blackrock Fees

Blackrock managed the investment portfolios and used fixed contract premiums to purchase the securities in the portfolios. The fees relate to these services. No fees were incurred during the reporting period.

21. Custody Fees

These fees are as a result of the custodian relationship with HSBC in relation to certain bank accounts of the Company. An amount of \$149,408 relating to trust fees previously categorized under custody fees have been transferred to the trust fees category.

22. Trust Fees

As of 31 August 2025, the Company incurred trust administration fees totaling \$245,655, paid to the trust administrators for Metlife Trust I and Metlife Trust II as follows:

- Trust I - \$156,475
- Trust II - \$89,180