

ML Manager LLC – PDG Los Arcos Loan (Loan #859305) and National Retail Development Partners Loan (Loan #860905)

You are receiving this ballot because you are a member of PDG LA Loan LLC (Loan #859305) or NRDP Loan LLC (Loan #860905) or one or more of the MP Funds and are entitled to vote on this matter.

ML Manager LLC (“ML Manager”), as manager for PDG LA Loan LLC and NRDP Loan LLC and as agent for the non-transferring pass-through investors in the two loans, has entered into a settlement with Moyes, Sellers and Hendricks, Ltd. (“Moyes”). The Settlement is between ML Manager and Moyes for claims ML Manager asserts against Moyes (the “Moyes Settlement Agreement”). Under the Moyes Settlement Agreement, Moyes will pay \$300,000 to ML Manager, for the benefit of NRDP Loan LLC, PDG LA Loan LLC and the Pass-Through Investors in both loans, in exchange for mutual releases of claims related to services provided concerning the two loans.

The properties secured by the NRDP and PDG loans were sold in 2011 and 2012 after approval of the Court and the investors in the two Loans LLCs. The net sales proceeds have been distributed pursuant to the Court’s order. In April 2013, the Court and the investors in the two Loan LLCs approved the settlement between the Borrowers PDG Los Arcos LLC (“PDG”), National Retail Development Partners, LLC (“NRDP”) and the Guarantors Richard J. and Molly L. Sodja (“Sodja”)(the “NRDP/PDG/Sodja Settlement”). Among other things, the NRDP/PDG/Sodja Settlement Agreement required (i) certain Deficiency Judgments and Judgments to be entered by the Bankruptcy Court against NRDP/PDG/Sodja for stated amounts, (ii) the entry of a stipulation for entry of charging orders regarding Sodja’s affiliated and related entities, and (iii) the assignment, pledge and right to recover certain net proceeds from future litigation. Mutual releases from the Borrowers, Sodja and ML Manager were given. ML Manager has asserted that Moyes was to undertake certain actions required by the NRDP/PDG/Sodja Settlement Agreement and failed to do so. This alleged failure by Moyes interfered with ML Manager’s ability to pursue and obtain possible recoveries under the NRDP/PDG/Sodja Settlement Agreement and related judgments. Moyes denies such allegations. ML Manager, Moyes and Moyes’ insurance carrier participated in the negotiations and mediation over these claims and reached a settlement reflected in the Moyes Settlement Agreement.

The settlement is contingent on the approval of the investors of the PDG LA Loan LLC and the NRDP Loan LLC and the applicable MP Funds. With this ballot you, as an investor, are being asked to vote. It is also contingent on the Bankruptcy Court approval. The motion has been filed and the hearing is set for January 26, 2022 at 2:15 p.m. Another contingency requires the approval of the ML Manager Board. The closing of the settlement and payment of the \$300,000 to ML Manager will be upon the satisfaction of all of the contingencies.

ML Manager spent a significant amount of time receiving and reviewing information, understanding the assets and lawsuits, and meeting with and negotiating with Moyes and Moyes’ insurance carrier. The negotiations were thorough and conducted over a reasonable amount of time. The parties used a mediator to assist in the Settlement process and both sides were represented by counsel. The result is an arm’s length agreement based on negotiation that is well thought out and thorough. Among other things, the settlement takes into account the likelihood of success, the cost and expense of pursuing the litigation, the collectability of any judgment, and the economics of a swift and certain resolution of the issues. One of the issues favoring settlement is the amount of damages, if any, that ML Manager can prove against Moyes. ML Manager asserts the amount voluntarily paid in this settlement by Moyes is within the range of reasonable damages that might be obtained in the litigation itself. Litigation is inherently unpredictable. Since Moyes denies liability, there is a risk as to success on the merits and the cost and expense of the litigation and trial are unknown. The settlement was obtained without much cost and expense and delay of litigation. It provides for a voluntary payment of cash by Moyes promptly after the satisfaction of the contingencies. Based on all the facts, ML Manager believes that this Settlement is in the best interest of the investors, is fair and equitable, and is within the range of what is reasonable in light of all the circumstances. ML Manager believes this settlement is a valid exercise

of its business judgment consistent with its fiduciary duties and responsibilities.

You have until 5 p.m., Arizona time, January 18, 2022 to submit your vote. Once the results of the voting are tallied, we will inform you of the vote. We have not attached a link to the Settlement Agreement with the ballot. If you would like to review the Settlement Agreement, contact Gidget at 602-916-5110 or via email at gkelsey@fennemorelaw.com and she will arrange to send a copy to you. Questions can be directed to Mark Winkleman at mwinkleman@mtgld.com.

Regards,
Scott Summers, Vice Chair

Do you agree to accept the settlement with Moyes as described on the preceding pages?

- Agreed
- Disagreed

By: _____
Signature

Date: _____

Please Print Name