IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
Medley LLC,[1]	Case No. 21-10526 (KBO)
Debtor.	**Hearing Date: June 26, 2026 at 10:00 a.m. (ET)** **Objection Deadline: June 10, 2026 at 4:00 p.m. (ET)**

MOTION OF THE LIQUIDATING TRUSTEE FOR AN ORDER EXTENDING THE TERMINATION DATE OF THE LIQUIDATING TRUST FROM OCTOBER 18, 2026 TO OCTOBER 18, 2027

Saccullo Business Consulting, LLC, by and through Anthony M. Saccullo (the "Liquidating Trustee"), trustee of the Medley LLC Liquidating Trust (the "Liquidating Trust") established in the above captioned case pursuant to the *Modified Third Amended Combined Disclosure Statement and Chapter 11 Plan of Medley LLC* (the "Plan"),[2] hereby submits this motion (the "Motion") pursuant to Rule 9006(b)(1) of the Federal Rules of Bankruptcy Procedure for an order, substantially in the form attached hereto as Exhibit A, extending the Termination Date (as defined below) of the Liquidating Trust to October 18, 2027. In support of the Motion, the Liquidating Trustee respectfully states:

JURISDICTION AND VENUE

1. The United States Bankruptcy Court for the District of Delaware (the "Court") has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334, and Article XIV of the

[1] The Debtor's current mailing address is c/o Medley LLC Liquidating Trust, c/o Saccullo Business Consulting, LLC, 27 Crimson King Drive, Bear, DE 19701.

[2] Docket No. 445. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Plan.

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Plan. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The bases for the relief requested herein are set forth in Section 105(a) of the Bankruptcy Code, Rule 9006(b)(1) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 9006-1 of the Local Rules of the United States Bankruptcy Court for the District of Delaware (the "Local Rules").

3. Pursuant to Local Rule 9013-1(f), the Liquidating Trustee consents to the entry of a final judgment or order with respect to the Motion if it is determined that the Court, absent consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution.

BACKGROUND

A. General Background

4. On March 7, 2021, Medley LLC (the "Debtor") filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code, commencing this case.

5. On July 6, 2021, the Debtor filed an initial plan,[3] which was subsequently amended, with the final operative Plan filed on October 14, 2021.[4] On September 17, 2021, the Debtor filed a supplement to the Plan, which consisted of a *Liquidating Trust Agreement and Declaration of Trust*, establishing the duties and scope of the Liquidating Trust and Liquidating Trustee (the "Liquidating Trust Agreement").[5]

[3] Docket No. 244.

[4] Docket No. 431.

[5] Docket No. 371.

6. On October 18, 2021, the Court entered *Amended Findings of Fact, Conclusions of Law, and Order (I) Approving the Adequacy of Disclosures on a Final Basis and (II) Confirming the Modified Third Amended Combined Disclosure Statement and Chapter 11 Plan of Medley LLC* (the "Confirmation Order").[6] The Plan became effective that same day (the "Effective Date").[7]

7. The Plan, Confirmation Order and Liquidating Trust Agreement provide for the creation of the Liquidating Trust on the Effective Date to (i) administer and liquidate the Liquidating Trust Assets for the benefit of the Liquidating Trust Beneficiaries and make distributions in accordance with the terms of the Liquidating Trust Agreement and the Plan,[8] and (ii) wind-down the non-debtor subsidiaries.[9]

8. On April 30, 2021, the deadline for filing proofs of claim passed. As of the date of the Motion, all claims have been reconciled.[10] Allowed senior claims were paid in full, and, in 2022, a distribution was made to creditors holding allowed unsecured claims amounting to an approximate 8% recovery.[11]

9. Pursuant to the Liquidating Trust Agreement, the Liquidating Trust must terminate within five years after the Effective Date, unless the Court grants an extension. Specifically, Section 10.3 of the Liquidating Trust Agreement provides:

> Termination after Five Years. If the Liquidating Trust has not been previously terminated pursuant to Section 10.2 hereof, on the fifth

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6 Docket No. 445.

7 Docket No. 449.

8 *Liquidating Trust Agreement* § 2.2.

9 *Id.* § 3.2.24(ii); Plan §§ II.R. and VII.F.1.(q).

10 After the Effective Date, in November 2023 and December 2025, respectively, two late claims were filed. Pursuant to Section X.A. of the Plan, these claims are considered automatically disallowed without the need for a Court order or any action by the Liquidating Trustee. Nevertheless, out of an abundance of caution, on May 21, 2026, the Liquidating Trustee filed a *Notice of Disallowance of Claims Pursuant to Section X.A. of the Plan* and served it on affected claimants with a response deadline of June 4, 2026. *See* Docket No. 738.

11 *See* Docket Nos. 598, 606, 608.

> (5th) anniversary of the Effective Date, unless the Liquidating Trust term has been extended in accordance with Section 10.3.1 of this Agreement, the Liquidating Trustee shall distribute all of the Liquidating Trust Assets to the Liquidating Trust Beneficiaries in accordance with the Plan, and immediately thereafter the Liquidating Trust shall terminate, and the Liquidating Trustee be discharged and shall have no further responsibility in connection therewith except as may be required to effectuate such termination under relevant law and to the limited extent set forth in Section 10.5 of this Agreement.
>
> 10.3.1 In no event shall the Liquidating Trust terminate or be dissolved later than five (5) years from the Effective Date unless the Bankruptcy Court, upon motion within the six month period prior to the fifth anniversary (or the end of any extension period previously approved by the Bankruptcy Court), determines that a fixed period extension not to exceed one (1) year per each subsequent extension request is necessary to facilitate or complete the recovery, liquidation, and distribution of the Liquidating Trust Assets.

10. Accordingly, absent an extension, the Liquidating Trust will terminate on October 18, 2026 (the "Termination Date").[12]

11. Certain tasks remain before the Liquidating Trust can be terminated. The primary remaining tasks are the wind-down of certain non-debtor subsidiaries of the Debtor and the conclusion of the ongoing litigation in the adversary proceeding *Medley LLC Liquidating Trust v. Eversheds Sutherland (US) LLP*, Adv. Pro. No. 23-50121-KBO (the "Eversheds Litigation").

B. Wind Down of Non-Debtor Subsidiaries

12. Following the Effective Date, the Medley Executives were retained pursuant to the terms and conditions of a Non-Debtor Compensation Plan, substantially in the form attached as Exhibit C to the Plan, to administer the Remaining Company Contracts and effectuate the orderly wind-down of the complex legacy investment management fund structure comprising of fifty-one

[12] Note, however, that "[a]fter the termination of the Liquidating Trust and solely for the purpose of liquidating and winding up the affairs of the Liquidating Trust, the Liquidating Trustee shall continue to act as such until its responsibilities have been fully performed." *Liquidating Trust Agreement* § 10.5.

separate non-debtor subsidiary entities (the "Non-Debtor Subsidiaries").[13] In exchange for services to wind-down the Non-Debtor Subsidiaries, the Non-Debtor Compensation Plan contemplated that the Medley Executives would receive Compensation Payments in three installments, to be made on September 30, 2021, December 31, 2021 and January 31, 2022, respectively.

13. In December 2021, the Liquidating Trustee started to doubt the Medley Executives' expertise to complete properly the tasks they agreed to provide. Between January and March 2022, the Liquidating Trustee terminated two of the four Medley Executives,[14] refusing to pay the third Compensation Payment. The Liquidating Trustee searched for and retained a consultant, Mr. William Yip, to replace the terminated Medley Executives and to effectuate competently the wind-down of the Non-Debtor Subsidiaries under the guidance and oversight of the Liquidating Trustee. Beginning in March 2022, the Liquidating Trustee, together with Mr. Yip and the Liquidating Trust's professionals, took control of the wind-down process. As a result of the efforts of Mr. Yip and the Liquidating Trust professionals all but three of the Non-Debtor Subsidiaries have been successfully closed or transferred to successor non-affiliated parties. Only Medley Capital LLC, Medley GP Holdings LLC, and MOF II GP LLC remain to be liquidated.

14. Accordingly, while the wind-down of the Non-Debtor Subsidiaries is substantially advanced, it is not yet complete. The remaining work is complicated, sequential, and in several respects dependent on third-party timing that is outside the control of the Liquidating Trustee and the Liquidating Trust's consultants and professionals. Maintaining the Liquidating Trust in existence is still needed to preserve authority, governance, and fiduciary oversight through final close-out of the remaining Non-Debtor Subsidiaries.

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13 *See* Plan §§ I.A., II.R.; *see also* Plan Ex. C.

14 One Medley Executive was not terminated and continued to provide services to the Liquidating Trust.

15. The closure and disposition of these Non-Debtor Subsidiaries has required substantial and continuous work across legal, tax, accounting, governance, and administrative functions, all against the backdrop of incomplete books and records, legacy staff attrition, successor professional-firm transitions, unresolved investor and fiduciary matters, and the need to remediate delinquent regulatory and tax filings, along with other residual obligations (often unknown until they arose).

16. Such work has included, but not been limited to: (i) maintaining sufficient governance, control, and administrative infrastructure to effect an orderly liquidation; (ii) overseeing ongoing compliance with regulatory, tax, accounting, books-and-records, reporting, and corporate governance requirements; (iii) addressing incomplete and, in certain cases, materially deficient legacy books and records; (iv) coordinating remittance of funds, management of reserves and holdbacks; (v) managing substantial tax, accounting, and reporting work associated with the wind-down; (vi) addressing significant operational disruption arising from legacy staff attrition; (vii) identifying, pursuing, and recovering legacy assets, including escheated funds and other property requiring affirmative retrieval efforts; and (viii) managing fund-specific transition and dispute-related issues, including successor-manager transitions.

17. Remaining workstreams include receipt of final K-1s and the release (if any) of the nominal holdback reserve. Once received, related tax/accounting close-out and dissolution of the remaining Non-Debtor Subsidiaries can be performed. This will involve dissolution filings, bank account closures, preparation of final trial balances, addressing final tax issues, and taking final resignation steps in accordance with each subsidiary's governing documents. The Liquidating Trustee is optimistic that these final steps can occur before the proposed new Liquidating Trust

termination date of October 18, 2027, should the Motion be granted, but reserves the right to seek a further extension if necessary.

C. Eversheds Litigation

18. In addition to the wind-down of the Non-Debtor Subsidiaries, one outstanding adversary proceeding—the Eversheds Litigation—remains unresolved. On March 3, 2023, the Liquidating Trust filed a complaint against Eversheds Sutherland (US) LLP ("Eversheds") seeking avoidance and recovery of (i) preferential transfers in the amount of $2,015,986.53 and (ii) fraudulent conveyances in the amount of $3,346,713.39.[15] On June 23, 2023, Eversheds filed its Answer, Affirmative Defenses, and Counterclaim.[16] After the Liquidating Trust and Eversheds engaged in extensive discovery, the adversary proceeding was referred to mediation, which was held on October 28, 2024.[17] No settlement was reached.

19. On May 1, 2025, Eversheds filed an Amended Answer.[18] The next day, Eversheds filed a motion for summary judgment arguing that the Liquidating Trustee's claims against Eversheds were released pursuant to a release provision in a March 2022 settlement agreement between the Liquidating Trust and parties other than Eversheds.[19]

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15 *Medley LLC Liquidating Trust et al v. Eversheds Sutherland (US) LLP*, Adv. Pro. No. 23-50121-KBO, [hereinafter "*Eversheds Adv.*"] at Docket No. 1.

16 *Eversheds Adv*. Docket No. 4.

17 *Id.* Docket No. 18.

18 *Id.* Docket No. 25.

19 *Id.* Docket No. 26.

20. The Liquidating Trustee filed an opposition to Eversheds' motion for summary judgment on January 9, 2026.[20] Eversheds filed its reply brief on January 30, 2026.[21] Oral argument is currently scheduled for June 3, 2026.[22]

21. Eversheds' motion for summary judgment is limited to the issue of whether the March 2022 settlement agreement released Eversheds from the Liquidating Trust's claims. If the Liquidating Trustee succeeds in defeating the motion, claims against Eversheds for preferential transfers and fraudulent conveyances will be pursued. While, as with the final wind-down of the Non-Debtor Subsidiaries, the Liquidating Trustee is hopeful that the Eversheds Litigation can be resolved prior to the extended Termination Date, there can be no guarantees as to the timing.

RELIEF REQUESTED

22. The Liquidating Trustee respectfully requests entry of an order extending the Termination Date of the Liquidating Trust to October 18, 2027. The proposed extension is without prejudice to the Liquidating Trustee's right to seek additional extensions of the Termination Date, if necessary.

BASIS FOR RELIEF REQUESTED

23. The Trust Agreement expressly contemplates extension of the Termination Date by order of the Court, if the Court "determines that a fixed period extension not to exceed one (1) year per each subsequent extension request is necessary to facilitate or complete the recovery, liquidation, and distribution of the Liquidating Trust Assets."[23]

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20 *Id.* Docket No. 45.

21 *Id.* Docket No. 55.

22 *Id.* Docket No. 64.

23 *Liquidating Trust Agreement*, Section 10.3.1.

24. Bankruptcy Rule 9006(b) also provides for extensions of time for cause when, "a request to extend is made before the period (or a previously extended period) expires."[24] In addition, section 105(a) of the Bankruptcy Code provides that the "court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title."[25]

25. The Liquidating Trustee submits that cause exists under the facts and circumstances detailed herein to extend the Termination Date of the Liquidating Trust. The Liquidating Trustee has worked diligently to maximize the value of the Liquidating Trust Assets and to reconcile claims. Only two tasks remain: the wind-down of three Non-Debtor Subsidiaries, and the resolution of the Eversheds Litigation. The Liquidating Trustee will endeavor to complete these tasks and terminate the Liquidating Trust as expeditiously as possible, but it will not be possible to do so prior to the expiration of the Termination Date. Accordingly, the Liquidating Trustee seeks an order extending the Termination Date of the Liquidating Trust from October 18, 2026 to October 18, 2027.

26. For the foregoing reasons, the Liquidating Trustee respectfully submits that extension of the Termination Date for a period of one year, from October 18, 2026 to October 18, 2027, is appropriate under the circumstances and should be approved.

NOTICE

27. Notice of the Motion has been provided to (i) the Office of the United States Trustee for the District of Delaware, and (ii) those parties that have requested notice pursuant to Bankruptcy Rule 2002. In light of the procedural nature of the relief requested herein, the

[24] Fed. R. Bankr. P. 9006(b)(1)(A).

[25] 11 U.S.C. § 105(a).

Liquidating Trustee submits that such notice is sufficient under the circumstances and that no other or further notice is required.

WHEREFORE, the Liquidating Trustee respectfully requests that the Court enter an order, substantially in the form attached hereto as Exhibit A: (i) extending the Termination Date from October 18, 2026 to October 18, 2027, and (ii) granting such other and further relief as the Court may deem just and proper.

Dated: May 27, 2026
Wilmington, Delaware

Respectfully submitted,

/s/ Sarah R. Gladieux

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Counsel to the Medley LLC Liquidating Trust

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
Medley LLC,[1]	Case No. 21-10526 (KBO)
Debtor.	**Hearing Date: June 26, 2026 at 10:00 a.m. (ET)** **Objection Deadline: June 10, 2026 at 4:00 p.m. (ET)**

NOTICE OF MOTION OF THE LIQUIDATING TRUSTEE FOR AN ORDER EXTENDING THE TERMINATION DATE OF THE LIQUIDATING TRUST FROM OCTOBER 18, 2026 TO OCTOBER 18, 2027

PLEASE TAKE NOTICE that Saccullo Business Consulting, LLC, by and through Anthony M. Saccullo (the "Liquidating Trustee"), trustee of the Medley LLC Liquidating Trust (the "Liquidating Trust") established in the above captioned case, filed the *Motion of the Liquidating Trustee for an Order Extending the Termination Date of the Liquidating Trust from October 18, 2026 to October 18, 2027* (the "Motion") with the United States Bankruptcy Court for the District of Delaware (the "Court").

PLEASE TAKE FURTHER NOTICE that objections to the Motion, if any, must be in writing, filed with the Clerk of the United States Bankruptcy Court for the District of Delaware, 3rd Floor, 824 N. Market Street, Wilmington, Delaware 19801, on or before **June 10, 2026 at 4:00 p.m. (ET)** (the "Objection Deadline"), and served upon and received by the undersigned counsel.

[1] The Debtor's current mailing address is c/o Medley LLC Liquidating Trust, c/o Saccullo Business Consulting, LLC, 27 Crimson King Drive, Bear, DE 19701.

PLEASE TAKE FURTHER NOTICE that, if any objections to the Motion are received, the Motion and such objections shall be considered at a hearing before the Honorable Karen B. Owens at the Court, 824 N. Market Street, 6th Floor, Courtroom No. 3, Wilmington, Delaware 19801 on **June 26, 2026 at 10:00 a.m. (ET)**.

IF NO OBJECTIONS TO THE MOTION ARE TIMELY FILED, SERVED AND RECEIVED IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED IN THE MOTION WITHOUT FURTHER NOTICE OR HEARING.

Dated: May 27, 2026
Wilmington, Delaware

Respectfully submitted,

/s/ Sarah R. Gladieux

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Counsel to the Medley LLC Liquidating Trust

EXHIBIT A

(Proposed Order)

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
Medley LLC,[1]	Case No. 21-10526 (KBO)
Debtor.	**Docket No. ___**

ORDER EXTENDING THE TERMINATION DATE OF THE LIQUIDATING TRUST FROM OCTOBER 18, 2026 TO OCTOBER 18, 2027

Upon the *Motion of the Liquidating Trustee for an Order Extending the Termination Date of the Liquidating Trust From October 18, 2026 to October 18, 2027* (the "Motion");[2] and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and venue being proper before the Court; consideration of the Motion and the relief requested being a core proceeding pursuant to 28 U.S.C. § 157(b); due and proper notice of the Motion having been provided, and it appearing that no other or further notice need be provided; the Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors' estates, their creditors and beneficiaries of the Liquidating Trust, and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is hereby

ORDERED, that the Motion is granted; and it is further

ORDERED, that the Termination Date of the Liquidating Trust is extended from October 18, 2026 to October 18, 2027; and it is further

[1] The Debtor's current mailing address is c/o Medley LLC Liquidating Trust, c/o Saccullo Business Consulting, LLC, 27 Crimson King Drive, Bear, DE 19701.

[2] Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

ORDERED, that this Order is without prejudice to the Liquidating Trustee's right to seek further extensions of the Termination Date; and it is further

ORDERED, that the Court shall retain jurisdiction to construe and enforce this Order.