

IN RE PERMIAN BASIN  
ROYALTY TRUST

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IN THE DISTRICT COURT

96TH JUDICIAL DISTRICT

TARRANT COUNTY, TEXAS

**PETITIONER SOFTVEST, L.P.’S  
MOTION FOR SUBSTITUTED SERVICE OF PROCESS**

Pursuant to Texas Rules of Civil Procedure 106 and 109a, SoftVest, L.P. (“Petitioner”) files this Motion for Substituted Service to authorize substituted service of process of its Original Petition for Modification of Trust (the “Petition”) on certain beneficiaries of the Permian Basin Royalty Trust (the “Trust”).

**INTRODUCTION**

1. Petitioner filed this suit for judicial modification on December 26, 2025, asking that the Court modify certain voting and amendment provisions to better facilitate the management of the Trust. Units of Beneficial Interest in the Trust (“Units”) are publicly traded on the New York Stock Exchange under the symbol PBT.<sup>1</sup> Per Texas Property Code section 115.011, Petitioner named the owners of such Units (the “Unit Holders”) and the Trustee, Argent Trust Company, as respondents in its Petition.<sup>2</sup> The Trustee has agreed to accept service directly from Petitioner. However, because effecting personal service upon each of the Unit Holders would be impossible, Petitioner respectfully asks that the Court grant this Motion for Substituted Service.

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<sup>1</sup> Pet. ¶ 4(a).

<sup>2</sup> Pet. ¶ 4.

## BACKGROUND

2. Petitioner is one of the largest Unit Holders in the Trust by Unit share, holding approximately 13.3% of the approximately 46.6 million outstanding Units, and the remaining Units are spread across over 27,000 Unit Holders. Ex. A ¶ 4.

3. Because the Units are publicly traded, the number of Unit Holders, their beneficial interests, and even their identities are subject to change daily. *Id.* ¶ 5. Indeed, from November 12, 2025, through January 7, 2026, approximately 2.9 million Units have been traded. Ex. A ¶ 4. And on average, over the 60 days ending January 7, 2026, approximately 83,000 Units were traded daily. *Id.* ¶ 5.

4. Unit Holders can hold their Units in one of two ways: in “record name” or in “street name.” *Id.* Holders of Units held in record name (the “Record Name Holders”) are registered directly in the holder’s name with the Trust’s transfer agent, Equiniti Trust Company, LLC (“EQ”). *Id.* ¶ 6. Record Name Holders generally receive all communications directly from the Trust, and their identities can be readily ascertained by the Trustee at any time through the real-time records maintained by EQ as agent for the Trust. *Id.* There are currently approximately 700 Record Name Holders. *Id.* The largest Record Name Holder—accounting for roughly 98% of outstanding Units—is CEDE & Co., the nominee name for The Depository Trust & Clearing Corporation (“CEDE”). *Id.* CEDE holds these Units in a custodial capacity on behalf of other individuals and entities. *Id.* Other Record Name Holders include individuals, trusts, and other persons holding between 1 and 76,717 Units, some of whom may also serve in a custodial capacity for others. *Id.*

5. As is typical for U.S. publicly held companies, most Unit Holders hold in “street name” (the “Street Name Holders”)—that is, they have an indirect beneficial interest in the Units through accounts with brokerage firms, banks, broker-dealers, and similar organizations. *Id.* ¶ 7.

Each such organization may, in turn, hold its interest in Units through one or multiple intermediaries in a complex chain of custody that ultimately traces ownership in a Unit back to a Record Name Holder (CEDE in most instances). *Id.* Various market regulations govern the relationship among these financial intermediaries, including CEDE, and the Street Name Holders to preserve the integrity of the chain of custody. *Id.* The Trust estimates that there are currently over 27,000 Street Name Holders, many of whom are not identifiable by the Trust given the multiple layers of custody that stand between the Record Name Holders (*e.g.*, CEDE) and the ultimate Street Name Holders. *Id.*

6. As a result of this complex ownership structure, publicly traded entities—including the Trust—must rely on various market protocols to disseminate information to Street Name Holders. *Id.* ¶ 8. One of the methods most frequently utilized is the dissemination of materials via third-party shareholder communication services, such as Broadridge Communication Solutions (“Broadridge”).<sup>3</sup> *Id.* Broadridge is the primary organization with whom brokerage firms, banks, and broker-dealers contract to disseminate materials to their clients, the Street Name Holders. *Id.* A public company will deliver materials intended for Street Name Holders to Broadridge for dissemination, and it is Broadridge’s job to disseminate such materials to Street Name Holders per the instructions of financial intermediaries and the Street Name Holders themselves. *Id.*

7. Most Street Name Holders who receive materials concerning the Trust via Broadridge have opted to receive them via electronic delivery; a minority still gets paper copies.<sup>4</sup> *Id.* ¶ 9. Some Street Name Holders have completely opted out of receiving materials (even in

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<sup>3</sup> Other shareholder communication services include Mediant Communications Inc. and Say Technologies LLC, among others. Ex. A ¶ 8. Use of the term “Broadridge” herein is intended to include these other smaller service providers.

<sup>4</sup> Petitioner believes that approximately 6,400 Street Name Holders of the Trust receive hard copy materials (*i.e.*, less than 25% of Street Name Holders). *Id.* ¶ 9.

electronic form) and rely solely on the extensive information filed by the Trust with the U.S. Securities and Exchange Commission, which can be accessed for free at the SEC's website ([www.sec.gov](http://www.sec.gov)).<sup>5</sup> *Id.*

8. Although the Trust, as a publicly traded company, may request information about Street Name Holders from Broadridge, it can only obtain a partial list reflecting the street names and addresses of Unit Holders who have not objected to disclosure of their names to the Trust or other third parties (so-called "non-objecting beneficial owners"). *Id.* ¶ 10. Neither the Trust nor Petitioner may access information concerning objecting beneficial owners.<sup>6</sup> *Id.* Likewise, the notification method elected by *any* Street Name Holder also remains confidential between Broadridge, financial intermediaries, and Street Name Holders. *Id.*

9. As a matter of market practice and consistent with federal securities laws, public companies typically distribute materials to their shareholders by (i) mailing materials directly to Record Name Holders, and (ii) disseminating materials via Broadridge to Street Name Holders in the manner outlined above. *Id.* ¶ 11. The Trust has used this dual method of dissemination for each of its three special meetings of Unit Holders held in the last 25 years. *Id.*

10. Because publicly traded securities such as the Units are traded daily on the open market, public companies like the Trust establish a "record date" in advance of dissemination to determine the moment in time as of which ownership of Units will be determined. *Id.* ¶ 12. The record date must be communicated a few business days in advance to Broadridge and other

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<sup>5</sup> Petitioner has already electronically filed the Petition publicly with the SEC, and it can be obtained for free by any Unit Holder at the following link: [sec.gov/Archives/edgar/data/319654/000110465925124950/tm2534431d1\\_ex4.htm](http://sec.gov/Archives/edgar/data/319654/000110465925124950/tm2534431d1_ex4.htm).

<sup>6</sup> Petitioner believes that approximately 22.5% of the Units held in street name are owned by objecting beneficial owners. Ex. A ¶ 10.

intermediaries to properly capture the relevant universe of Street Name Holders for a particular purpose. *Id.*

11. In light of the Trust’s ownership structure, the identities of all Unit Holders at any given time cannot be determined by the Trustee or Petitioner even with the exercise of due diligence. *See Tex. R. Civ. P.* 109; Ex. A ¶¶ 10–13. For this reason, Petitioner respectfully asks this Court to permit it to serve process on all Unit Holders through (i) regular mailing to all approximately 700 ascertainable Record Name Holders and (ii) dissemination of materials via Broadridge to Street Name Holders in accordance with their protocols. The foregoing is consistent with market practice and the Trust’s historical practice for delivering materials for special meetings of Unit Holders. *See Ex. A* ¶¶ 8–12. The universe of Unit Holders would be determined as of a record date to be set by the Trust or Petitioner within 5 business days after this Motion is approved by the Court.

#### **ARGUMENT AND AUTHORITIES**

12. When traditional service is ineffective, Texas Rule of Civil Procedure 106(b) allows the trial court to authorize service “in any other manner . . . that [a sworn statement] or other evidence shows will be reasonably effective to give the defendant notice of the suit.” Similarly, Texas Rule of Civil Procedure 109a allows the trial court to permit “a different method of substituted service . . . [that] would be as likely as publication to give defendant actual notice” whenever service by publication would be authorized. Service by publication is proper when “a defendant’s identity or location is unknown” and “a party, his agent, or his attorney [swears] under oath” to that effect. *In re E.D.*, 553 S.W.3d 101, 105 (Tex. App.—Fort Worth 2018, no pet.).

“Upon presentation of such oath, the clerk—not the trial court—is required to authorize citation for service by publication.” *Id.* (emphasis added).<sup>7</sup>

13. Here, substituted service is proper under either rule, and Petitioner’s agent has provided the requisite affidavit to this effect. *See Ex. A.* Any attempt to serve the Unit Holders personally would be futile and, indeed, *impossible*, because (1) their identities—and, thus, their residences—change constantly; (2) the Petitioner and Trustee are unable to obtain information about Street Name Holders that are objecting beneficial owners; and (3) the Petitioner and Trustee cannot compel Broadridge or financial intermediaries to divulge confidential information about objecting beneficial owners or the methods chosen by Street Name Holders to receive materials (including decisions not to receive materials from the Trust). *See Tex. R. Civ. P. 106(b), 109a; E.D., 553 S.W.3d at 105; Ex. A ¶ 10.*

14. Thus, Petitioner asks the clerk of this Court to authorize Petitioner to serve the Unit Holders by substitute means—specifically, by sending a copy of the Citation and Petition via regular U.S. mail to all ascertainable Record Name Holders (approximately 700). *See Tex. R. Civ. P. 106(b)(2)* (authorizing service “in any other manner”); *id.* 109a (authorizing service by “a different method of substituted service”). At the same time, Petitioner, through its proxy solicitation agent, D.F. King & Co., Inc., will serve the Street Name Holders via Broadridge in accordance with Broadridge’s protocols. The universe of Unit Holders would be determined as of a record date to be set by the Trust or Petitioner within 5 business days after this Motion is granted by the Court.

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<sup>7</sup> Only before the imposition of a default judgment must a trial court “consider the adequacy of service by publication by reviewing the sufficiency of the diligence exercised in attempting to ascertain the residence or whereabouts of the defendant.” *E.D., 553 S.W.3d at 105.*

15. Petitioner's proposed service method is at least as effective as service by publication, if not more so. *See Tex. R. Civ. P.* 109a. In fact, just months ago, Petitioner engaged D.F. King to assist in calling its special Unit Holder meeting on December 16, 2025. Ex. A ¶ 3. Because personally notifying every Unit Holder of the meeting would have been impossible for the reasons described herein, D.F. King caused the mailing of the materials to all Record Name Holders and disseminated information to the Street Name Holders via Broadridge. *Id.* ¶ 14. At the conclusion of this process, 100% of Unit Holders should have received notice of the proxy solicitation (excluding those that had opted not to receive materials). *Id.* ¶ 15. Demonstrating the success of this process, almost 60% of all Units were represented in person or by proxy at the special meeting—and close to 99% of those voting favored the trust modification Petitioner requests. *Id.*

16. Finally, beyond the manner of service proposed herein, and in a greater effort to provide actual notice to all Unit Holders, Petitioner and the Trustee will take the following additional steps:

- a. Should the Court grant Petitioner the relief requested herein, Petitioner will seek appointment of an attorney *ad litem* if required by Texas Rules of Civil Procedure 109a and 244;
- b. The Trustee has filed a public disclosure on the Securities and Exchange Commission website concerning this case;
- c. Petitioner has filed a similar disclosure on the Securities and Exchange Commission website; and
- d. The Trustee will post the Petition on its website.

17. For the foregoing reasons, Petitioner respectfully asks the Court to enter an order in the form attached hereto, issue a single citation addressed to “All Unit Holders of the Permian Basin Royalty Trust” (the “Citation”), and authorize Petitioner to effect service of process on all Unit Holders in the manner described.

WHEREFORE, PREMISES CONSIDERED, Petitioner prays that its Motion for Substituted Service of Process be granted. Petitioner further requests all other relief to which it may be entitled.

Respectfully submitted,

/s/ Craig A. Haynes

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**ATTORNEYS FOR PETITIONER  
SOFTVEST, L.P.**

## CERTIFICATE OF SERVICE

This will certify that a true and correct copy of the foregoing document was served this 12th day of January, 2026, pursuant to the Texas Rules of Civil Procedure.

**Via E-Mail**

Amy Curtis

[Amy.Curtis@hklaw.com](mailto:Amy.Curtis@hklaw.com)

*Attorney for Respondent Argent Trust Company*

/s/ Craig A. Haynes  
Craig A. Haynes

# EXHIBIT A

## **Exhibit A**

### **Sworn Statement of Edward McCarthy**

STATE OF CONNECTICUT §  
§  
COUNTY OF FAIRFIELD §

BEFORE ME, the undersigned authority, on this day personally appeared Edward McCarthy who, after being by me first duly sworn according to law, upon his oath deposes and says:

1. "My name is Edward McCarthy. I am over 18 years of age, of sound mind, and capable of making this statement. The facts stated below are within my personal knowledge and are true and correct.
2. I am a Senior Managing Director at D.F. King & Co., Inc., a proxy solicitation, financial communications, and corporate governance consulting firm. Throughout my 39-year career, I have advised on over 3,000 proxy solicitations, representing both issuers and investors, and have personally overseen the provision of notice regarding such proxy solicitations to shareholders akin to the Unit Holders in this case.
3. D.F. King has been retained as Petitioner's proxy solicitor to provide proxy solicitation and advisory services in support of the proposed modification of the Trust and in connection with the December 16, 2025 Special Meeting of Unit Holders held for that purpose. I have led the D.F. King team in connection with this engagement. Specifically, I oversaw the distribution of Petitioner's proxy statement and notices to Unit Holders for the Special Meeting and was involved in the reporting of daily votes received. I provide this Affidavit in my capacity as Petitioner's agent with respect to the trust modification proceedings.

4. In November 2025, the Trust had approximately 46.6 million Units outstanding. From November 12, 2025, through January 7, 2026, 2,890,500 Units have been traded. And on average, over the past 60 days ending January 7, 2026, 82,789 Units were traded daily. Beyond Petitioner's roughly 13.3%, the remaining Units are owned by over 27,000 Unit Holders. Most of these Unit Holders hold their interests indirectly via broker-dealer firms, and some of their identities are unknown to Petitioner. Further, I understand that some of the Unit Holders are located out-of-state.

5. Because the Units are publicly traded, the number of Unit Holders, their beneficial interests, and even their identities are subject to change daily. Unit Holders can hold their Units in one of two ways: in "record name" or in "street name."

6. Holders of Units held in record name (the "Record Name Holders") are registered directly in the holder's name with the Trust's transfer agent, Equiniti Trust Company, LLC("EQ"). I understand that the Trust communicates directly with Record Name Holders, and their identities can be readily ascertained by the Trustee at any time through the real-time records maintained by EQ as agent for the Trust. There are currently approximately 700 Record Name Holders. The largest Record Name Holder—accounting for approximately 98% of outstanding Units—is CEDE & Co., the nominee name for The Depository Trust & Clearing Corporation ("CEDE"). CEDE holds these units in a custodial capacity on behalf of other individuals and entities. Other Record Name Holders include individuals, trusts, and other persons holding between 1 and 76,717 Units, some of whom may also serve in a custodial capacity for other Unit Holders.

7. As is typical for U.S. publicly held companies, most Unit Holders hold in "street name" (the "Street Name Holders")—that is, they have an indirect beneficial interest in the Units

through accounts with brokerage firms, banks, broker-dealers, and similar organizations. Each such organization may, in turn, hold its interest in Units through one or multiple intermediaries in a complex chain of custody that ultimately traces ownership in a Unit back to a Record Name Holder (CEDE in most instances). Various market regulations govern the relationship among these financial intermediaries, including CEDE, and the Street Name Holders to preserve the integrity of the chain of custody. There are currently over 27,000 Street Name Holders, many of whom are not identifiable by the Trust given the multiple layers of custody that stand between the Record Name Holders (e.g., CEDE) and the ultimate Street Name Holders.

8. As a result of this complex ownership structure, publicly traded entities—including the Trust—must rely on various market protocols to disseminate information to Street Name Holders. One of the methods most frequently utilized is the dissemination of materials via third-party shareholder communication services, such as Broadridge Communication Solutions (“Broadridge”). Other shareholder communication services include Mediant Communications Inc. and Say Technologies LLC, among others. Broadridge is the primary organization with whom brokerage firms, banks, and broker-dealers contract to disseminate materials to their clients, the Street Name Holders. A public company will deliver materials intended for Street Name Holders to Broadridge for dissemination, and it is Broadridge’s job to disseminate such materials to Street Name Holders per the instructions of financial intermediaries and the Street Name Holders.

9. Most Street Name Holders who receive materials concerning the Trust via Broadridge have opted to receive them via electronic delivery; a minority still gets paper copies. According to information available to me, approximately 6,400 Street Name Holders of the Trust receive hard copy materials (*i.e.*, less than 25% of Street Name Holders). Some Street Name Holders

have completely opted out of receiving materials (even in electronic form) and presumably rely solely on the extensive information filed by the Trust with the U.S. Securities and Exchange Commission, which can be accessed for free at the SEC's website ([www.sec.gov](http://www.sec.gov)).

10. Although the Trust, and D.F. King on behalf of Petitioner, may request information about Street Name Holders from Broadridge, it can only obtain a partial list reflecting the street names and addresses of Unit Holders who have not objected to disclosure of their names to the Trust or other third parties (so-called "non-objecting beneficial owners"). Neither the Trust nor Petitioner may access information concerning objecting beneficial owners. According to information available to me, approximately 22.5% of the Units held in street name are owned by objecting beneficial owners. Likewise, the notification method elected by *any* Street Name Holder also remains confidential between Broadridge, financial intermediaries, and Street Name Holders. The Petitioner and Trustee cannot compel Broadridge or financial intermediaries to divulge confidential information about objecting beneficial owners or the methods chosen by Street Name Holders to receive materials (including decisions not to receive materials from the Trust).

11. As a matter of market practice, public companies typically distribute materials to their shareholders by (i) mailing materials directly to Record Name Holders, and (ii) disseminating materials via Broadridge to Street Name Holders in the manner outlined above. After reviewing the Trust materials, I understand that the Trust has used this dual method of dissemination for each of its three special meetings of Unit Holders held in the last 25 years.

12. Because publicly traded securities such as the Units are traded daily on the open market, public companies like the Trust establish a "record date" in advance of dissemination to determine the moment in time as of which ownership of Units will be determined. The record date must be communicated a few business days in advance to Broadridge and other

intermediaries to properly capture the relevant universe of Street Name Holders for a particular purpose.

13. For the reasons stated herein, Petitioner is unable to serve the Unit Holders by traditional means. For several reasons, it is impossible for Petitioner to know the identities of all Unit Holders at any given time and thus it cannot ascertain their residences for service purposes. Thus, even after the exercise of due diligence to ascertain the Unit Holders' identities and residences, Petitioner is unable to locate the whereabouts and identities of the Unit Holders as of the date of this Affidavit.

14. For these reasons, when conducting the proxy solicitation related to the trust modification proposed by Petitioner, I directed my team at D.F. King to provide the relevant materials to the Holders of Record and then coordinate with Broadridge and other similar firms to provide notice to the Street Name Holders.

15. At the conclusion of this process, 100% of Unit Holders should have received notice of the proxy solicitation (except for those that had opted not to receive materials). Almost 60% of all Units were represented in person or by proxy at the Special Meeting—and close to 99% of those voting favored the trust modification Petitioner requests.

16. Even if individual service on each Unit Holder was possible, which it is not, service on each Unit Holder individually is not financially feasible for Petitioner because over 27,000 Unit Holders exist, making individual service prohibitively expensive.

17. The manner of notification described herein is commonly used by issuers of publicly traded securities when they communicate information to shareholders.

Further, Affiant sayeth not.”

Signed this 11th day of January, 2026.

*Edward T McCarthy*

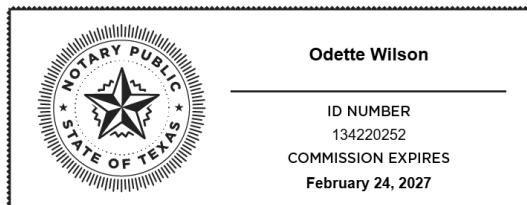
Edward McCarthy

STATE OF Texas §  
CITY OF Harris §  
COUNTY OF Harris §

Before me, the undersigned authority, on this day personally appeared Edward McCarthy, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that the statements therein are true and correct.

Given under my hand and seal of office this 11th day of January, 2026.

Notary Public in and for the State of Texas



*Odette Wilson*

Odette Wilson

02/24/2027

Electronically signed and notarized online using the Proof platform.

## Automated Certificate of eService

This automated certificate of service was created by the efiling system. The filer served this document via email generated by the efiling system on the date and to the persons listed below. The rules governing certificates of service have not changed. Filers must still provide a certificate of service that complies with all applicable rules.

Craig Haynes on behalf of Craig Haynes

Bar No. 9284020

craig.haynes@vhh.law

Envelope ID: 109922704

Filing Code Description: Motion (No Fee)

Filing Description: PETITIONER SOFTVEST, L.P.'S MOTION FOR  
SUBSTITUTED SERVICE OF PROCESS

Status as of 1/12/2026 10:44 AM CST

### Case Contacts

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