

Media Contact:

Daryn Teague

805.358.3058

dteague@teaguecommunications.com

**Life Partners Inc. Reorganization Selected as
“Chapter 11 Restructuring of the Year”**

Waco, Texas – April 5, 2017 – The successful reorganization of Life Partners Holdings Inc. (LPHI), which preserved the Life Partners \$2.4 billion portfolio of life insurance policies, was honored as one of the “Chapter 11 Restructuring of the Year” transactions at the [Ninth Annual Turnaround Atlas Awards](#) held last night in New York.

The awards were presented by the Global M&A Network and recognized the best value-creating transactions in a number of categories. They validated excellence in professional work related to insolvency, distressed M&A and corporate turnarounds.

“Our team is humbled and gratified by this recognition of the work we did to protect Life Partners investors,” said H. Thomas Moran, II, the Chapter 11 Trustee for LPHI. Moran is the president and CEO of [Asset Servicing Group](#), LLC, an Oklahoma City-based firm that manages life insurance portfolios.

In December 2014, the U.S. Securities and Exchange Commission (SEC) secured judgments against Life Partners and its senior executives totaling more than \$46.8 million for engaging in “serious violations” of the securities laws that “deprived the investing public of the information it needed to make a fully informed decision about whether to invest in Life Partners.” That judgment prompted the company’s former management team to put the company in bankruptcy in the Northern District of Texas (Fort Worth Division, Case No. 15-40289-RFN-11).

The U.S. Bankruptcy Court for the Northern District of Texas appointed [Moran](#), a highly regarded expert in the life insurance industry, as Trustee in March 2015. Moran was a pioneer in life settlement portfolio management and his firm, Asset Servicing Group, was the first independent third-party servicer of life insurance policies purchased on the secondary market.

“This case raised a number of highly complex issues surrounding the maximization of the value of the Life Partners policy portfolio, as well as the restructuring of its business enterprise,” said Moran. “We project that LPI investors could receive up to 90 percent of their invested capital over time as a result of the plan we were able to put in place, and that investors who chose the ‘pooled’ option in our plan could in fact receive close to 100 percent of their invested capital.”

The Court-approved LPHI [reorganization plan](#) preserved the Life Partners \$2.4 billion portfolio of life insurance policies, which includes approximately \$1.4 billion of investor capital still at risk. The plan allowed investors to select among various options for the recovery of their capital, including options that enable them to avoid exposure to any future financial commitments or to tie their future returns to individual policies still active in the company portfolio.

“Our plan was unique in that it created two new entities,” explained Moran. “The Position Holder Trust is now overseeing the liquidation of the policy portfolio and distribution of the net proceeds to investors, while the Creditors’ Trust will pursue litigation arising from the Life Partners’ pre-bankruptcy business activities for the benefit of Life Partners investors.”

Moran accepted the award on behalf of the professionals and firms involved in the LPHI reorganization. In addition to David Bennett, Richard Roper and Katharine Clark of Thompson & Knight LLP, who represent Moran, he cited the important contributions of other members of his team including: Sheri Townsend of Asset Servicing Group; Kim Hinkle of Kim Hinkle Law; Dawn Ragan of Bridgepoint Consulting; William Schuerger and Randy Williams of Thompson Knight LLP; Vince Granieri of Predictive Resources; and Melvin McVay of Phillips Murrah.

#