

Summary of Reporting Changes

This summarizes the various revisions made to the revised quarterly operating reports, which resulted in differences from the previous quarterly reports filed. We have changed the format of the report on "Receipts and Disbursements of Life Partners Position Holder Trust" (page 7) to eliminate unnecessary line items, as well as revise the wording of other line items to more accurately and clearly define the activity. One of the most significant changes is reporting the cash balances and activity per the general ledger cash accounts of the PHT in these latest reports versus the cash balances of the bank statements. For the first three quarters of 2017 the PHT's general ledger was being developed and therefore the only cash balances that were available at that time were the cash balances per bank statements. Reporting based on the general ledger cash balances resulted in our

need to reconcile some items from what was previously reported. In addition, the other significant change is the elimination of bank account 6036 which is an account not owned by the PHT, but owned and controlled by the third party ATLES. This account is not included in the PHT's general ledger and therefore has been removed from the reporting. The elimination of this account effects the timing of when maturity collections are reported. The amount of maturities collected no longer reflects what was collected in account 6036 for that period, but instead reflects what is distributed out of that account during that period.

In addition, we have spilt-out the cash activity for the quarter between estate activity and non-estate activity. Because the PHT facilitates the collection and payment of premiums for Continuing Fractional Holders and directs the payment of maturities, there are cash accounts where the cash flows through, that are not property of the estate. The sum of the estate and non-estate activity sums to the total cash activity for the quarter.

The reconciliation between the previously reported quarterly amounts and the revised quarterly amounts, along with explanations, are included on pages 5 and 6.

In addition page 8 now reconciles from the general ledger balances to the bank statement balances. All other pages are unaffected.

CASE NAME:
LPI Financial Services, Inc.

CASE NUMBER:
15-40289 (Jointly Administered)

UNITED STATES BANKRUPTCY COURT

NORTHERN AND EASTERN DISTRICTS

DALLAS AND TYLER DIVISIONS

FOR POST CONFIRMATION USE

QUARTERLY OPERATING REPORT

AND

QUARTERLY BANK RECONCILEMENT

In accordance with Title 28, Section 1746, of the United States Code, I declare under penalty of perjury that I have examined the attached Post Confirmation Quarterly Operating Report, and the Post Confirmation Quarterly Bank Reconciliation and, to the best of my knowledge, these documents are true, correct and complete. Declaration of the preparer (other than responsible party), is based on all information of which preparer has any knowledge.

RESPONSIBLE PARTY:

Original Signature of Responsible Party /s/ Eduardo S. Espinosa

Printed Name of Responsible Party Eduardo S. Espinosa

Title Trustee

Date 2/15/2018

PREPARER:

Original Signature of Preparer /s/ Carolyn Bremer

Printed Name of Preparer Carolyn Bremer

Title Accountant

Date 2/15/2018

POST CONFIRMATION
 QUARTERLY OPERATING REPORT

CASE NAME:
LPI Financial Services, Inc.

CASE NUMBER:
15-40289 (Jointly Administered)

QUARTER ENDING: June 30, 2017

1 BEGINNING OF QUARTER CASH BALANCE:	\$0.00
CASH RECEIPTS:	
CASH RECEIPTS DURING CURRENT QUARTER:	
(a). Cash receipts from business operations	+
(b). Cash receipts from loan proceeds	+
(c). Cash receipts from contributed capital	+
(d). Cash receipts from tax refunds	+
(e). Cash receipts from other sources	+
<u>2</u> TOTAL CASH RECEIPTS	= \$0.00 ¹
CASH DISBURSEMENTS:	
(A). PAYMENTS MADE UNDER THE PLAN:	
(1). Administrative	+
(2). Secured Creditors	+
(3). Priority Creditors	+
(4). Unsecured Creditors	+
(5). Additional Plan Payments	+
(B). OTHER PAYMENTS MADE THIS QUARTER:	
(1). General Business	+
(2). Other Disbursements	+
3 TOTAL DISBURSEMENTS THIS QUARTER	\$0.00 ¹
4 CASH BALANCE END OF QUARTER	= \$0.00

¹ Cash Receipts & Disbursements do not include amounts deposited directly to or disbursed from Life Partners Position Holder Trust accounts or the Life Partners Creditors' Trust account. See attached Supplements to Post Confirmation Quarterly Operating Report & Bank Reconciliation for receipts and disbursements from the Position Holder Trust & Creditors' Trust accounts.

POST CONFIRMATION
 QUARTERLY BANK RECONCILEMENT

CASE NAME:
LPI Financial Services, Inc.

CASE NUMBER:
15-40289 (Jointly Administered)

The reorganized debtor must complete the reconciliation below for each bank account, including all general, payroll and tax accounts, as well as all savings and investment accounts, money market accounts, certificates of deposits, governmental obligations, etc. Accounts with restricted funds should be identified by placing an asterisk next to the account number. Attach additional sheets for each bank reconciliation if necessary.

QUARTER ENDING: June 30, 2017

Bank Reconciliations	Account #1	Account #2	Account #3	Account #4	
A. Bank	Bank of Texas				TOTAL
B. Account Number	4069				
C. Purpose (Type)	Checking				
1 Balance Per Bank Statement	\$0.00				\$0.00
2 Add: Total Deposits Not Credited					+ \$0.00
3 Subtract: Outstanding Checks	\$0.00				\$0.00
4 Other Reconciling Items					\$0.00
5 Month End Balance Per Books	\$0.00				= \$0.00
6 Number of Last Check Written	1167				
7 Cash: Currency on Hand					+ \$0.00
8 Total Cash - End Of Month					= \$0.00

CASH IN:
 INVESTMENT ACCOUNTS

	Bank, Account Name & Number	Date of Purchase	Type of Instrument		Value
9					+
10					+
11					+
12					+
13	Total Cash Investments				= \$0.00
14	TOTAL CASH	LINE 8 - PLUS LINE 13 = LINE 14 ****			\$0.00

**** Must tie to Line 4, Quarterly Operating Report

CASE NAME:
LPI Financial Services, Inc.

CASE NUMBER:
15-40289 (Jointly Administered)

Receipts and Disbursements of Life Partners Position Holder Trust

QUARTER ENDING: June 30, 2017

BEGINNING OF QUARTER CASH BALANCE:

CASH RECEIPTS:

CASH RECEIPTS DURING CURRENT QUARTER:

- (1). Cash receipts from contributed capital
- (2). Cash receipts from business operations
- (3). Cash receipts from loan proceeds
- (4). Premium Collections
- (5). Cash receipts from Maturities
- (7). Cash receipts from other sources:
 - (a) Refunds/Overpayments
 - (b) Other

TOTAL CASH RECEIPTS

CASH DISBURSEMENTS:

- (I). Administrative:
 - (a). Payments to Bankruptcy Professionals
 - (b). Plan Administration Professionals
 - (c). Other Administrative Claims
 - (d). US Trustee Fees
- (2). General Business
- (3). Premium Payments:
- (4). Priority Creditors:
 - (a). Pre-Effective Date Maturity Funds Paid to Continuing Fractional Holders
 - (b). Post Maturity Funds Paid to Continuing Fraction Holders
 - (c). Interest on Maturity Funds for Continuing Fraction Holders
 - (d). Return of Premium Escrow Funds Continuing Fraction Holders
 - (e). Maturity Funds Paid to Trust Beneficiaries
 - (f). NIRAN interest payments
- (5). Other Trust Payments
 - (a). Creditors' Trust Funding
 - (b). Exit Loan Interest
 - (c), DIP Loan Repayment
 - (d), Unused Credit Line Fee
- (6). Other Disbursements

TOTAL DISBURSEMENTS THIS QUARTER

CASH BALANCE END OF QUARTER

	Previously Reported Quarter Ending June 30, 2017	Reconciling Amounts	Restated Report Quarter Ending June 30, 2017
BEGINNING OF QUARTER CASH BALANCE:	\$131,595,579.17	-\$28,274,854.06 A	\$103,320,725.11
CASH RECEIPTS:			
CASH RECEIPTS DURING CURRENT QUARTER:			
(1). Cash receipts from contributed capital	0	\$122,702.10 B	\$122,702.10
(2). Cash receipts from business operations	\$746,886.95	¹ -\$125,847.10 C	\$621,039.85
(3). Cash receipts from loan proceeds	\$0.00		\$0.00
(4). Premium Collections	\$352,414.06		\$352,414.06
(5). Cash receipts from Maturities	\$16,238,200.41	-\$12,808,399.39 D	\$3,429,801.02
(7). Cash receipts from other sources:	0		\$0.00
(a) Refunds/Overpayments	\$0.00	\$3,145.00 E	\$3,145.00
(b) Other	\$0.00		\$0.00
TOTAL CASH RECEIPTS	\$17,337,501.42	-\$12,808,399.39 F	\$4,529,102.03
CASH DISBURSEMENTS:			
(I). Administrative:			
(a). Payments to Bankruptcy Professionals	\$3,354,760.47		\$3,354,760.47
(b). Plan Administration Professionals	\$1,866,914.13		\$1,866,914.13
(c). Other Administrative Claims	\$432,176.81		\$432,176.81
(d). US Trustee Fees	\$13,000.00		\$13,000.00
(2). General Business	\$174,532.00		\$174,532.00
(3). Premium Payments:	\$13,717,385.11	\$5,266,657.72 G	\$18,984,042.83
(4). Priority Creditors:			
(a). Pre-Effective Date Maturity Funds Paid to Continuing Fractional Holders	\$16,281,039.53	² \$261,958.14 H	\$16,542,997.67
(b). Post Maturity Funds Paid to Continuing Fraction Holders	\$0.00		\$0.00
(c). Interest on Maturity Funds for Continuing Fraction Holders	\$256,470.99	-\$11,356.78 I	\$245,114.21
(d). Return of Premium Escrow Funds Continuing Fraction Holders	\$237,847.65	-\$192,421.23 J	\$45,426.42
(e). Maturity Funds Paid to Trust Beneficiaries	\$0.00		\$0.00
(f). NIRAN interest payments	\$0.00		\$0.00
(5). Other Trust Payments			
(a). Creditors' Trust Funding	\$0.00		\$0.00
(b). Exit Loan Interest	\$0.00		\$0.00
(c), DIP Loan Repayment	\$0.00		\$0.00
(d), Unused Credit Line Fee	\$0.00		\$0.00
(6). Other Disbursements	\$768,549.04	³ \$294.43	\$768,843.47
TOTAL DISBURSEMENTS THIS QUARTER	\$37,102,675.73	\$5,325,132.28 K	\$42,427,808.01
CASH BALANCE END OF QUARTER	\$111,830,404.86	\$46,408,385.73 L	\$65,422,019.13

¹ Cash receipts from business operations include LPI bank accounts balances of \$122,702.10.

² Maturity Funds Paid Out to Position Holders to-date total \$16,526,778.81, but some checks have been returned and are subject to being reissued.

³ Other Disbursements for 2Q 2017 includes payments to IRS for withholding of \$768,549.04.

Explanations for Reconciling Amounts

A	Difference Of \$28,274,854.06 due to (i) the removal of \$26,564,803.47 in ATLES bank account 6036, (ii) \$1,602,561.64 reconciling difference between bank balance and general ledger balance in account 6091 (3rd party account), (iii) \$107,488.95 in reconciling difference between bank balance and general ledger balance in account 6080 (premium payments)
B	\$122,702.10 previously reported in "Cash receipts from business operations" and is now restated as "Cash receipts from contributed capital." This amount of cash transferred from LPI's bank account. See Comment C.
C	Difference of \$125,847.10 consists of (i) \$122,702.10 of cash contributed from LPI's bank account, previously reported in "Cash receipts from business operations" and restated in "Cash receipts from contributed capital"; and (ii) \$3,145 is a CA tax refund previously reported in "Cash receipts from business operations" and restated to report in "Refunds/Overpayments."
D	Difference due of maturities collected into PHT accounts (<u>disbursed</u> from ATLES account 6036) of \$3,429,801.02 versus the previously reported <u>maturities collected</u> into ATLES account 6036 (now removed from restated report) of \$16,238,200.41.
E	\$3,145 previously reported in business operations and restated to report in refunds as this is a CA tax refund. See comment C.
F	Sum total of differences in cash receipts
G	Difference of \$5,266,657.72 due to adjustment for difference between bank statement activity versus general ledger for premium payment account.
H	Reconciling item between general ledger and bank activity for maturity payments in account 6091
I	Reconciling item between general ledger and bank activity for interest on maturity payments in account 6091
J	Reconciling item between general ledger and bank activity for return of premium escrow funds in account 6091
K	Sum total of differences in cash disbursements
L	Difference in ending cash balance due to reconciling amounts described above

SUPPLEMENT-2 TO POST CONFIRMATION
QUARTERLY OPERATING REPORT & BANK RECONCILEMENT

CASE NAME:
LPI Financial Services, Inc.

CASE NUMBER:
15-40289 (Jointly Administered)

Receipts and Disbursements of Life Partners Position Holder Trust

QUARTER ENDING: June 30, 2017

	Account #1	Account #2	Account #3	Account #4	Account #5	Account #6
A. Bank	Bank of Texas	Bank of Texas	Bank of Texas	Bank of Texas	Bank of Texas	Bank of Texas
B. Account Number	6025	6498*	9012*	9020*	9038*	6135
C. Purpose (Type)	Checking	Checking	Escrow	Escrow	Escrow	Checking
BANK RECONCILIATION						
1 Balance Per Bank Statement	\$625,523.08	\$10,409.53	\$9,647,098.32	\$35,661,940.25	\$11,714,922.24	\$788,317.57
2 Add: Total Deposits Not Credited						
3 Subtract: Outstanding Checks						
4 Other Reconciling Items						
5 Month End Balance Per Books	\$625,523.08	\$10,409.53	\$9,647,098.32	\$35,661,940.25	\$11,714,922.24	\$788,317.57
6 Number of Last Check Written	1	n/a	n/a	n/a	n/a	n/a
7 Cash: Currency on Hand						
8 Total Cash - End Of Month						

	Account #7	Account #8	Account #9	Account #10	Account #11	TOTAL
A. Bank	Bank of Texas	Bank of Texas	Bank of Texas	Bank of Texas	Bank of Texas	
B. Account Number	6080	6102*	6113*	6058*	6091**	
C. Purpose (Type)	Checking	Checking	Checking	Checking	Checking	
BANK RECONCILIATION						
1 Balance Per Bank Statement	\$5,448,721.44	\$99,770.21	\$1,255,954.88	\$0.00	\$7,204,544.48	\$72,457,202.00
2 Add: Total Deposits Not Credited						\$0.00
3 Subtract: Outstanding Checks	\$5,374,441.10				\$1,660,741.77	\$5,374,441.10
4 Other Reconciling Items						\$0.00
5 Month End Balance Per Books	\$74,280.34	\$99,770.21	\$1,255,954.88	\$0.00	\$5,543,802.71	*** \$65,422,019.13
6 Number of Last Check Written	4509	n/a	n/a	n/a	3770	
7 Cash: Currency on Hand						+
8 Total Cash - End Of Month						= \$65,422,019.13

CASH IN: INVESTMENT ACCOUNTS							
	Date of Purchase	Type of Instrument				Value	
9						+	
10						+	
11						+	
12						+	
13	Total Cash Investments					=	\$0.00
14	TOTAL CASH						\$65,422,019.13
	LINE 8 - PLUS LINE 13 = LINE 14						

* Accounts with restricted funds have been identified by placing an asterisk by the account number.
 ** These accounts are controlled by a third party and are not in the custody of the Position Holder Trust.
 *** General ledger show balance of \$7,474,286.65 due reconciling entry not made until end of Q3

SUPPLEMENT-3 TO POST CONFIRMATION
 QUARTERLY OPERATING REPORT & BANK RECONCILEMENT

CASE NAME:
LPI Financial Services, Inc.

CASE NUMBER:
15-40289 (Jointly Administered)

Receipts and Disbursements of Life Partners Creditors' Trust

QUARTER ENDING: June 30, 2017

1 BEGINNING OF QUARTER CASH BALANCE:

CASH RECEIPTS:

CASH RECEIPTS DURING CURRENT QUARTER:

- (a). Cash receipts from business operations
- (b). Cash receipts from loan proceeds
- (c). Cash receipts from contributed capital
- (d). Cash receipts from tax refunds:
- (e). Cash receipts from other sources:
 - Settlement Proceeds
 - Other

2 TOTAL CASH RECEIPTS

CASH DISBURSEMENTS:

(A). PAYMENTS MADE UNDER THE PLAN:

- (1). Administrative:
 - Plan Administration Professionals
- (2). Secured Creditors
- (3). Priority Creditors:
- (4). Unsecured Creditors
- (5). Additional Plan Payments:

(B). OTHER PAYMENTS MADE THIS QUARTER:

- (1). General Business
- (2). Other Disbursements
 - Professional Fees Expenses
 - Trustee & Board Fees & Expenses
 - Bond & Liability Insurance

3 TOTAL DISBURSEMENTS THIS QUARTER

4 CASH BALANCE END OF QUARTER

	Quarter Ending March 31, 2017	Quarter Ending June 30, 2017
	\$1,842,330.00	\$5,178,883.72
+		
+		
+	\$5,000,000.00	
+		
+		
+	\$208,918.98	\$91,039.57
+	\$500.00	
=	\$5,209,418.98	\$91,039.57
+		
+	\$0.00	\$0.00
+		
+	\$0.00	\$0.00
+		
+		
+	\$1,760,884.06	\$1,714,840.60
+	\$111,981.20	\$40,007.00
+		
=	\$1,872,865.26	\$1,754,847.60
=	\$5,178,883.72	\$3,515,075.69 ¹

¹ Cash on the books of Life Partners Creditors' Trust at the end of the month.

SUPPLEMENT-4 TO POST CONFIRMATION
QUARTERLY OPERATING REPORT & BANK RECONCILEMENT

CASE NAME:
LPI Financial Services, Inc.

CASE NUMBER:
15-40289 (Jointly Administered)

Receipts and Disbursements of Life Partners Creditors' Trust

QUARTER ENDING: June 30, 2017

	Account #1	Account #2	Account #3	Account #4	Account #5	TOTAL
A. Bank	Rabobank N.A.					
B. Account Number	0166					
C. Purpose (Type)	Checking					
BANK RECONCILIATION						
1 Balance Per Bank Statement	\$3,515,075.69					\$3,515,075.69
2 Add: Total Deposits Not Credited						+ \$0.00
3 Subtract: Outstanding Checks						\$0.00
4 Other Reconciling Items						\$0.00
5 Month End Balance Per Books	\$3,515,075.69	\$0.00	\$0.00	\$0.00	\$0.00	= \$3,515,075.69
6 Number of Last Check Written	117					
7 Cash: Currency on Hand						+ \$0.00
8 Total Cash - End Of Month						= \$3,515,075.69

CASH IN: INVESTMENT ACCOUNTS							
	Bank, Account Name & Number	Date of Purchase	Type of Instrument			Value	
9						+	
10						+	
11						+	
12						+	
13	Total Cash Investments					= \$0.00	
14	TOTAL CASH	LINE 8 - PLUS LINE 13 = LINE 14					\$3,515,075.69