

CASE NAME:
Life Partners Holdings, Inc.

CASE NUMBER:
15-40289-rfn-11

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/ Youngseung Kuk

Printed Name of Preparer Youngseung Kuk

Title Accountant

Date 2/15/2018

POST CONFIRMATION
 QUARTERLY OPERATING REPORT

CASE NAME:
Life Partners Holdings, Inc.

CASE NUMBER:
15-40289-rfn-11

QUARTER ENDING: December 31, 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:
Life Partners Holdings, Inc.

CASE NUMBER:
15-40289-rfn-11

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: December 31, 2017

Bank Reconciliations	Account #1	Account #2	Account #3	Account #4	TOTAL
A. Bank	Bank of America	Alliance Bank	Bank of Texas		
B. Account Number	3363	613	3772		
C. Purpose (Type)	DIP Checking	Money Market	Checking		
1 Balance Per Bank Statement	\$0.00	\$0.00	\$0.00		\$0.00
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	\$0.00	\$0.00	\$0.00	=	\$0.00
6 Number of Last Check Written	1013		1115		
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

SUPPLEMENT-1 TO POST CONFIRMATION
QUARTERLY OPERATING REPORT & BANK RECONCILEMENTCASE NAME:
Life Partners Holdings, Inc.CASE NUMBER:
15-40289-rfn-11**Receipts and Disbursements of Life Partners Position Holder Trust**

QUARTER ENDING: December 31, 2017

1 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

2 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). Exit Loan Principal

(d). DIP Loan Repayment

(e). Unused Credit Line Fee

(6). Other Disbursements

3 TOTAL DISBURSEMENTS THIS QUARTER

4 CASH BALANCE END OF QUARTER

	Restated Quarter Ending September 30, 2017	Quarter Ending December 31, 2017	Estate	Non-estate
1 BEGINNING OF QUARTER CASH BALANCE:	\$65,422,019.13	\$95,354,153.33		
CASH RECEIPTS:				
CASH RECEIPTS DURING CURRENT QUARTER:				
(1) Cash receipts from contributed capital	\$0.00	\$0.00	\$0.00	\$0.00
(2) Cash receipts from business operations	\$166,152.45	\$98,377.04	\$63,286.81	\$35,090.23
(3) Cash receipts from loan proceeds	\$0.00	\$0.00	\$0.00	\$0.00
(4) Premium Collections	\$1,810,138.93	\$9,468,046.61	\$0.00	\$9,468,046.61
(5) Cash receipts from Maturities	\$63,348,305.00	\$43,460,118.69	\$32,143,201.17	\$11,316,917.52
(7) Cash receipts from other sources:				
(a) Refunds/Overpayments	\$10,386.44	\$0.00	\$0.00	\$0.00
(b) Other	\$0.00	\$346,062.00	\$0.00	\$346,062.00
2 TOTAL CASH RECEIPTS	\$65,334,982.82	\$53,372,604.34	\$32,206,487.98	\$21,166,116.36
CASH DISBURSEMENTS:				
(I). Administrative:				
(a). Payments to Bankruptcy Professionals	\$355,767.51	\$0.00	\$0.00	\$0.00
(b). Plan Administration Professionals	\$2,608,935.01	\$3,467,729.62	\$3,009,051.70	\$458,677.92 ²
(c). Other Administrative Claims	\$0.00	\$0.00	\$0.00	\$0.00
(d). US Trustee Fees	\$26,000.00	\$13,000.00	\$13,000.00	\$0.00
(2). General Business	\$415,972.88	\$252,554.05	\$252,554.05	\$0.00
(3). Premium Payments:	\$10,145,166.25	\$22,097,250.25	\$13,465,221.50	\$8,632,028.75
(4). Priority Creditors:				
(a). Pre-Effective Date Maturity Funds Paid to Continuing Fractional Holders	\$283,058.70	\$133,416.50	\$0.00	\$133,416.50
(b). Post Maturity Funds Paid to Continuing Fraction Holders	\$20,003,261.08	\$14,861,263.04	\$0.00	\$14,861,263.04
(c). Interest on Maturity Funds for Continuing Fraction Holders	\$1,764.41	\$2,411.03	\$0.00	\$2,411.03
(d). Return of Premium Escrow Funds Continuing Fraction Holders	\$30,188.01	\$0.00	\$0.00	\$0.00
(e). Maturity Funds Paid to Trust Beneficiaries	\$0.00	\$0.00	\$0.00	\$0.00
(f). NIRAN interest payments	\$0.00	\$1,071,169.50	\$0.00	\$1,071,169.50
(5) Other Trust Payments				
(a). Creditors' Trust Funding	\$0.00	\$5,000,000.00	\$5,000,000.00	\$0.00
(b). Exit Loan Interest	\$1,529,305.56	\$2,750,000.00	\$2,750,000.00	\$0.00
(c). Exit Loan Principal	\$0.00	\$20,000,000.00	\$20,000,000.00	\$0.00
(d). DIP Loan Repayment	\$0.00	\$0.00	\$0.00	\$0.00
(e). Unused Credit Line Fee	\$0.00	\$0.00	\$0.00	\$0.00
(6). Other Disbursements	\$3,429.21	\$1,150,607.73 ¹	\$997,234.52	\$153,373.21
3 TOTAL DISBURSEMENTS THIS QUARTER	\$35,402,848.62	\$70,799,401.72	\$45,487,061.77	\$25,312,339.95
4 CASH BALANCE END OF QUARTER	\$95,354,153.33	\$77,927,355.95 ³		

¹ Other Disbursements for 4Q 2017 is payment to IRS for assumed tax liability of \$978620.05, for withholding of \$153,373.21 and to TX Comptroller for franchise tax liability of \$18,614.47.² The \$458,677.92 represents the Continuing Fractional Holders' prorata share of Magna's fee of 2.65% of maturities³ General Ledger balance is currently understated by \$206,752.36 when compared to reconciled bank statement maintained by 3rd party for account (6091). \$77,927,355.95 more accurately reflects cash balance as it accounts for the reconciled balance for account 6091.

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

CASE NAME:
Life Partners Holdings, Inc.

CASE NUMBER:
15-40289-rfn-11

Receipts and Disbursements of Life Partners Position Holder Trust

QUARTER ENDING: December 31, 2017

	Account #1	Account #3	Account #4	Account #5	Account #6	Account #7
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	\$1,800,046.76	\$11,217,008.61	\$5,699,000.78	\$19,002,721.78	\$7,575,432.95	\$2,224,597.88
2 Add: Total Deposits Not Credited						
3 Subtract: Outstanding Checks						
4 Other Reconciling Items						
5 Month End Balance Per Books	\$1,800,046.76	\$11,217,008.61	\$5,699,000.78	\$19,002,721.78	\$7,575,432.95	\$2,224,597.88
6 Number of Last Check Written	n/a	n/a	n/a	n/a	n/a	n/a
7 Cash: Currency on Hand						
8 Total Cash - End Of Month						

	Account #8	Account #9	Account #10	Account #11	Account #12	Account #13
A. Bank	Bank of Texas	Bank of Texas	Bank of Texas	Bank of Texas	Bank of Texas	Bank of Texas
B. Account Number	6080*	6102*	6113*	6058*	6091**	6047*
C. Purpose (Type)	Checking	Checking	Checking	Checking	Checking	Checking
BANK RECONCILIATION						
1 Balance Per Bank Statement	\$5,692,062.23	\$1,952,001.64	\$10,002,859.29	\$11,195,362.55	\$8,057,473.18	\$2,441,416.07
2 Add: Total Deposits Not Credited						
3 Subtract: Outstanding Checks	\$5,571,011.94				\$3,209,320.45	
4 Other Reconciling Items					-\$152,295.38 ***	
5 Month End Balance Per Books	\$121,050.29	\$1,952,001.64	\$10,002,859.29	\$11,195,362.55	\$4,695,857.35	\$2,441,416.07
6 Number of Last Check Written	7497	n/a	n/a	n/a	5153	n/a
7 Cash: Currency on Hand						
8 Total Cash - End Of Month						

						TOTAL
A. Bank						
B. Account Number						
C. Purpose (Type)						
BANK RECONCILIATION						
1 Balance Per Bank Statement						\$86,859,983.72
2 Add: Total Deposits Not Credited						\$0.00
3 Subtract: Outstanding Checks						\$8,780,332.39
4 Other Reconciling Items						-\$152,295.38
5 Month End Balance Per Books						\$77,927,355.95
6 Number of Last Check Written						
7 Cash: Currency on Hand						\$0.00
8 Total Cash - End Of Month						\$77,927,355.95

CASH IN: INVESTMENT ACCOUNTS							
	Date of Purchase	Type of Instrument				Value	
9						+	
10						+	
11						+	
12						+	
13	Total Cash Investments					=	\$0.00
14	TOTAL CASH						\$77,927,355.95

* 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.
 *** The book balance is less by \$152,295.38 based on the reconciled bank balance for this account.

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

CASE NAME:
Life Partners Holdings, Inc.

CASE NUMBER:
15-40289-rfn-11

Receipts and Disbursements of Life Partners Creditors' Trust

QUARTER ENDING: September 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:
 - Litigation and 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 September 30, 2017	Quarter Ending December 31, 2017
	\$3,515,075.69	\$2,285,179.93
+		
+		
+		
+		
+	\$232,986.67	\$43,350.00
+		\$3,645.64
=	\$232,986.67	\$46,995.64
+		
+	\$0.00	\$0.00
+		
+	\$0.00	\$0.00
+		
+		
+	\$1,382,663.43	\$1,059,897.85
+	\$80,219.00	\$42,021.00
+		
=	\$1,462,882.43	\$1,101,918.85
=	\$2,285,179.93	\$1,230,256.72 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:
Life Partners Holdings, Inc.

CASE NUMBER:
15-40289-rfn-11

Receipts and Disbursements of Life Partners Creditors' Trust

QUARTER ENDING: December 31, 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	\$1,230,256.72					\$1,230,256.72
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	\$1,230,256.72	\$0.00	\$0.00	\$0.00	\$0.00	= \$1,230,256.72
6 Number of Last Check Written	137					
7 Cash: Currency on Hand						+ \$0.00
8 Total Cash - End Of Month						= \$1,230,256.72

CASH IN: INVESTMENT ACCOUNTS							
	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						\$1,230,256.72