CASE NAME:

LPI Financial Services, Inc.

CASE NUMBER:

15-40289 (Jointly Administered)

UNITED STATES BANKRUPTCY COURT

NORTHERN AND EASTERN DISTRICTS

DALLAS AND TYLER DIVISONS

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 Reconcilement 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 <u>2/15/2018</u>

PREPARER:

Original Signature of Preparer /s/ Youngseung Kek

Printed Name of Preparer Youngseung Kuk

Title Accountant

Date <u>2/15/2018</u>

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CASE NAME: LPI Financial Services, Inc.	
CASE NUMBER:	
15-40289 (Jointly Administered)	
QUARTER ENDING: December 31, 2017	
1 BEGINNING OF QUARTER CASH BALANCE:	\$0.
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	+
2 TOTAL CASH RECEIPTS	= \$0.
CASH DISBURSEMENTS:	
(A). PAYMENTS MADE UNDER THE PLAN:	
(I). 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.
4 CASH BALANCE END OF QUARTER	= \$0.

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 Reconcilement for receipts and disbursements from the Position Holder Trust & Creditors' Trust accounts.

POST CONFIRMATION
OHARTERI Y BANK RECONCII EMENT

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 reconcilement if necessary.

QUARTER ENDING: December 31, 2017

Bank Reconciliations	Account #1	Account #2	Account #3	Account #4	
A. Bank	Bank of Texas				TOTAL
B. Account Number	4069				TOTAL
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:				
1	INVESTMENT ACCOUNTS				
		Date of	Type of		
1	Bank, Account Name & Number	Purchase	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 RECONCILEMENT

CASE NAME:

LPI Financial Services, Inc.

CASE NUMBER:

15-40289 (Jointly Administered)

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,	Quarter Ending
	2017	December 31, 2017
	\$65,422,019.13	\$95,354,153.33
+	\$0.00	\$0.00
+	\$166,152.45	\$98,377.04
+	\$0.00	\$0.00
+	\$1,810,138.93	\$9,468,046.61
+	\$63,348,305.00	\$43,460,118.69
+	\$10,386.44	\$0.00
+	\$0.00	\$346,062.00
=	\$65,334,982.82	\$53,372,604.34
+	\$355,767.51	\$0.00
+	\$2,608,935.01	\$3,467,729.62
+	\$0.00	\$0.00
+	\$26,000.00	\$13,000.00
+	\$415,972.88	\$252,554.05
	\$10,145,166.25	\$22,097,250.25
	\$283,058.70	\$133,416.50
+	\$20,003,261.08	\$14,861,263.04
	\$1,764.41	\$2,411.03
+	\$30,188.01	\$0.00
+	\$0.00	\$0.00
+	\$0.00	\$1,071,169.50
-	40.00	ψ.,σ,.σσ.σσ
+	\$0.00	\$5,000,000.00
+	\$1,529,305.56	\$2,750,000.00
+	\$0.00	\$20,000,000.00
+	\$0.00	\$0.00
+	\$0.00	\$0.00
+	\$3,429.21	\$1,150,607.73
=	\$35,402,848.62	\$70,799,401.72
=	\$95,354,153.33	\$77,927,355.95

Estate		Non-estate
	\$0.00	\$0.00
\$63	,286.81	\$35,090.23
	\$0.00	\$0.00
	\$0.00	\$9,468,046.61
\$32,143	,201.17	\$11,316,917.52
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	\$0.00	\$0.00
	\$0.00	\$346,062.00
\$32,206		\$21,166,116.36
. ,	,	. , ,
	\$0.00	\$0.00
\$3,009	,051.70	\$458,677.92
	\$0.00	\$0.00
\$13	,000.00	\$0.00
\$252	,554.05	\$0.00
\$13,465	,221.50	\$8,632,028.75
	\$0.00	\$133,416.50
	\$0.00	\$14,861,263.04
	\$0.00	\$2,411.03
	\$0.00	\$0.00
	\$0.00	\$0.00
	\$0.00	\$1,071,169.50
\$5,000	,000.00	\$0.00
\$2,750	,000.00	\$0.00
\$20,000		\$0.00
•	\$0.00	\$0.00
	\$0.00	\$0.00
\$997	,234.52	\$153,373.21
\$45,487		\$25,312,339.95
. , -		. , ,

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 maturities

³ 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:

LPI Financial Services, Inc.

CASE NUMBER:

15-40289 (Jointly Administered)

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							

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

LPI Financial Services, Inc.

CASE NUMBER:

15-40289 (Jointly Administered)

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
	\$1,382,663.43 \$80,219.00	\$1,059,897.85 \$42,021.00
+		
+		

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

	SUPPLEMENT-4 TO POST CONFIRMATION
OUARTERLY OPER.	TING 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: December 31, 2017

	Account #1	Account #2	Account #3	Account #4	Account #5	
A. Bank	Rabobank N.A.					TOTAL
B. Account Number	0166					TOTAL
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						+
8 Total Cash - End Of Month						= \$1,230,256.72

	CASH IN:				
	INVESTMENT ACCOUNTS				
		Date of	Type of		
	Bank, Account Name & Number	Purchase	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