

CASE NAME:
Life Partners, 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 4/15/2018

PREPARER:

Original Signature of Preparer /s/ Youngseung Kuk

Printed Name of Preparer Youngseung Kuk

Title Accountant

Date 4/15/2018

POST CONFIRMATION
 QUARTERLY OPERATING REPORT

CASE NAME:
Life Partners, Inc.

CASE NUMBER:
15-40289 (Jointly Administered)

QUARTER ENDING: March 31, 2018

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

POST CONFIRMATION
 QUARTERLY BANK RECONCILEMENT

CASE NAME:
Life Partners, 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: March 31, 2018

Bank Reconciliations	Account #1	Account #2	Account #3	Account #4	
A. Bank	Bank of Texas	Bank of Texas	Bank of Texas		TOTAL
B. Account Number	4080	4091	2027		
C. Purpose (Type)	Checking	Checking	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	\$0.00	\$0.00		\$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	0	0	0		
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 RECONCILEMENT

CASE NAME:
Life Partners, Inc.

CASE NUMBER:
15-40289 (Jointly Administered)

Receipts and Disbursements of Life Partners Position Holder Trust

QUARTER ENDING: March 31, 2018

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

	Quarter Ending December 31, 2017	Quarter Ending March 31, 2018	Estate	Non-estate
	\$95,354,153.33	\$77,927,355.95		
+	\$0.00	\$0.00	\$0.00	\$0.00
+	\$98,377.04	\$92,972.38	\$48,527.77	\$44,444.61
+	\$0.00	\$0.00	\$0.00	\$0.00
+	\$9,468,046.61	\$2,153,617.01	\$0.00	\$2,153,617.01
+	\$43,460,118.69	\$25,026,477.29	\$18,196,353.38	\$6,830,123.91
+	\$0.00	\$0.00	\$0.00	\$0.00
+	\$346,062.00	\$152,295.38	\$0.00	\$152,295.38
=	\$53,372,604.34	\$27,425,362.06	\$18,244,881.15	\$9,180,480.91
+	\$0.00	\$0.00	\$0.00	\$0.00
+	\$3,467,729.62	\$934,053.45	\$673,285.74	\$260,767.71 ²
+	\$0.00	\$0.00	\$0.00	\$0.00
+	\$13,000.00	\$0.00	\$0.00	\$0.00
+	\$252,554.05	\$84,752.70	\$84,752.70	\$0.00
	\$22,097,250.25	\$11,787,666.92	\$7,527,799.83	\$4,259,867.09
+	\$133,416.50	\$17,425.13	\$0.00	\$17,425.13
+	\$14,861,263.04	\$8,894,731.28	\$0.00	\$8,894,731.28
+	\$2,411.03	\$0.00	\$0.00	\$0.00
+	\$0.00	\$284,206.03	\$0.00	\$284,206.03
+	\$0.00	\$0.00	\$0.00	\$0.00
+	\$1,071,169.50	\$0.00	\$0.00	\$0.00
+	\$5,000,000.00	\$0.00	\$0.00	\$0.00
+	\$2,750,000.00	\$800,555.56	\$800,555.56	\$0.00
+	\$20,000,000.00	\$10,000,000.00	\$10,000,000.00	\$0.00
+	\$0.00	\$0.00	\$0.00	\$0.00
+	\$0.00	\$0.00	\$0.00	\$0.00
+	\$1,150,607.73	\$682,966.50 ¹	\$682,966.50	\$0.00
=	\$70,799,401.72	\$33,486,357.57	\$19,769,360.33	\$13,716,997.24
=	\$77,927,355.95	\$71,866,360.44		

¹ Other Disbursements for 1Q 2018 is payment to IRS for withholding of \$385,330.97 and to TX Comptroller for franchise tax liability of \$281,385.53 and to Gordonlaw LLP for legal fees of \$16,250 whose ownership is being disputed.

² The \$260,767.71 represents the Continuing Fractional Holders' prorata share of Magna's fee of 2.65% of maturities

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

CASE NAME:
Life Partners, Inc.

CASE NUMBER:
15-40289 (Jointly Administered)

Receipts and Disbursements of Life Partners Position Holder Trust

QUARTER ENDING: March 31, 2018

	Account #1	Account #3	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	\$523,550.20	\$1,865,655.39	\$2,501,904.24	\$25,933,161.39	\$7,572,510.22	\$2,747,113.65
2 Add: Total Deposits Not Credited						
3 Subtract: Outstanding Checks						
4 Other Reconciling Items						
5 Month End Balance Per Books	\$523,550.20	\$1,865,655.39	\$2,501,904.24	\$25,933,161.39	\$7,572,510.22	\$2,747,113.65
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 #7	Account #8	Account #9	Account #10	Account #11	Account #12
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	\$150,524.83	\$2,933,775.37	\$7,559,703.62	\$12,793,572.68	\$6,262,798.97	\$2,441,416.07
2 Add: Total Deposits Not Credited						
3 Subtract: Outstanding Checks	\$18,671.15				\$1,400,655.04	
4 Other Reconciling Items						
5 Month End Balance Per Books	\$131,853.68	\$2,933,775.37	\$7,559,703.62	\$12,793,572.68	\$4,862,143.93	\$2,441,416.07
6 Number of Last Check Written	9014	n/a	n/a	n/a	7268	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						\$73,285,686.63
2 Add: Total Deposits Not Credited						\$0.00
3 Subtract: Outstanding Checks						\$1,419,326.19
4 Other Reconciling Items						\$0.00
5 Month End Balance Per Books						\$71,866,360.44
6 Number of Last Check Written						
7 Cash: Currency on Hand						\$0.00
8 Total Cash - End Of Month						\$71,866,360.44

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					\$71,866,360.44

* 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.

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

CASE NAME:
Life Partners, Inc.

CASE NUMBER:
15-40289 (Jointly Administered)

Receipts and Disbursements of Life Partners Creditors' Trust

QUARTER ENDING: March 31, 2018

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 December 31, 2017	Quarter Ending March 31, 2018
	\$2,285,179.93	\$1,230,256.72
+		
+		
+		\$5,000,000.00 ¹
+		
+	\$43,350.00	\$36,275.38
+	\$3,645.64	
=	\$46,995.64	\$5,036,275.38
+		
+	\$0.00	\$0.00
+		
+	\$0.00	\$0.00
+		
+		\$18.65
+	\$1,059,897.85	\$1,875,504.32
+	\$42,021.00	\$65,007.00
+		
=	\$1,101,918.85	\$1,940,529.97
=	\$1,230,256.72	\$4,326,002.13 ²

¹ Funding from Life Partners Position Holder Trust disbursed the end of Q4 2017 but received by Creditor's Trust on 1/3/2018.

² 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, Inc.

CASE NUMBER:
15-40289 (Jointly Administered)

Receipts and Disbursements of Life Partners Creditors' Trust

QUARTER ENDING: March 31, 2018

	Account #1	Account #2	Account #3	Account #4	Account #5	
A. Bank	Rabobank N.A.					TOTAL
B. Account Number	0166					
C. Purpose (Type)	Checking					
BANK RECONCILIATION						
1 Balance Per Bank Statement	\$4,326,002.13					\$4,326,002.13
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	\$4,326,002.13	\$0.00	\$0.00	\$0.00	\$0.00	= \$4,326,002.13
6 Number of Last Check Written	144					
7 Cash: Currency on Hand						+
8 Total Cash - End Of Month						= \$4,326,002.13

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					\$4,326,002.13