

*H. Thomas Moran II, Trustee  
Life Partners Holdings, Inc.*

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204 Woodhew Drive  
Waco, TX 76712

254-751-7797  
info@lphitrustee.com

To: Life Partners Investors  
Date: November 2, 2016  
Re: Confirmation of Joint Plan of Reorganization<sup>1</sup> and Next Steps

I am writing to give you some great news: Judge Nelms has signed the order confirming the Joint Plan of Reorganization! Enclosed is a copy of the press release we issued.

Getting the order signed is a tremendous victory for all of the investors we have worked so hard to protect. Having the Plan confirmed paves the way for the return of as much investor money as possible. We are projecting a recovery of 90% of invested capital on average over time.

Now that the Plan has been approved, we are taking steps to execute on the Plan. As we move forward, I will update you on our progress towards the Plan becoming effective (known as reaching the “Effective Date”).<sup>2</sup> The Effective Date will be the start date for the new entities – the Position Holder Trust, the IRA Partnership and the Creditors’ Trust – as well as the trigger for certain distributions under the Plan (including escrowed Maturity Funds), activation of the Continuing Fractional Interests, and creation of the New IRA Notes.

There are also a few items you may be contacted about in the coming weeks that will be applicable to specific groups of investors but not to all. Those include:

1. Notice of amounts due. If our records reflect that you owe a Pre-Petition Default Amount (PPDA) with respect to any positions, you will receive a reminder notice, along with payment instructions and a reminder of the consequence of not paying on time (which, in most cases, is abandonment of the related position(s)).
2. Election forms. If you have paid one or more PPDAs in full since you received your initial Election Form(s), you will receive an Election Form for the relevant position(s) that will include further instructions.
3. Notice of matured funds. If you have a position relating to a policy for which there are maturity funds currently being held, or relating to a policy that we know has matured by no later than 10 days after the confirmation order was entered, and regardless of whether the life insurance company has sent the proceeds yet, you will receive what’s called a “Statement of Maturity Account” that shows: (a) the amount of maturity proceeds allocated to your position, (b) any amounts you owe LPI, which are subject to offset and will be withheld from those funds, and (c) the amount that will be distributed to you in

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<sup>1</sup> This is the Revised Third Amended Plan, which was proposed by me, as Chapter 11 Trustee, the subsidiary debtors, and the Official Committee of Unsecured Creditors.

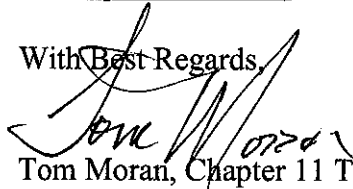
<sup>2</sup> We currently estimate that the Effective Date will be November 30, 2016. The actual Effective Date may vary.

accordance with the Plan and Confirmation Order (including any payments on Maturity Funds Loans advanced from those funds).

In addition, all of you will be receiving a new IRS W-9 form (or equivalent form for foreign investors) for use by the Successor Entities in connection with all future distributions. We need you to provide a form (or, if you have previously provided one, an updated form) to the Successor Entities to ensure we have up-to-date information. More information will be sent on this when the forms are sent out.

We are extremely excited we have made it this far, and will continue working hard to get to the Effective Date as quickly as we can. Our current target for the Effective Date is November 30, 2016. Given all of the complexities involved – including the fact there are over 22,000 of you and 100,000 separate positions, and many details that have to be sorted out under the Plan – we can't be certain what the actual date will be. Please continue to check the website at [www.lphitrustee.com](http://www.lphitrustee.com) for updates.

With Best Regards,



Tom Moran, Chapter 11 Trustee