



LPI Position Holder Trust

3rd Quarterly Webinar

July 14, 2017

The Trustee



LPI POSITION HOLDER TRUST
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Topics

1. The Portfolio
2. Timing of Distributions
3. Availability of Information
4. SEC Registration
5. Valuations

The Portfolio

The Portfolio				
	<u>Active Policies</u>		<u>Maturities</u>	
	<u>Count</u>	<u>NDB</u>	After Cutoff Date <u>NDB</u>	Before Cutoff Date <u>NDB</u>
Viaticals	-	-	2,169,143.41	9,414,853.86
Life Settlement	638	1,907,669,909.60	67,890,730.03	163,993,552.27
Total Maturities	3,206	2,174,641,724.86	70,059,873.44	173,408,406.13

As of June 30, 20017

- 45 maturities
- 27 collected
- 16 Maturity Funds reconciled, allocated among the CFH/PHT and released

July 2017

- 3 more already processed and released
- 8 remaining for July

Thereafter: anticipate < = 45 days after receipt of NDB.

Timing of Distribution

- Continuing Fraction Holder
 - within a commercially reasonable time following collection of the death benefits.
 - Objective: <45 days from receipt
- Pool
 - Position Holder Trust & IRA Partnership
 - Depends on the PHT's cash-flow
 - Anticipate annual distributions; progressing towards semi-annual & quarterly,
 - Conditions Precedent: liquidation of the Exit Facility, premium reserves and operating expenses
- New IRA Notes (NIRAN)
 - 3% of outstanding Principal payable annually (November)
 - Principal is due in 2031, subject to prepayment
- Hold
 - Litigation hold, W-9's,...

Information Sources

- Websites
 - www.lpi-pht.com is immediately available for general (non-account specific) information
 - www.magnaservicing.com
 - expected launch in August 2014
 - Content
 - Policy Information
 - Account statements
- Monthly Newsletters
- Webinars/Podcasts
- Account statements – expect dissemination in August
- Public Filings
 - Forms 10 and 8K filed with the SEC
 - finalizing the audited financial statements

SEC Registration

- The PHT is a Public Reporting, Non-trading Entity
- Quarterly/Annual Reports
 - A readily available source of information on the PHT and its securities
- Non-Trading
 - The PHT cannot support the development of a market.

Public Reporting

- Reporting Obligations
 - Audited annual financials
 - Quarterly financials
 - Filed with the SEC
 - Available on EDGAR and LPI-PHT.com

Non-Trading

- Plan's Transfer Restrictions
 - Plan imposed transfer restrictions
 - Exemption from Investment Company Registration
 - Protection of pass through tax status
 - Requires Opinion of Counsel
- Prior Webinar: Topic #9 – Selling Positions
- Disguised attempts to circumvent the Plan's transfer restrictions.

Valuation

- We cannot provide individualized valuations
- Generally, value depends on the type of security:
 - CFH: N/A
 - PHT: \$/Unit
 - IRA Partnership: \$/Unit
 - NIRAN: Principal
- Where to look
 - SEC Filings
 - Account Statements
- Other values?
 - It's the Trustee's estimated value
 - Units are Illiquid, there's no market to validate
 - You or your advisors may have alternative methodologies

W-9s

- Action Item on newsletter
 - Simply a reminder
 - Please only send in one
- IRA's
 - Exempt from providing the PHT with a W9
 - We pay the custodian

Questions

- **Magna Customer Service**
 - Primary contact for all *account specific* inquiries
 - Custsrv@magnaservicing.com
- **The Trustee**
 - Primary contact for all plan and administrative inquiries
 - Trustee@LPI-PHT.com