

Michael J. Quilling, Trustee
Life Partners Position Holder Trust

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November 1, 2019

For once I have good news for you. For the first time since the bankruptcy ended and the Trust was established, I have accumulated sufficient funds to be able to make a distribution to the holders of units in the Trust and in the IRA Partnership (the “pool”) which basically means almost everyone. The distribution will be made on November 15, 2019 and checks will be mailed out that day. You should have your check in hand a few days later. Be sure to cash it promptly. If any of your units are held by a custodian in an IRA account, those funds will be sent to your custodian and they will deposit the funds in your account.

The amount I have available to distribute is \$20 million. The amount of each person’s distribution is calculated as follows:

The total amount to be distributed (\$20 million) is divided by the total number of units and partnership interests (1,235,891,333) and that number is multiplied by the number of units you hold which is the total amount of your individual distribution. The amount of any liens you owe will be deducted from your distribution.

$$20,000,000 \div 1,235,891,333 = .0162 \times \text{number of units you have} - \text{any lien} = \text{the amount of your distribution}$$

The check stub attached to your check (discussed further below) will give you the exact calculation of your check. I realize that the amount of your check does not represent a huge amount, but it is a start and I intend to make distributions in the future every time I have sufficient funds to do so. The biggest thing to keep in mind is that this is a start and that at long last you are getting something back.

PLEASE, PLEASE do not call or email my office or Magna to complain about the amount of the distribution. There is nothing that can be done, and the amount is what it is. On the other hand, if you believe the number of units we show that you hold is wrong or if you do not receive your check please let us know and we will try to work through those issues with you. You can see the number of units you hold and the amount of any liens owed by logging into your account through the investor portal website www.magnaservicing.com. If you do need to contact us regarding the number of units you hold, please gather any documentation you have to support your position because we will need to see it.

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Because the distribution is going to cost the Trust money to process, print, distribute and reconcile checks plus postage, a minimum distribution amount has been established. In other words, if the amount of the check you are to receive is less than a certain amount you will not receive a check. The bankruptcy plan says that amount is \$25 but the Governing Trust Board and I have decided to lower it to \$10. So, if the amount of your check is less than \$10 it will not be mailed to you. However, you will not lose that money. Instead it will be added to the amount of your check at the time of the next distribution. Eventually the amount of your distribution will exceed \$10 and the entire amount will be sent to you.

Attached is a sample of what a distribution check is going to look like. Please look at the check stub as it contains the information I discussed above. Please note that if you do not cash the check within 90 days it will become void and you will be charged a fee if we have to issue a new check to you.



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