

Dykema's Eduardo Espinosa Appointed Trustee in Life Partners Reorganization

Eduardo Espinosa, a member with law firm **Dykema**, has been appointed trustee for the Position Holders Trust as part of Life Partners Holdings Inc.'s Chapter 11 Plan of Reorganization, which was confirmed on Nov. 1, 2016.

In a news release, the firm said Life Partners, a life settlement provider, filed for Chapter 11 protection in 2015 in response to a \$47 million jury verdict secured by the U.S. Securities and Exchange Commission (SEC). The company sold more than \$1.3 billion of fractional interests in individuals' life-insurance policies to more than 20,000 people. The estate includes 3,400 policies with more than \$2.4 billion in face value; and more than 22,000 investors holding more than 100,000 positions in said policies. Thompson & Knight served as counsel to the bankruptcy trustee and Munsch Hardt Kopf & Harr, P.C., was counsel to the unsecured creditors committee.

Espinosa was appointed trustee to administer the bankrupt estate's assets and the claims against them as part of the reorganization plan confirmed by Judge Nelms of the U.S. Bankruptcy Court for the Northern District of Texas. The plan also creates a Creditors Trust to pursue the estate's claims against third parties and names AMJ Advisors LLC's President Alan Jacobs as its trustee.

In addition to Espinosa, a former SEC enforcement attorney, the trust will be supported by Dykema members Michael Napoli, Mark Andrews, Aaron Kaufman and senior counsel Jeff Goldman.

"This has been a very difficult and contentious bankruptcy," Espinosa said. "The Trustee has successfully collaborated with various stakeholders and they've collectively crafted a plan

of reorganization that is designed to preserve flexibility and maximize value for Life Partners' victims."

The Plan of Reorganization is expected to be effective in early December.