

Texas Court Rules Fractionalized Life Settlement Interests are Investment Contract

The Texas Supreme Court has ruled that life settlements sold by Life Partners Inc. are securities under state law, breathing new life into lawsuits brought by the Texas State Securities Board and a putative class of investors, reports law360.com.

“In the Texas cases brought by the state securities regulator and a group of investors, Life Partners had won trial court dismissals. But appeals courts in Austin and Dallas revived the claims after finding the life settlements were investment contracts, not insurance contracts, making them securities under state law.” the report says.

Keith Langston of **Langston Law Firm**, based in Longview, Texas, represents the investors.

Read the opinion.

Read the story.