

Press Release

Munsch Hardt Attorneys Win 2017 Turnaround of the Year Award

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Munsch Hardt restructuring and insolvency attorney Jay Ong was honored by the Turnaround Management Association (TMA), receiving TMA's 2017 "Turnaround of the Year: Large Company" award for his work in the Chapter 11 bankruptcy cases of Life Partners Holdings, Inc. (Life Partners), and its affiliated debtors, which originally commenced in January 2015. Life Partners is a Waco, Texas-based, life settlement investment enterprise with a \$2.4 billion investment portfolio. Munsch Hardt's core team included Messr Ong, as well as Dennis Roossien, Jr., a litigation partner.

Prior to the effectiveness of the Chapter 11 plan confirmed in the Life Partners cases by the United States Bankruptcy Court for the Northern District of Texas, Munsch Hardt represented the Official Committee of Unsecured Creditors' appointed in the cases, and worked in tandem with Chapter 11 Trustee Tom Moran and Vida Capital, Inc., an Austin-based life settlement fund manager, to develop the plan, including providing for the compromise of a multi-billion-dollar class action settlement. This very long and contentious bankruptcy process included three competing plans of reorganization, and turned, in part, on the approval of the class action settlement. The bankruptcy court confirmed the plan jointly proposed by the Chapter 11 Trustee and the Committee, under which Life Partners' \$2.4 billion investment portfolio was preserved for the benefit of affected investors, and a litigation trust was established to seek redress of the misdeeds of prior management. The Joint Plan, among other things, created options for the affected investors that enabled them to either tie their future returns to the individual policies that had been the basis of their original investment, to limit their financial exposure and spread their risk by joining a portfolio of pooled policy interests, or to seek to rescind their investments.

The Joint Plan became effective on December 9, 2016, becoming the first successful Chapter 11 bankruptcy reorganization of a life settlement company. Within weeks following the effective date, more than \$100 million in funds collected from matured life insurance policies were distributed to investors. In total, the Joint Plan was projected to return, over time, in excess of 90 percent of invested capital (more than \$1.2 billion, net) to the affected investors.

According to TMA, the Life Partners bankruptcy case was notable for having converted a massive fraudulent scheme into a legitimate enterprise, thereby preserving the asset portfolio to liquidate in the ordinary course, and against the odds of what was expected by many to be a liquidation at pennies on the dollar.

"The Life Partners case was not a typical bankruptcy restructuring, as there were a multitude of complications along the way," said Phil Appenzeller, CEO of Munsch Hardt. "However, the dedication of Dennis and Jay on behalf of their client was remarkable. They committed a significant amount of time and energy, and ultimately played a key role in the final outcome. Winning this Turnaround Management Award for Life Partners is an honor that is much deserved."

This award is the latest recognition that Munsch Hardt attorneys have received for their work on the Life Partners engagement. Global M&A Network named the case the Chapter 11 Restructuring of the Year (between \$2.5 and \$5 billion) at its Turnaround Atlas Awards in May 2017.

TMA is the leading organization dedicated to turnaround management, corporate restructuring and distressed investing. Since 1993, TMA has honored excellence through its annual awards program, which recognizes the most successful turnarounds and impactful transactions. For more information or to review a list of 2017 honorees, [click here](#).

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