

CONSENT ORDER NO. E15-<sup>95</sup>

STATE OF NEW JERSEY  
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

\_\_\_\_\_  
)  
Proceedings by the Commissioner )  
of Banking and Insurance, State ) **CONSENT ORDER**  
of New Jersey, to seek the )  
voluntary revocation of the )  
viatical settlement provider )  
license of Life Partners, Inc., )  
\_\_\_\_\_

TO: Life Partners, Inc.  
204 Woodhew Drive  
Waco, TX 76712

This matter, having been opened to the Commissioner of Banking and Insurance ("Commissioner"), State of New Jersey; and

WHEREAS, Life Partners, Inc., ("LPI") is a licensed viatical settlement provider in the State of New Jersey, and is subject to the provisions of the New Jersey Viatical Settlements Act ("Viatical Settlements Act"), N.J.S.A. 17B:30B-1 et seq.; and

WHEREAS, on or about February 3, 2014, LPI's parent company, Life Partners Holdings, Inc. ("LPHI"), LPI's Chief Executive Officer and Chairman of the Board, Brian Pardo ("Pardo"), and LPI's President and General Counsel, R. Scott Peden ("Peden") have been found, in a civil action, to have violated Section 13(a) of the Securities and Exchange Act of

1934 ("Exchange Act") and Rules 12b-20, 13a-1, 13a-13, and 13a-14 thereunder; and

WHEREAS, LPHI, Pardo, and Peden were ordered to disgorge and pay civil penalties of nearly \$47,000,000; and

WHEREAS, LPI and LPHI have filed for protection under Chapter 11 of the United States Bankruptcy Code; and

WHEREAS, pursuant to N.J.S.A. 17B:30B-4a(7), the Commissioner may revoke the license of a viatical settlement provider if the Commissioner finds that the licensee no longer meets the requirements for licensure; and

IT APPEARING that the Commissioner finds, and LPI agrees, that LPI no longer meets the requirements for licensure as a viatical settlement provider; and

*clp* ~~IT FURTHER~~ <sup>FURTHER</sup> APPEARING that LPI has waived its right to a hearing on the above allegations and consents to the revocation of its viatical settlement provider license; and

IT FURTHER APPEARING that this matter should be resolved upon consent of the parties without resort to a formal hearing; and


NOW, THEREFORE, IT IS on this *24<sup>th</sup>* day of *August*, 2015

ORDERED AND AGREED that LPI consents to the immediate revocation of its viatical settlement provider license; and

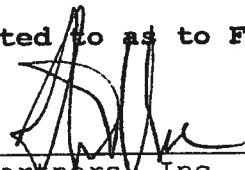
IT IS FURTHER ORDERED AND AGREED that LPI shall remit said license together with this signed Consent Order to:

Kevin J. McGowan, Deputy Attorney General  
State of New Jersey, Division of Law  
R.J. Hughes Justice Complex  
25 Market Street, Second Floor, West Wing  
P.O. Box 117  
Trenton, New Jersey 08625

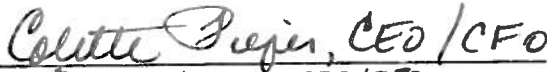
IT IS FURTHER ORDERED AND AGREED that the provisions of this Consent Order represent a final agency decision and constitute final resolution of the allegation contained in this Consent Order.

  
\_\_\_\_\_  
Peter L. Hartt  
Director of Insurance

Consented to as to Form, Content and Entry:

  
\_\_\_\_\_  
Life Partners, Inc. in Bankruptcy  
By: H. Thomas Moran, Bankruptcy Trustee


Date: 07/07/15

*cep*  
  
\_\_\_\_\_  
Collette Pieper, CEO/COO  
Life Partners, Inc. in Bankruptcy

Date: 7-8-2015

JOHN J. HOFFMAN  
ACTING ATTORNEY GENERAL OF NEW JERSEY

Date: 8/12/2015

  
\_\_\_\_\_  
Kevin J. McGowan  
Deputy Attorney General  
Attorney for the New Jersey  
Department of Banking and  
Insurance