

SECURITIES & EXCHANGE COMMISSION EDGAR FILING

Life Partners Position Holder Trust

Form: SC TO-T/A

Date Filed: 2018-12-20

Corporate Issuer CIK: 1692144

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

**AMENDMENT NO. 2 TO
SCHEDULE TO**

**TENDER OFFER STATEMENT UNDER SECTION 14(D)(1) OR 13(E)(1) OF
THE SECURITIES EXCHANGE ACT OF 1934**

**LIFE PARTNERS POSITION HOLDER TRUST
LIFE PARTNERS IRA HOLDER PARTNERSHIP, LLC**

(Name of Subject Company (Issuer))

Life Settlement Liquidity Option, LLC
(Offeror)

CFunds Life Settlement, LLC
(Offeror)

Anchorage Illiquid Opportunities Master VI (B), L.P.
(Parent of Offeror)

Contrarian Funds, L.L.C.
(Parent of Offeror)

Anchorage IO GP VI, L.L.C.
(General Partner of Parent)

Contrarian Capital Management, L.L.C.
(Manager of Parent)

Anchorage Capital Group, L.L.C.
(Investment Advisor to the Parent and/or Offeror)

(Names of Filing Persons (identifying status as offeror, issuer, or other person))

**Position Holder Trust Interests
IRA Partnership Interests
(Title of Class of Securities)**

None
(CUSIP Number of Class of Securities)

Jason Cohen
Anchorage Capital Group, L.L.C.
610 Broadway
New York, New York 10012
(212) 432-4600

Gina N. Scianni
Contrarian Capital Management, L.L.C.
411 West Putnam Ave., Suite 425
Greenwich, Connecticut 06830
(203) 862-8200

(Name, Address, and Telephone numbers of person authorized to receive notices and communications on behalf of filing persons)

Copies to:

Abbe L. Dienstag
Kramer Levin Naftalis & Frankel LLP
1177 Avenue of the Americas
New York, New York 10036
(212) 715-9100

Amanda J. Segal and Jonathan D. Weiner
Katten Muchin Rosenman LLP
575 Madison Avenue
New York, New York 10022-2585
(212) 940-8800

CALCULATION OF FILING FEE

Transaction valuation*	Amount of filing fee**
\$43,383,213	\$5,259

- * For the purpose of calculating the filing fee pursuant to Rule 0-11(d) only, based on the purchase of 105,989,695 issued and outstanding interests of Life Partners Position Holder Trust and 165,155,385 issued and outstanding interests of Life Partners IRA Holder Partnership, LLC at the maximum tender offer price of \$0.16 per Interest.
- ** The amount of filing fee is calculated in accordance with Rule 0-11 of the Securities Exchange Act of 1934, as amended, and Fee Rate Advisory #1 for Fiscal Year 2019, effective October 1, 2018. Such fee equals .0001212 of the transaction value.
- ☒ Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
- Amount Previously Paid: \$6,060 Filing Party: Life Settlement Liquidity Option, LLC and Anchorage Illiquid Opportunities Master VI (B), L.P.
- Form or Registration No.: 5-90716 and 5-90717 Date Filed: November 13, 2018
- ☐ Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.
- Check the appropriate boxes below to designate any transactions to which the statement relates:
- ☒ third-party tender offer subject to Rule 14d-1.
- ☐ issuer tender offer subject to Rule 13e-4.
- ☐ going-private transaction subject to Rule 13E-3.
- ☐ amendment to Schedule 13D under Rule 13d-2.
- Check the following box if the filing is a final amendment reporting the results of the tender offer: ☐
- If applicable check the appropriate box(es) below to designate the appropriate rule provision(s) relied upon:
- ☐ Rule 13e-4(i) (Cross-Border Issuer Tender Offer)
- ☐ Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

This Amendment No. 2 to the Tender Offer Statement on Schedule TO (this “Amendment No. 2”) amends and supplements the Schedule TO filed with the Securities and Exchange Commission on November 13, 2018 (together with any amendments and supplements thereto, the “Schedule TO”) by Life Settlement Liquidity Option, LLC, a Delaware limited liability company (the “Anchorage Offeror”), relating to the tender offers to purchase a portion of the outstanding position holder trust interests (the “Trust Interests”) of Life Partners Position Holder Trust, a trust organized under the laws of the State of Texas (the “Trust”), and a portion of the outstanding IRA Partnership Interests (the “Partnership Interests”) and, together with the Trust Interests, the “Interests”) of Life Partners IRA Holder Partnership, LLC, a Texas limited liability company (the “Partnership”). The information relating to the tender offers was set forth in the Offer to Purchase, dated November 13, 2018 (the “Offer to Purchase”), and in the related Assignment Forms (the “Assignment Forms”), which together, as they may be amended or supplemented from time to time, constitute and are referred to as the “Offer.” While for convenience the offer to purchase the Trust Interests and the offer to purchase the Partnership Interests are referred to together as constituting the Offer, the two offers are separate. Each offer is subject to a separate maximum number of Interests, and each will be separately prorated if it is oversubscribed, without regard to subscriptions tendered in the other offer.

This Amendment No. 2 amends the Offer by:

- (i) adding CFunds Life Settlement, LLC, a Delaware limited liability company, as an additional offeror (the “Contrarian Offeror” and, together with the Anchorage Offeror, the “Offerors”), and adding Contrarian Funds, L.L.C., parent of the Contrarian Offeror and Contrarian Capital Management, L.L.C., manager of parent and affiliate of the Contrarian Offeror, as additional filing persons;
- (ii) extending the expiration date of the Offer to Friday, January 18, 2019 at 5:00 p.m. New York City time, from December 20, 2018;
- (iii) increasing the price of the Offer to \$0.16 per Interest, from \$0.133 per Interest (in each case, subject to certain deductions);
- (iv) reducing the number of Trust Interests sought in the Offer to 105,989,695 Trust Interests from 150,375,940 Trust Interests and the number of Partnership Interests sought in the Offer to 165,155,385 Partnership Interests from 225,563,910 Partnership Interests; and
- (v) providing holders of Interests with instructions for tendering by email, fax or over the Internet.

The Schedule TO, and all the information set forth in the Offer to Purchase, to the extent incorporated by reference therein, is hereby amended and supplemented as set forth below. Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Offer to Purchase.

ITEMS 1 – 11.

Items 1 through 11 of the Schedule TO are hereby amended and supplemented by adding the information set forth in the Supplement No. 1 to the Offer to Purchase, a copy of which is attached as Exhibit (a)(1)(H) to the Schedule TO.

ITEM 12.

Item 12 of the Schedule TO is hereby amended by the replacement of Exhibit (a)(1)(B), Exhibit (a)(1)(C), Exhibit (a)(1)(F) and Exhibit (d) (renumbered Exhibit (d)(1)) to the Schedule TO. Item 12 of the Schedule TO is further amended and supplemented hereby by the addition of the following exhibits:

- (a)(1)(H) Supplement No. 1 to the Offer to Purchase.
- (a)(1)(I) Supplemental Letter to Holders of Position Holder Trust Interests of Life Partners Position Holder Trust.
- (a)(1)(J) Supplemental Letter to Holders of IRA Partnership Interests of Life Partners IRA Holder Partnership, LLC.
- (a)(1)(K) Images of Web Pages for Tendering Interests Over the Internet (to be filed by amendment).

- (a)(1)(L) Text of Email to Interest Holders from Sanford Scott & Company LLC.
- (a)(1)(M) Press Release Regarding Extension and Amendment of the Offer, dated December 20, 2018.
- (d)(1) Amended and Restated Assignee's Notice of Assignment and Assumption, and Indemnity Agreement — Tender Offer, dated December 20, 2018 between Life Settlement Liquidity Option, LLC, CFunds Life Settlement, LLC, Life Partners Position Holder Trust and Life Partners IRA Holder Partnership, LLC.
- (d)(2) Letter Agreement — Tender Offer, dated December 20, 2018, between Life Settlement Liquidity Option, LLC and CFunds Life Settlement, LLC.

Signatures

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: December 20, 2018

LIFE SETTLEMENT LIQUIDITY OPTION, LLC

By: Anchorage Capital Group, L.L.C., as investment manager

By: /s/ Jason A. Cohen

Jason A. Cohen

ANCHORAGE ILLIQUID OPPORTUNITIES MASTER VI (B), L.P.

By: Anchorage Capital Group, L.L.C., as investment manager

By: /s/ Jason A. Cohen

Jason A. Cohen

ANCHORAGE IO GP VI (B), L.L.C.

By: Anchorage Capital Group, L.L.C., as investment manager

By: /s/ Jason A. Cohen

Jason A. Cohen

ANCHORAGE CAPITAL GROUP, L.L.C.

By: /s/ Jason A. Cohen

Jason A. Cohen

CFUNDS LIFE SETTLEMENT, LLC

By: Contrarian Funds, L.L.C., as sole member

By: /s/ Gina N. Scianni

Gina N. Scianni

CONTRARIAN FUNDS, L.L.C.

By: /s/ Gina N. Scianni

Gina N. Scianni

CONTRARIAN CAPITAL MANAGEMENT, L.L.C.

By: /s/ Gina N. Scianni

Gina N. Scianni

EXHIBIT INDEX

Exhibit Number	Description
(a)(1)(A)	Offer to Purchase, dated November 13, 2018.*
(a)(1)(B)	Assignment Form for Position Holder Trust Interests (Revised).
(a)(1)(C)	Assignment Form for IRA Partnership Interests (Revised).
(a)(1)(D)	Letter to Holders of Position Holder Trust Interests of Life Partners Position Holder Trust.*
(a)(1)(E)	Letter to Holders of IRA Partnership Interests of Life Partners IRA Holder Partnership, LLC.*
(a)(1)(F)	Frequently Asked Questions Appearing on the Website of the Offerors (Revised).
(a)(1)(G)	Press Release Regarding Extension of the Offer, dated December 17, 2018.*
(a)(1)(H)	Supplement No. 1 to the Offer to Purchase.
(a)(1)(I)	Supplemental Letter to Holders of Position Holder Trust Interests of Life Partners Position Holder Trust.
(a)(1)(J)	Supplemental Letter to Holders of IRA Partnership Interests of Life Partners IRA Holder Partnership, LLC.
(a)(1)(K)	Images of Web Pages for Tendering Interests Over the Internet.**
(a)(1)(L)	Text of Email to Interest Holders from Sanford Scott & Company LLC.
(a)(1)(M)	Press Release Regarding Extension and Amendment of the Offer, dated December 20, 2018.
(a)(2)	None.
(a)(3)	None.
(a)(4)	None.
(a)(5)	None.
(b)	None.
(d)(1)	Amended and Restated Assignee's Notice of Assignment and Assumption, and Indemnity Agreement — Tender Offer, dated December 20, 2018, between Life Settlement Liquidity Option, LLC, CFunds Life Settlement, LLC, Life Partners Position Holder Trust and Life Partners IRA Holder Partnership, LLC.
(d)(2)	Letter Agreement — Tender Offer, dated December 20, 2018, between Life Settlement Liquidity Option, LLC and CFunds Life Settlement, LLC.
(g)	None.
(h)	None.

* Previously filed.

** To be filed by amendment.

**OFFER TO PURCHASE
UP TO 105,989,695
POSITION HOLDER TRUST INTERESTS OF
LIFE PARTNERS POSITION HOLDER TRUST
\$0.16 PER INTEREST IN CASH
BY LIFE SETTLEMENT LIQUIDITY OPTION, LLC
AND CFUNDS LIFE SETTLEMENT, LLC**

ASSIGNMENT FORM (REVISED)

Position Holder Trust Beneficiary	
Name of Holder:	
Capacity (Title) of Authorized Representative (if applicable):	
Signature:	
Date:	
Tax Identification Number:	
Email Address:	
Telephone Number:	
Co-Owner (if applicable)	
Name:	
Signature:	
Date:	
Tax Identification Number:	

Number of Position Holder Trust Interests (Interests)	
Number of Interests Held:	
Number of Interests Being Tendered, Sold and Assigned:	
Note: If you execute this Assignment Form, but do not specify the number of Interests to be tendered, sold and assigned, you will be deemed to have elected to tender, sell and assign <u>all</u> of the Interests that you own.	

☐ THE HOLDERS OF POSITION HOLDER TRUST INTERESTS:

This Assignment Form is to be used to participate in the Offer of Life Settlement Liquidity Option, LLC (the "Anchorage Offeror") and CFunds Life Settlement, LLC (the "Contrarian Offeror") (together referred to as "Offerors") to acquire up to 105,989,695 Position Holder Trust Interests (referred to as "Interests") of the Life Partners Position Holder Trust (referred to as the "Trust") for a cash amount of \$0.16 per Interest (subject to certain deductions). By signing this Assignment Form in the place(s) provided above, you are agreeing to tender, sell and assign to Offerors the number of Interests that you specify above (or if you do not specify a number of Interests, all of the Interests that you hold) to Offerors. In order to receive payment for your Interests, your executed Assignment Form (and any other required documents) must be received by the Depositary for the Offer no later than 5:00 p.m. New York City time on Friday, January 18, 2019. You should also complete a Substitute Form W-9, in the form provided, or other appropriate tax form to prevent backup withholding. See paragraph 6 below.

The address for delivery of the Assignment Form (and any other required documents) is:

If delivering by mail:
Computershare Trust Company, N.A.
Attn: Corporate Actions
P.O. Box 43011
Providence, RI 02940

If delivering by overnight or courier:
Computershare Trust Company, N.A.
Attn: Corporate Actions
250 Royall St — Suite V
Canton, MA 02021

For your convenience, a self-addressed envelope was previously included for use in returning the Assignment Form (and any other required documents) to the Depository.

Delivery of this Assignment Form or any other required documents to an address other than as set forth above does not constitute valid delivery.

You may also deliver your Assignment Form by fax or by email to CFunds Life Settlement, LLC, which will forward it to the Depository. If you are delivering your Assignment Form by fax or email, you should do so as follows:

If delivering by fax, send to:
Fax No.: 203-485-5910
Reference: Life Partners Tender Offer

If delivering by email, send to:
Rhoda Freeman
at Freeman@contrariancapital.com
—or—
John Bright
at JBright@contrariancapital.com

The method of delivery of all documents is at the election and risk of the tendering Interest holder.

By signing and returning this Assignment Form, you acknowledge, represent, warrant and agree as follows:

1. Offer to Purchase. You understand that the Offer is being made in accordance with the Offer to Purchase, dated November 13, 2018, as supplemented by Supplement No. 1 to the Offer to Purchase, dated December 20, 2018 (with references to the Offer to Purchase herein being deemed to include such Supplement), of Offerors. The Offer is subject to the terms and conditions that are set forth in the Offer to Purchase. You acknowledge that you have received the Offer to Purchase and that you have had an opportunity to read the Offer to Purchase, and to discuss the Offer and the Offer to Purchase with your advisors, if you chose to do so.
2. Acceptance for Payment. Provided that the conditions to the Offer are satisfied, Offerors will accept the Interests that you tender for payment following expiration of the Offer, as described in the Offer to Purchase. The number of Interests that you are tendering is set forth by you in the space provided above, but if you sign the Assignment Form and do not specify the number of Interests, you will be deemed to have tendered all of the Interests that you hold. If the Offer is oversubscribed with respect to the Interests, the Interests we accept for payment from you and all other tendering holders will be prorated.
3. Sale of the Interests. You agree and acknowledge that, effective upon acceptance for payment by Offerors of the Interests that you are tendering as provided in the Offer to Purchase, you are selling, assigning and transferring all ownership, rights and interests in and to tendered Interests as of such date, notwithstanding that the recordation of transfer may not occur until a later date in accordance with the practices and procedures of the Trust. You further agree and acknowledge that if the conditions to the Offer are satisfied and the Offer is consummated, you will be deemed to have assigned your tendered Interests to the Anchorage Offeror and the Contrarian Offeror in such proportion or amounts as they have determined between themselves, and that you authorize the Anchorage Offeror and the Contrarian Offeror, and each of them, to direct the Trustee to record, or cause to be recorded, on the books and records of the Trust, the assignment of the tendered Interests to such of the Anchorage Offeror or the Contrarian Offeror as they, or any of them, directs.

4. Ownership of Interests. You represent, warrant, covenant and agree:
- that you own the Interests that you are tendering of record and beneficially and that you have not previously sold, assigned, factored or encumbered the Interests;
 - that you have full power and authority to validly tender, sell, assign, and transfer the Interests that you are tendering;
 - that when the tendered Interests are purchased by Offerors, no person will have the right to assert a claim of any kind against Offerors with respect to the Interests, including (but not limited to) any claim by way of a lien, charge or other encumbrance or any claim of beneficial ownership, option or other right that you may have granted with respect to the Interests;
 - that, if you are submitting this Assignment Form in a representative capacity, for example as an officer of a corporation or a trustee of a trust, you have provided a true and accurate statement of your capacity and you are fully authorized to submit this Assignment Form in that capacity;
 - that in connection with the sale and assignment of your tendered Interests, you are also selling and assigning all claims, causes of action, or other rights that you may have with respect to your tendered Interests;
 - that you will take no action to sell, assign or transfer the Interests that you tender and that have been accepted for payment to any person other than the Offerors, notwithstanding that the recordation of assignment of the Interests to the Offerors may not occur until a later date, and any such sale, assignment or transfer shall be null, void and of no effect;
 - that, in so far as to the extent that you owe any premiums, fees or catchup payments to the Trust, or any agent acting on behalf of the Trust, in respect of any of your tendered Interests, by your tender thereof, you are authorizing and directing Offerors to apply the requisite portion of the purchase price for the tendered Interests to the payment and discharge of such premiums, fees or catchup payments on your behalf; and
 - that the Offerors shall not assume any obligations or liabilities, including, without limitation, any premiums, fees, or catchup payments, to the Debtors, Trust, Partnership, or any third party in respect of the Interests (other than to pay amounts deducted from the purchase price as aforesaid).
5. Payment. You understand that payment for your tendered Interests will be made by check mailed to you at your address set forth on the books and records of the Trust. If you think that address may be in error, you should promptly contact the Trust to assure that the books and records of the Trust reflect your correct address. Payment will be made as promptly as practicable following expiration of the Offer, in accordance with the requirements of the federal securities laws.
6. Substitute Form W-9. If you do not complete the Substitute Form W-9 provided below, Offerors may be required to withhold, pursuant to the rules and regulations of the Internal Revenue Service, up to 24% of the payment to which you are entitled. For instructions on completing the Substitute Form W-9, see <https://www.irs.gov/instructions/iw9>. If you are not a United States person, in order to avoid withholding of any portion of the payment to which you are entitled, you will be required to complete the appropriate Form W-8. For information on obtaining and completing the appropriate Form W-8, please see <https://www.irs.gov/pub/irs-pdf/iw8.pdf>.
7. Power of Attorney. Upon acceptance of the Interests for payment, you irrevocably constitute and appoint Offerors or their designees, each with full power of substitution, as your agent and attorney in-fact with respect to your tendered Interests, with full power of substitution, to deliver the Interests to the Trust for transfer, and to transfer ownership of such Interests on the books and records of the Trust, together with all accompanying evidence of transfer and authenticity; to change the address of record for distributions with respect to the tendered Interests to the address

of such of the Anchorage Offeror or Contrarian Offeror as they, or either of them, shall direct, as provided in paragraph 3 above; and for such Offeror to receive all benefits, and otherwise exercise all rights of beneficial ownership of the tendered Interests, all in accordance with the terms of the Offer. You understand that this power of attorney is an irrevocable power coupled with an interest.

8. Revocation of Proxies and Consents. You agree and represent that all prior powers of attorney, proxies and consents that you may have given with respect to the tendered Interests will be revoked with respect to Interests accepted by us for payment, and that you will give no subsequent powers of attorney, proxies or consents (and if given will not be deemed effective).
9. Assignment of Distributions. By executing this Assignment Form, you assign to such of the Anchorage Offeror or Contrarian Offeror as they, or either of them, shall direct, as provided in paragraph 3 above, all of your rights to receive dividends, distributions and other remittances from the Trust, or any other sources, with respect to the tendered Interests that are paid based on a record date occurring from and after the time of acceptance of the Interests for payment pursuant to the Offer, even if the assignment of the Interests has not been recorded on the register of ownership maintained on behalf of the Trust for this purpose.
10. Exculpation. You agree to exculpate, and to waive and release any claims or causes of action you may have against, the Trust, the board members of the Trust, the trustee of the Trust, counsel to the Trust, and Vida Capital, Inc., and Magna Servicing LLC, servicers for the Trust, and their respective affiliates, that relate to your sale, assignment and transfer of the tendered Interests or any other actions contemplated by this Assignment Form. You acknowledge that each of these persons is a beneficiary of this exculpation, waiver and release and may enforce this exculpation, waiver and release independently from Offerors. You are not, however, waiving any non-waivable claims you may have under applicable federal and state securities laws.
11. Further Documents. Upon request, you agree to execute and deliver any additional documents that Offerors believe are necessary or desirable to complete the assignment, transfer, and purchase of such Interests. In particular, if you are executing this Assignment Form in a representative capacity or as an attorney-in-fact, you may be required upon request of Offerors to furnish documentary evidence of your authority to do so. For example, if you are signing as an officer of a corporation, you may be required to submit an officer's certificate to evidence your authority. If you are signing as a trustee of a trust, you may be required to submit a certificate of incumbency.
12. Binding Agreement. You understand that a tender of Interests to Offerors, and this Assignment Form, constitute a binding agreement between you and Offerors upon the terms, and subject to the conditions, that are described in the Offer to Purchase and this Assignment Form.
13. Survival. All the authority that you are conferring or have agreed to confer in this Assignment Form, and all other agreements, representations, and warranted in this Assignment Form, will survive your death or incapacity, and all such authority, agreements, representations, and warranties will be binding upon your heirs, personal representatives, successors and assigns.
14. Arbitration. You and Offerors agree that any dispute or claim arising out of or related to this Assignment Form or the purchase of the tendered Interests will be resolved by binding arbitration in the City of New York, Borough of Manhattan, in accordance with the rules and procedures of the American Arbitration Association.
15. No Waiver. Each of you and Offerors are not waiving, and expressly reserve, any non-waivable rights it may have under federal or state securities laws, rules, and regulations.
16. Governing Law. The agreements in this Assignment Form will be interpreted, construed, and governed according to federal securities laws and the laws of the State of Texas, as applicable. All matters relating to arbitration will be governed by the Federal Arbitration Act.

LIFE SETTLEMENT LIQUIDITY OPTION, LLC
CFUNDS LIFE SETTLEMENT, LLC

SUBSTITUTE Form W-9 Department of the Treasury Internal Revenue Service Payer's Request for Taxpayer Identification Number ("TIN")	Part 1 — PLEASE PROVIDE YOUR TIN IN THE BOX AT THE RIGHT AND CERTIFY BY SIGNING AND DATING BELOW	<div style="border-bottom: 1px solid black; text-align: center;">Social Security Number(s)</div> <div style="text-align: center;">OR</div> <div style="border-bottom: 1px solid black; text-align: center;">Employer Identification Number(s)</div>
	Part 2 — Certifications — Under penalties of perjury, I certify that: (1) The number shown on this form is my correct Taxpayer Identification Number (or I am waiting for a number to be issued to me); (2) I am not subject to backup withholding because (a) I am exempt from backup withholding or (b) I have not been notified by the Internal Revenue Service (the "IRS") that I am subject to backup withholding as a result of a failure to report all interest or dividends or (c) the IRS has notified me that I am no longer subject to backup withholding; and (3) I am a U.S. person (including a U.S. resident alien)	Part 3 Exempt from Backup Withholding <input type="checkbox"/> Part 4 Awaiting TIN <input type="checkbox"/>
	Certification Instructions — You must cross out item (2) in Part 2 above if you have been notified by the IRS that you are subject to backup withholding because of underreporting interest or dividends on your tax returns. However, if after being notified by the IRS that you were subject to backup withholding you received another notification from the IRS stating you are no longer subject to backup withholding, do not cross out such item (2). If you are exempt from backup withholding, check the box in Part 3. Signature: Date: Name: (Please Type or Print) Address: City: State Zip Code:	

**COMPLETE THE FOLLOWING CERTIFICATE IF YOU CHECKED THE BOX IN PART 4 OF
SUBSTITUTE FORM W-9.**

CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a taxpayer identification number has not been issued to me and that either (1) I have mailed or delivered an application to receive a taxpayer identification number to the appropriate Internal Revenue Service Center or Social Security Administration Office or (2) I intend to mail or deliver an application in the near future. I understand that if I do not provide a taxpayer identification number to the Depository by the time of payment, 24% of all reportable payments made to me will be withheld.

Signature:

Date:

**NOTE: FAILURE TO COMPLETE AND RETURN THIS SUBSTITUTE FORM W-9 MAY RESULT
IN BACKUP WITHHOLDING OF 24% OF ANY PAYMENTS MADE TO YOU PURSUANT TO THE
OFFER.**

The Depository for the Offer is:



If delivering by mail:

Computershare Trust Company, N.A.
Attn: Corporate Actions
P.O. Box 43011
Providence, RI 02940

If delivering by overnight or courier:

Computershare Trust Company, N.A.
Attn: Corporate Actions
250 Royall St — Suite V
Canton, MA 02021

**DELIVERY WILL BE DEEMED MADE ONLY WHEN DOCUMENTS ARE ACTUALLY
RECEIVED BY THE DEPOSITARY. IF DELIVERY IS BY MAIL, IT IS RECOMMENDED THAT ALL
SUCH DOCUMENTS BE SENT BY REGISTERED MAIL WITH RETURN RECEIPT REQUESTED,
PROPERLY INSURED. IN ALL CASES, SUFFICIENT TIME SHOULD BE ALLOWED TO ENSURE
TIMELY DELIVERY.**

If you are delivering your Assignment Forms by fax or email to CFunds Life Settlement, LLC, you should do so as follows, and CFunds Life Settlement, LLC will forward your Assignment Form to the Depository:

If delivering by fax, send to:

Fax No.: 203-485-5910
Reference: Life Partners Tender Offer

If delivering by email, send to:

Rhoda Freeman
at Freeman@contrariancapital.com
—or—
John Bright
at JBright@contrariancapital.com

Any questions or requests for assistance or additional copies of the Offer to Purchase and this Assignment Form may be directed to the Information Agent at its telephone number and location listed below.

The Information Agent for the Offer is:



1290 Avenue of the Americas, 9th Floor
New York, NY 10104

Call Toll-Free: (866) 767-8986

**OFFER TO PURCHASE
UP TO 165,155,385
IRA PARTNERSHIP INTERESTS OF
LIFE PARTNERS IRA HOLDER PARTNERSHIP, LLC
\$0.16 PER INTEREST IN CASH
BY LIFE SETTLEMENT LIQUIDITY OPTION, LLC
AND CFUNDS LIFE SETTLEMENT, LLC**

ASSIGNMENT FORM (REVISED)

IRA Holder Partnership Beneficiary	
Name of IRA Holder (Beneficiary):	
Name of IRA Custodian:	
Capacity (Title) of Authorized Representative of IRA Custodian (if applicable):	
Signature on Behalf of IRA Custodian:	
Date:	
Tax Identification Number:	
Email Address of IRA Custodian:	
Telephone Number of IRA Custodian:	

Number of IRA Partnership Interests (Interests)	
Number of Interests Held:	
Number of Interests Being Tendered, Sold and Assigned:	
<p>Note: The IRA custodian must sign this Assignment Form on behalf of an individual retirement account.</p> <p><i>If you execute this Assignment Form, but do not specify the number of Interests to be tendered, sold and assigned, you will be deemed to have elected to tender, sell and assign <u>all</u> of the Interests that you own.</i></p>	

T ☐ THE HOLDERS OF IRA PARTNERSHIP INTERESTS:

This Assignment Form is to be used to participate in the Offer of Life Settlement Liquidity Option, LLC (the "Anchorage Offeror") and CFunds Life Settlement, LLC (the "Contrarian Offeror") (together referred to as Offerors) to acquire up to 165,155,385 IRA Partnership Interests (referred to as "Interests") of the Life Partners IRA Holder Partnership, LLC (referred to as the "Partnership") for a cash amount of \$0.16 per Interest (subject to certain deductions). By signing this Assignment Form in the place(s) provided above, you are agreeing to tender, sell and assign to Offerors the number of Interests that you specify above (or if you do not specify a number of Interests, all of the Interests that you hold) to Offerors. In order to receive payment for your Interests, your executed Assignment Form (and any other required documents) must be received by the Depositary for the Offer no later than 5:00 p.m. New York City time on Friday, January 18, 2019. You should also complete a Substitute Form W-9, in the form provided, or other appropriate tax form to prevent backup withholding. See paragraph 6 below.

The address for delivery of the Assignment Form (and any other required documents) is:

If delivering by mail:
Computershare Trust Company, N.A.
Attn: Corporate Actions
P.O. Box 43011
Providence, RI 02940

If delivering by overnight or courier:
Computershare Trust Company, N.A.
Attn: Corporate Actions
250 Royall St — Suite V
Canton, MA 02021

For your convenience, a self-addressed envelope was previously included for use in returning the Assignment Form (and any other required documents) to the Depository.

Delivery of this Assignment Form or any other required documents to an address other than as set forth above does not constitute valid delivery.

You may also deliver your Assignment Form by fax or by email to CFunds Life Settlement, LLC, which will forward it to the Depository. If you are delivering your Assignment Form by fax or email, you should do so as follows:

If delivering by fax, send to:
Fax No.: 203-485-5910
Reference: Life Partners Tender Offer

If delivering by email, send to:
Rhoda Freeman
at Freeman@contrariancapital.com
—or—
John Bright
at JBright@contrariancapital.com

The method of delivery of all documents is at the election and risk of the tendering Interest holder.

By signing and returning this Assignment Form, you acknowledge, represent, warrant and agree as follows:

1. Offer to Purchase. You understand that the Offer is being made in accordance with the Offer to Purchase, dated November 13, 2018, as supplemented by Supplement No. 1 to the Offer to Purchase, dated December 20, 2018 (with references to the Offer to Purchase herein being deemed to include such Supplement), of Offerors. The Offer is subject to the terms and conditions that are set forth in the Offer to Purchase. You acknowledge that you have received the Offer to Purchase and that you have had an opportunity to read the Offer to Purchase, and to discuss the Offer and the Offer to Purchase with your advisors, if you chose to do so.
2. Acceptance for Payment. Provided that the conditions to the Offer are satisfied, Offerors will accept the Interests that you tender for payment following expiration of the Offer, as described in the Offer to Purchase. The number of Interests that you are tendering is set forth by you in the space provided above, but if you sign the Assignment Form and do not specify the number of Interests, you will be deemed to have tendered all of the Interests that you hold. If the Offer is oversubscribed with respect to the Interests, the Interests we accept for payment from you and all other tendering holders will be prorated.
3. Sale of the Interests. You agree and acknowledge that, effective upon acceptance for payment by Offerors of the Interests that you are tendering as provided in the Offer to Purchase, you are selling, assigning and transferring all ownership, rights and interests in and to tendered Interests as of such date, notwithstanding that the recordation of transfer may not occur until a later date in accordance with the practices and procedures of the Partnership. You further agree and acknowledge that if the conditions to the Offer are satisfied and the Offer is consummated, you will be deemed to have assigned your tendered Interests to the Anchorage Offeror and the Contrarian Offeror in such proportion or amounts as they have determined between themselves, and that you authorize the Anchorage Offeror and the Contrarian Offeror, and each of them, to direct the Trustee to record, or cause to be recorded, on the books and records of the Trust, the assignment of the tendered Interests to such of the Anchorage Offeror or the Contrarian Offeror as they, or any of them, directs.

4. Ownership of Interests. You represent, warrant, covenant and agree:

- that you own the Interests that you are tendering of record and beneficially and that you have not previously sold, assigned, factored or otherwise encumbered the Interest;
- that you have full power and authority to validly tender, sell, assign, and transfer the Interests that you are tendering;
- that when the tendered Interests are purchased by Offerors, no person will have the right to assert a claim of any kind against Offerors with respect to the Interests, including (but not limited to) any claim by way of a lien, charge or other encumbrance or any claim of beneficial ownership, option or other right that you may have granted with respect to the Interests;
- that, if you are submitting this Assignment Form in a representative capacity, for example as an officer of a corporation or a trustee of a trust, you have provided a true and accurate statement of your capacity and you are fully authorized to submit this Assignment Form in that capacity;
- that in connection with the sale and assignment of your tendered Interests, you are also selling and assigning all claims, causes of action, or other rights that you may have with respect your tendered Interests;
- that you will take no action to sell, assign or transfer the Interests that you tender and that have been accepted for payment to any person other than the Offerors, notwithstanding that the recordation of assignment of the Interests to the Offerors may not occur until a later date, and any such sale, assignment or transfer shall be null, void and of no effect;
- that, in to the extent that you owe any premiums, fees or catchup payments to the Trust, or any agent acting on behalf of the Trust, in respect of any of your tendered Interests, by your tender thereof, you are authorizing and directing Offerors to apply the requisite portion of the purchase price for the tendered Interests to the payment and discharge of such premiums, fees or catchup payments on your behalf; and
- that the Offerors shall not assume any obligations or liabilities including, without limitation, any premiums, fees, or catchup payments, to the Debtors, Trust, Partnership, or any third party in respect of the Interests (other than to pay amounts deducted from the purchase price as aforesaid).

5. Payment. You understand that payment for your tendered Interests will be made by check mailed to you at your address set forth on the books and records of the Partnership. If the Interests are being tendered on behalf of an individual retirement account (IRA), the check for payment of the tendered Interests will only be mailed to the address of the IRA custodian. If you think your address, or the address of the IRA custodian, as applicable, may be in error, you should promptly contact the Partnership (or the Information Agent for the Offer) to assure that the books and records of the Trust reflect your correct address. Payment will be made as promptly as practicable following expiration of the Offer, in accordance with the requirements of the federal securities laws.

6. Substitute Form W-9. If you do not complete the Substitute Form W-9 provided below, Offerors may be required to withhold, pursuant to the rules and regulations of the Internal Revenue Service, up to 24% of the payment to which you are entitled. For instructions on completing the Substitute Form W-9, see <https://www.irs.gov/instructions/iw9>. If you are not a United States person, in order to avoid withholding of any portion of the payment to which you are entitled, you will be required to complete the appropriate Form W-8. For information on obtaining and completing the appropriate Form W-8, please see <https://www.irs.gov/pub/irs-pdf/iw8.pdf>. For Interests tendered that are held in an individual retirement fund account, only an IRA custodian, and not the beneficiary, may sign the applicable tax forms.

7. Power of Attorney. Upon acceptance of the Interests for payment, you irrevocably constitute and appoint Offerors or their designees, each with full power of substitution, as your agent and attorney in-fact with respect to your tendered Interests, with full power of substitution, to deliver the Interests to the Partnership for transfer, and to transfer ownership of such Interests on the books and records of the Partnership, together with all accompanying evidence of transfer and authenticity; to change the address of record for distributions with respect to the tendered Interests to the address of such of the Anchorage Offeror or Contrarian Offeror as they, or either of them, shall direct, as provided in paragraph 3 above; and for such Offeror to receive all benefits, and otherwise exercise all rights of beneficial ownership of the tendered Interests, all in accordance with the terms of the Offer. You understand that this power of attorney is an irrevocable power coupled with an interest.
8. Revocation of Proxies and Consents. You agree and represent that all prior powers of attorney, proxies and consents that you may have given with respect to the tendered Interests will be revoked with respect to Interests accepted by us for payment, and that you will give no subsequent powers of attorney, proxies or consents (and if given will not be deemed effective).
9. Assignment of Distributions. By executing this Assignment Form, you assign to such of the Anchorage Offeror or Contrarian Offeror as they, or either of them, shall direct, as provided in paragraph 3 above, all of your rights to receive dividends, distributions and other remittances from the Partnership, or any other sources, with respect to the tendered Interests that are paid based on a record date occurring from and after the time of acceptance of the Interests for payment pursuant to the Offer, even if the assignment of the Interests has not been recorded on the register of ownership maintained on behalf of the Partnership for this purpose.
10. Exculpation. You agree to exculpate, and to waive and release any claims or causes of action you may have against, the Partnership, the board members of the Partnership, the manager of the Partnership, counsel to the Partnership, and Vida Capital, Inc., and Magna Servicing LLC, servicers for the Partnership, and their respective affiliates, that relate to your sale, assignment and transfer of the tendered Interests or any other actions contemplated by this Assignment Form. You acknowledge that each of these persons is a beneficiary of this exculpation, waiver and release and may enforce this exculpation, waiver and release independently from Offerors. You are not, however, waiving any non-waivable claims you may have under applicable federal and state securities laws.
11. Further Documents. Upon request, you agree to execute and deliver any additional documents that Offerors believe are necessary or desirable to complete the assignment, transfer, and purchase of such Interests. In particular, if you are executing this Assignment Form in a representative capacity or as an attorney-in-fact, you may be required upon request of Offerors to furnish documentary evidence of your authority to do so. For example, if you are signing as an officer of a corporation, you may be required to submit an officer's certificate to evidence your authority. If you are signing as a trustee of a trust, you may be required to submit a certificate of incumbency.
12. Binding Agreement. You understand that a tender of Interests to Offerors, and this Assignment Form, constitute a binding agreement between you and Offerors upon the terms, and subject to the conditions, that are described in the Offer to Purchase and this Assignment Form.
13. Survival. All the authority that you are conferring or have agreed to confer in this Assignment Form, and all other agreements, representations, and warranted in this Assignment Form, will survive your death or incapacity, and all such authority, agreements, representations, and warranties will be binding upon your heirs, personal representatives, successors and assigns.
14. Arbitration. You and Offerors agree that any dispute or claim arising out of or related to this Assignment Form or the purchase of the tendered Interests will be resolved by binding arbitration in the City of New York, Borough of Manhattan, in accordance with the rules and procedures of the American Arbitration Association.

15. No Waiver. Each of you and Offerors are not waiving, and expressly reserve, any non-waivable rights it may have under federal or state securities laws, rules, and regulations.
16. Governing Law. The agreements in this Assignment Form will be interpreted, construed, and governed according to federal securities laws and the laws of the State of Texas, as applicable. All matters relating to arbitration will be governed by the Federal Arbitration Act.

LIFE SETTLEMENT LIQUIDITY OPTION, LLC
CFUNDS LIFE SETTLEMENT, LLC

SUBSTITUTE Form W-9 Department of the Treasury Internal Revenue Service Payer's Request for Taxpayer Identification Number ("TIN")	Part 1 — PLEASE PROVIDE YOUR TIN IN THE BOX AT THE RIGHT AND CERTIFY BY SIGNING AND DATING BELOW	<div style="border-bottom: 1px solid black; text-align: center;">Social Security Number(s)</div> <div style="text-align: center;">OR</div> <div style="border-bottom: 1px solid black; text-align: center;">Employer Identification Number(s)</div>
	Part 2 — Certifications — Under penalties of perjury, I certify that: (1) The number shown on this form is my correct Taxpayer Identification Number (or I am waiting for a number to be issued to me); (2) I am not subject to backup withholding because (a) I am exempt from backup withholding or (b) I have not been notified by the Internal Revenue Service (the "IRS") that I am subject to backup withholding as a result of a failure to report all interest or dividends or (c) the IRS has notified me that I am no longer subject to backup withholding; and (3) I am a U.S. person (including a U.S. resident alien)	Part 3 Exempt from Backup Withholding <input type="checkbox"/> Part 4 Awaiting TIN <input type="checkbox"/>
	Certification Instructions — You must cross out item (2) in Part 2 above if you have been notified by the IRS that you are subject to backup withholding because of underreporting interest or dividends on your tax returns. However, if after being notified by the IRS that you were subject to backup withholding you received another notification from the IRS stating you are no longer subject to backup withholding, do not cross out such item (2). If you are exempt from backup withholding, check the box in Part 3. Signature: Date: Name: (Please Type or Print) Address: City: State Zip Code:	

**COMPLETE THE FOLLOWING CERTIFICATE IF YOU CHECKED THE BOX IN PART 4 OF
SUBSTITUTE FORM W-9.**

CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a taxpayer identification number has not been issued to me and that either (1) I have mailed or delivered an application to receive a taxpayer identification number to the appropriate Internal Revenue Service Center or Social Security Administration Office or (2) I intend to mail or deliver an application in the near future. I understand that if I do not provide a taxpayer identification number to the Depository by the time of payment, 24% of all reportable payments made to me will be withheld.

Signature:

Date:

**NOTE: FAILURE TO COMPLETE AND RETURN THIS SUBSTITUTE FORM W-9 MAY RESULT
IN BACKUP WITHHOLDING OF 24% OF ANY PAYMENTS MADE TO YOU PURSUANT TO THE
OFFER.**

The Depository for the Offer is:



If delivering by mail:

Computershare Trust Company, N.A.
Attn: Corporate Actions
P.O. Box 43011
Providence, RI 02940

If delivering by overnight or courier:

Computershare Trust Company, N.A.
Attn: Corporate Actions
250 Royall St — Suite V
Canton, MA 02021

**DELIVERY WILL BE DEEMED MADE ONLY WHEN DOCUMENTS ARE ACTUALLY
RECEIVED BY THE DEPOSITARY. IF DELIVERY IS BY MAIL, IT IS RECOMMENDED THAT ALL
SUCH DOCUMENTS BE SENT BY REGISTERED MAIL WITH RETURN RECEIPT REQUESTED,
PROPERLY INSURED. IN ALL CASES, SUFFICIENT TIME SHOULD BE ALLOWED TO ENSURE
TIMELY DELIVERY.**

If you are delivering your Assignment Forms by fax or email to CFunds Life Settlement, LLC, you should do so as follows, and CFunds Life Settlement, LLC will forward your Assignment Form to the Depository:

If delivering by fax, send to:

Fax No.: 203-485-5910
Reference: Life Partners Tender Offer

If delivering by email, send to:

Rhoda Freeman
at Freeman@contrariancapital.com
—or—
John Bright
at JBright@contrariancapital.com

Any questions or requests for assistance or additional copies of the Offer to Purchase and this Assignment Form may be directed to the Information Agent at its telephone number and location listed below.

The Information Agent for the Offer is:



1290 Avenue of the Americas, 9th Floor
New York, NY 10104

Call Toll-Free: (866) 767-8986

**Frequently Asked Questions (Revised) for the
Offer to Purchase Interests in
Life Partners Liquidating Trust and
Life Partners IRA Holders Partnership, L.L.C.**

Why did you receive materials from Life Settlement Liquidity Option LLC and CFunds Life Settlement, LLC?

You received materials because you hold an Interest in the Life Partners Liquidating Trust, referred to as the Trust, and/or Life Partners IRA Holders Partnership, L.L.C., referred to as the Partnership.

Life Settlement Liquidity Option, LLC and CFunds Life Settlement, LLC are participating in tender offers to acquire interests in the Trust, which are referred to as Trust Interests, and interests in the Partnership, which are referred to as Partnership Interests. Together, they are referred to as the Interests.

(You may sometimes see the Interests in the Trust and the Partnership referred to as Units. These are the same as the Interests referred to in the materials you have received.)

Who Is Life Settlement Liquidity Option, LLC?

Life Settlement Liquidity Option, LLC is a Delaware limited liability company formed for the purpose of acquiring the Interests. In the materials you have received, Life Settlement Liquidity Option, LLC is referred to as the Anchorage Offeror.

The Anchorage Offeror is directly owned by Anchorage Illiquid Opportunities Master (VI) B, L.P.

The investment manager of the Anchorage Offeror is Anchorage Capital Group, L.L.C., which as of June 30, 2018 had total assets under management of approximately \$16.5 billion, including assets of the Anchorage Illiquid Opportunities VI Funds and other investment funds.

Who is CFunds Life Settlement, LLC?

CFunds Life Settlement, LLC is a Delaware limited liability company formed for the purpose of acquiring the Interests. In the materials you have received, CFunds Life Settlement, LLC is referred to as the Contrarian Offeror.

Contrarian Funds, L.L.C. (referred to as the Contrarian Parent) is a Delaware limited liability company and sole member of the Contrarian Offeror. Contrarian Capital Management, L.L.C. is a Delaware limited liability company that is an SEC registered investment advisor and manager of the Contrarian Parent. As of June 30, 2018, Contrarian Capital Management, L.L.C. had total assets under management of approximately \$5.2 billion.

The words “we” or “us” are used to refer to the Anchorage Offeror, the Contrarian Offeror and their respective parents.

What are the Trust and the Partnership?

The Trust and the Partnership were created by the Bankruptcy Court for the Northern District of Texas to satisfy the claims of creditors in the reorganization of Life Partners, Inc. Life Partners, Inc. was a specialty financial services company engaged in the business of purchasing individual life insurance policies from third parties by raising money from the offer and sale to investors of “fractional interests” in such policies.

You may hold either Trust Interests or Partnership Interests or both.

What Is the Offer?

The Offer refers to both the offer to purchase the Trust Interests and the offer to purchase the Partnership Interests.

We are offering to purchase up to 105,989,695 Trust Interests and up to 165,155,385 Partnership Interests.

The Offer was amended on December 20, 2018 with the addition of the Contrarian Offeror as a bidder and certain other changes discussed below.

How are you affected by the addition of the Contrarian Offeror as a bidder in the Offer?

Other than certain changes to the terms of the Offer described below, the fact that the Contrarian Offeror is now a bidder should not affect your rights under the Offer. The Anchorage Offeror and its parent continue to stand behind the payment obligations under the Offer, and they have adequate resources to pay in full the purchase price for the Interests tendered in the Offer and the expenses of the Offer. By the Contrarian Offeror becoming a bidder, it and its parent will be similarly obligated.

If you tender your Interests, subject to the satisfaction of the conditions to the Offer, you will be deemed to have assigned your Interests to the Anchorage Offeror and the Contrarian Offeror according to the allocations to which they have agreed between them. These allocations will have no effect on your rights to receive payment for the Interests that you tender in the Offer, if the conditions to the Offer are satisfied and the Offer closes.

What happened to the tender offers that were previously conducted by the Contrarian Parent?

The tender offers that were previously commenced by the Contrarian Parent have been terminated.

What happens if you have already tendered your Interests in the Offer?

If you have already submitted, and not withdrawn, an Assignment Form to tender your Interests in the Offer, you do not need to take any further action. We will treat your tender of those Interests as tenders into the Offer under the new terms of the Offer contained in Supplement No. 1 to the Offer to Purchase.

If you have tendered into the terminated Contrarian offers, or you tendered into the Offer and then withdrew your tender, your tender will be of no effect. If you wish to tender into the pending Offer, you must re-tender.

What are the materials that you initially received in connection with the Offer?

You should have initially received four documents and a self-addressed envelope:

- An Offer to Purchase, which was prepared by us, describes the Offer and includes information that we are required to furnish to you by law in connection with the Offer.
- A Schedule 14D-9 Solicitation/Recommendation Statement, which was prepared by the Trust and the Partnership, and informs you of the position that the Trust and the Partnership are taking with respect to the Offer.
- An applicable Assignment Form that you must complete (whether using a physical form or the equivalent procedures for Internet tenders) in order to tender your Interests in the Offer.
- A cover letter that briefly describes the Offer and the procedures for tendering your Interests in the Offer.

The self-addressed envelope may be used for physically returning the Assignment Form to the Depositary.

If you own both Trust Interests and Partnership Interests, you should have received two packets of materials, one for the tender offer for the Trust Interests and one for the tender offer for the Partnership Interests.

You should note that the Assignment Forms are different for each of the tender offers. The WHITE Assignment Form should be used to tender Trust Interests. The YELLOW Assignment Form should be used to tender Partnership Interests.

Why are you receiving a supplemental package of materials?

You are receiving a supplemental package of materials because we have made certain changes to the terms of the Offer. These changes include:

- The Contrarian Offeror has joined the Anchorage Offeror in making the Offer and has terminated its own tender offers for Interests.
- The offer price has been increased to **\$0.16 per Interest** from \$0.133 per Interest, subject to certain deductions.
- The maximum size of the Offer has been reduced to 105,989,695 Trust Interests from 150,375,940 Trust Interests and to 165,155,385 Partnership Interests from 225,563,910 Partnership Interests.
- The expiration date for the tender offers has been extended to 5:00 p.m. New York City time on Friday, January 18, 2019.
- Interest holders will now be able to tender their Interest by fax, email or over the Internet.

The supplemental package consists of a Supplement No. 1 to the Offer to Purchase and a Supplemental Letter.

The Supplemental Letter describes the changes to the Offer. It also explains how you may tender your Interests by fax or email, or over the Internet (and contains certain codes that you will need in order to tender over the Internet).

Will you be receiving revised Assignment Forms to reflect the changes to terms of the Offer?

No. We have revised the Assignment Forms and posted them to our website, but we will not be mailing the revised Assignment Forms. You may use the original Assignment Forms to tender your Interests, even though those Assignment Forms do not reflect the changes to the terms of the Offer. Even if you use the original Assignment Forms, you will be deemed to be tendering on the basis of the revised terms of the Offer and the representations, warranties, covenants and agreements contained in the revised Assignment Forms.

If you wish, you can also use the revised Assignment Forms to tender your Interests. The revised Assignment Forms may be downloaded from our website at www.lifepartnerstender.com. However, they will not be pre-populated with your specific information.

What will happen if more Interests are tendered than we are offering to purchase?

If more Interests are tendered than we are offering to purchase, we will acquire the Interests on a prorated basis. This means we will calculate a proration factor equal to the number of Interests we are offering to purchase divided by the number of Interests tendered, and we will purchase from you a number of Interests equal to the number of Interests you have tendered multiplied by the proration factor. We will do this separately for the Trust Interests and the Partnership Interests.

As described in the Offer to Purchase, we may increase the size of the Offer. If we do so and the Offer is still oversubscribed, the proration factors will be calculated based on the increased size of the Offer.

What are we offering to pay for the Interests in the Offer?

We are offering to pay you \$0.16 per Interest (subject to certain deductions) for both the Trust Interests and Partnership Interests.

We will pay the purchase price in cash, and payment will be made promptly following expiration of the Offer, in accordance with applicable law.

Could any deductions be made from the purchase price in the Offer?

Yes, we may make certain deductions. We will deduct from the purchase price any taxes that we are required to withhold. (To prevent tax withholding, you should follow the instructions on the Assignment Form or in the Internet tender procedures.) We will also deduct the amount of any distributions that you receive on account of the Trust Interests or the Partnership Interests that we purchase with a record date between the start and end of the period of the Offer, although we do not expect there to be any distributions.

In addition, we may deduct from the purchase price any premiums, fees, and catch-up payments that you may owe to the Trust or the Partnership or their agents in respect of any of the Interests you tender. By your tender of your Interests, you are authorizing us to do so. Unless these obligations are discharged, you will not be able to tender your Interests free and clear of any encumbrance as we are requiring, and the Interests we are acquiring would be subject to deductions from distributions that we may receive in the future. Accordingly, if you owe any such premiums, fees and catch-up payment, we intend to discharge those obligations upon the consummation of the Offer by paying to the Trust or the Partnership, as the case may be, the amounts that you owe out of the purchase price payment that would otherwise be made to you.

Will you have to pay brokerage commissions if you tender your Interests?

No. You will not have to pay brokerage commissions or similar expenses.

How long do you have to tender your Interests?

You may tender your Interests until the Offer expires. The Offer will expire at 5:00 p.m. New York City time on Friday, January 18, 2019, unless we extend it.

What are the procedures for tendering Interests?

You may tender your Interests (i) by mail or hand or courier delivery of a physical Assignment Form to the Depositary for the Offer; (ii) by fax or by email of a physical Assignment Form to the Contrarian Offeror for forwarding to the Depositary; or (iii) by following the procedures for tendering over the Internet using a web version of the Assignment Form.

In every case, the appropriate Assignment Form must be received by the Depositary before the expiration date of the Offer. A tender of Interests over the Internet will be deemed delivered to the Depositary upon submission.

How do you tender your Interests using a physical Assignment Form?

If you are tendering using a physical Assignment Form, the WHITE Assignment Form should be used to tender the Trust Interests, and the YELLOW Assignment Form should be used to tender the Partnership Interests. If you hold and wish to tender both your Trust Interests and your Partnership Interests, you must complete a separate Assignment Form for each. The appropriate Assignment Form must be received by the Depositary for the Offer no later than the expiration time of the Offer.

How do you deliver a physical Assignment Form directly to the Depositary?

If you are mailing or hand delivering the Assignment Forms, they should be delivered to:

If delivering by mail:

Computershare Trust Company, N.A.
Attn: Corporate Actions
P.O. Box 43011
Providence, RI 02940

If delivering by hand, overnight or courier:

Computershare Trust Company, N.A.
Attn: Corporate Actions
250 Royall St — Suite V
Canton, MA 02021

How do you deliver a physical Assignment Form by fax or email?

You may deliver your Assignment Form by fax or email to CFunds Life Settlement, LLC, which will forward it to the Depositary.

If delivering by fax, send to:

CFunds Life Settlement, LLC
Reference: Life Partner Tender Offer
203-485-5910

If delivering by email, send to:

CFunds Life Settlement, LLC
Rhoda Freeman at freeman@contrariancapital.com
John Bright at jbright@contrariancapital.com

How do you tender your Interests over the Internet?

In order to tender your interests over the Internet, you must first go to the Home page of the website www.lifepartnerstender.com. On the Home page, you should click on "If you wish to tender click here" towards the top of the page.

By clicking on "If you wish to tender click here", you will be directed to a page on which to enter the Account Code and Security Key that appears in the Supplemental Letter that you received. After entering the Account Code and Security Key, you will be directed to a page titled "Assignment Form".

In order to tender your Interests, you will be required to complete the information in the web form on the "Assignment Form" page. This information is similar to the information required to be completed if you were filling out the appropriate Assignment Form. In particular, you will be requested to indicate the number of Interests that you are tendering, but if you do not indicate a number of Interests, and you otherwise complete submit your web form, you will be deemed to have tendered all of your Interests.

By submitting your web form, you will be deemed to represent that you have received the tender offer materials, including the Offer to Purchase, the Supplement No. 1, the Schedule 14D-9 and the appropriate Assignment Form. You will also be deemed to acknowledge that your tender is subject to all the terms and conditions contained in the Offer to Purchase and the relevant Assignment Form. If you are tendering in a representative capacity, you may be required to indicate your capacity and to represent that you are authorized to act in that capacity.

In order to properly tender your Interests over the Internet, your submission must be made no later than the expiration time for the Offer.

Beside the procedures described above, what else do you need to tender your Interests?

You do not need to do anything else.

However, if you are signing the Assignment Form in a representative capacity, such as an officer of a corporation or the trustee of a trust, you may be requested to submit evidence of your authority. For example, an officer may be required to submit an officer's certificate; a trustee may be required to submit an incumbency certificate. A form of officer's/incumbency certificate is available on the website for your convenience. To locate this form, go to the home page and click "Documents."

This is not the only way to evidence your authority. Other evidence in the reasonable discretion of Offeror will also be acceptable.

A representative of the Offerors will contact you if evidence of authority is required.

You should also note that the Interests are not certificated. You do not have to submit any certificate representing your Interests.

Are there any special provisions applicable to Interests held in an individual retirement account (IRA)?

Yes. Only the IRA custodian can execute an Assignment Form on behalf of an individual retirement account. Execution by the beneficiary will not be valid. Also, checks for the purchase price of tendered interests held in an individual retirement account can only be mailed to the IRA custodian. If you are the beneficiary of an IRA and you believe the Trust or the Partnership may not have an accurate address for your IRA custodian, you should contact the Information Agent for the Offer.

Do you need to tender all of your Interests?

No. The Assignment Forms and the Internet tender procedures allow you to specify the number of Interests that you wish to tender. If you submit an Assignment Form or complete the Internet tender procedures without specifying the number of Interests you are tendering, you will be deemed to have tendered all your Interests of the particular type in the Offer.

If you decide not to tender, how will the Offer affect you?

If you decide not to tender your Interests, you will be unaffected by the Offer. You will still own the same amount of Interests, and the number of Interests outstanding will not change.

How will the Offer affect any fractional interests that I own?

If you own fractional interests in life insurance policies held by the Trust, your fractional interests will not be affected by the Offer.

How can you withdraw your tender of Interests?

You may withdraw your tender of Interests at any time prior to the expiration of the Offer. In order to withdraw your tender, you must send a written notice of withdrawal to the Depositary for the Offer, specifying the name of the person having tendered the Interests to be withdrawn and the type and number of the Interests to be withdrawn. The notice must be received by the Depositary at its address specified on the back page of the Offer to Purchase prior to the expiration of the Offer.

The procedures for withdrawal of a tender of Interests are the same whether the tender was made using a physical Assignment Form (by mail, hand or courier or by fax or email) or whether the tender was made over the Internet.

Where can you find more information about the Trust and the Partnership?

Each of the Trust and the Partnership is subject to the informational requirements of the Securities and Exchange Commission (SEC). The SEC maintains a web site that contains annual and quarterly reports and other information filed electronically by the Trust and Partnership. You can find those reports and other information on the SEC's website, <http://www.sec.gov>.

Where can you get more information about the Offer?

To get additional information regarding the Offer, you should read the Offer to Purchase and the Supplement No. 1 to the Offer to Purchase. To read about the position that the Trust and the Partnership are taking with respect to the Offer, see the Schedule 14D-9, as amended. All of these documents have been sent to you, as noted above.

What if you need assistance?

If you still have questions or require assistance, you may contact Georgeson LLC, which is serving as Information Agent for the Offer. The Information Agent can be reached at:



1290 Avenue of the Americas, 9th Floor
New York, NY 10104
Call Toll-Free: (866) 767-8986

**Supplement No. 1 to
Offer to Purchase
Up to 105,989,695
Position Holder Trust Interests of
Life Partners Position Holder Trust
and
Up to 165,155,385
IRA Partnership Interests of
Life Partners IRA Holder Partnership, LLC
for
\$0.16 Per Interest in Cash
by
Life Settlement Liquidity Option, LLC
a wholly-owned subsidiary of
Anchorage Illiquid Opportunities Master VI (B), L.P.
and
CFunds Life Settlement, LLC
a wholly-owned subsidiary of
Contrarian Funds, LLC**

**THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY
TIME, ON FRIDAY, JANUARY 18, 2019, UNLESS THE OFFER IS EXTENDED.**

The date of this Supplement No. 1 to the Offer to Purchase is December 20, 2018.

Life Settlement Liquidity Option, LLC is referred to as the "Anchorage Offeror," and CFunds Life Settlement, LLC is referred to as the "Contrarian Offeror." The Anchorage Offeror and the Contrarian Offeror, together referred to as the "Offerors," hereby amend and supplement the tender offers to purchase a portion of the outstanding position holder trust interests, referred to as "Trust Interests," of Life Partners Position Holder Trust, a trust organized under the laws of the State of Texas, referred to as the "Trust," and a portion of the outstanding IRA Partnership Interests (referred to as the "Partnership Interests") of Life Partners IRA Holder Partnership, LLC, a Texas limited liability company (referred to as the "Partnership"). The Trust Interests and the Partnership Interests are sometimes together referred to as the "Interests." The Offer to Purchase, dated as of November 13, 2018, referred to as the "Offer to Purchase," is hereby supplemented by this Supplement No. 1 to the Offer to Purchase, referred to as this "Supplement No. 1." This Supplement No. 1, together with the Offer to Purchase and the related Assignment Forms, as they may be amended and supplemented from time to time, are referred to as the "Offer."

The information and terms and conditions of the Offer set forth in the Offer to Purchase remain applicable in all respects to the Offer, except to the extent modified by this Supplement No. 1. Where information in the Offer to Purchase is in conflict with, is supplemented by or replaced by information in this Supplement No. 1, the information provided in this Supplement No. 1 will govern.

Regardless of whether we specifically address each occurrence herein, references to "Offeror" throughout the Offer to Purchase and Assignment Forms should be deemed to refer to both the Anchorage Offeror and the Contrarian Offeror, unless the context otherwise requires. In addition, references throughout the Offer to Purchase and Assignment Forms to:

- "we," "our" and "us" are deemed to refer to the Offerors and their affiliated filing persons, as applicable;
-

- “expiration date” are deemed to refer to Friday, January 18, 2019 at 5:00 p.m. New York City time;
- the Trustee or Manager are references to the Trustee and Manager in office as of the relevant time; and
- sections in the Offer to Purchase will be deemed to include any pertinent amendments to those sections in this Supplement No. 1.

Capitalized terms used in this Supplement No. 1 but not otherwise defined have the meanings ascribed to those terms in the Offer to Purchase.

Except as described in this Supplement No. 1, all terms and conditions of the offer remain unchanged.

The Offer to Purchase and this Supplement No. 1 contain important information which should be read carefully before any decision is made with respect to the Offer.

CHANGES TO THE OFFER

You are receiving this Supplement No. 1 because we are making certain changes to the Offer. These changes principally include —

- The Contrarian Offeror has joined the Anchorage Offeror in making the Offer, and Contrarian Funds, L.L.C., an affiliate of the Contrarian Offeror, has terminated its own tender offers for Interests.
- The expiration date for the tender offers has been extended to 5:00 p.m. New York City time on Friday, January 18, 2019.
- The offer price has been increased to **\$0.16 per Interest** from \$0.133 per Interest (in each case, subject to certain deductions).
- The maximum size of the Offer has been reduced to 105,989,695 Trust Interests from 150,375,940 Trust Interests and to 165,155,385 Partnership Interests from 225,563,910 Partnership Interests.
- Interest holders will now be able to tender their Interests by fax, email or over the Internet.

These changes are described in detail in this Supplement No. 1 and in related materials that accompany this Supplement No. 1 or have been filed with Securities and Exchange Commission.

HOW TO TENDER YOUR INTERESTS

If you desire to tender all or any portion of your Trust Interests or Partnership Interests to us pursuant to the Offer, you can follow the following procedures:

Tendering by Mail Using a Physical Assignment Form

- Complete and sign the appropriate Assignment Form originally mailed to you in accordance with the instructions in the Assignment Form.
 - If you are tendering Trust Interests, please use the WHITE Assignment Form.
 - If you are tendering Partnership Interests, please use the YELLOW Assignment Form; and
- Either —
 - Mail or deliver the Assignment Form and any other required documents to Computershare Trust Company, N.A., which is acting as the Depositary for the Offer, to the address and in the manner described in Section 2 of the Offer to Purchase and this Supplement No. 1 — “Procedure for Tendering Interests.”; or
 - Send the Assignment Form to Rhoda Freeman and John Bright at the Contrarian Offeror by fax to 203-485-5910 or email freeman@contrariancapital.com or jbright@contrariancapital.com, which will then forward the Assignment Form to the Depositary.

Your completed Assignment Form, and any other required documents, must be received by the Depositary no later than **5:00 p.m. New York City time on Friday, January 18, 2019**, which is the expiration time and date of the Offer. See Section 2 of the Offer to Purchase and this Supplement No. 1 — “Procedure for Tendering Interests.”

Tendering Over the Internet

- Go to www.lifepartnerstender.com.
- Click on “If you wish to tender click here” appearing at the top right of the Home Page.
- Enter the Account Code and Security Key that you have separately received by mail.
- Complete the web version of the Assignment Form (including the appropriate form to avoid U.S. federal tax withholding) and click submit.

Your tender must be submitted no later than **5:00 p.m. New York City time on Friday, January 18, 2019.**

Questions and requests for assistance or for additional copies of this Supplement No. 1, the Offer to Purchase or the related Assignment Form may be directed to Georgeson LLC, which is serving as Information Agent for the Offer, at the address and telephone number on the back cover of the Offer to Purchase.

Previously Tendered Interests

If you have previously tendered and not withdrawn your Interests, and you do not wish to make any change, you are not required to do anything. Your tender will be considered as being made in accordance with the revised terms of the tender offer.

If you have not tendered your Interests and wish to do so, or you wish to make a change in the tender that you previously made, we are now offering you a number of ways to do so, as described above.

If you have tendered into the terminated Contrarian offers, or you tendered into the Offer and then withdrew your tender, your tender will be of no effect. If you wish to tender into the Offer, you must re-tender.

IMPORTANT

We have not authorized any person to make any recommendation on our behalf as to whether you should tender or refrain from tendering your Interests in the Offer. We have also not authorized anyone to provide you with information or to make any representation in connection with the Offer other than the information and representations contained in the Offer to Purchase and this Supplement No. 1. If anyone makes any recommendation or gives any such information or representation, you must not rely upon such recommendation, information or representation as having been authorized by us.

SUMMARY TERM SHEET

The following summary highlights selected information regarding the Offer, as they have been modified. We urge you to read the remainder of this Supplement No. 1, the Offer to Purchase and the appropriate revised Assignment Form carefully, because the information in the summary is not complete and the remainder of this Supplement No. 1, the Offer to Purchase and the revised Assignment Forms contain important information.

Securities Sought	<ul style="list-style-type: none"> Up to 105,989,695 of the outstanding position holder trust interests of Life Partners Position Holder Trust, referred to as the "Trust Interests"; and Up to 165,155,385 outstanding IRA partnership interests of Life Partners IRA Holder Partnership, LLC, referred to as the "Partnership Interests".
Price Offered Per Interest	<p>\$0.16 per Interest in cash, without interest.</p> <p>We may deduct from the purchase price:</p> <ul style="list-style-type: none"> any withholding taxes; and the amount of any dividends, distributions and other remittances paid by the Trust or the Partnership, as applicable, based upon a date occurring from November 13, 2018 until the date and time the Trust Interests and the Partnership Interests are accepted by us for payment. <p>In addition, we may deduct from the purchase price any premiums, fees, and catch-up payments that you owe in respect of any of the Interests you tender. The premiums, fees and catch-up payments constitute a part of the purchase price for your Interests, and we intend to pay these amounts on your behalf to the Trust or the Partnership, or their respective agents, in satisfaction of the amount that you owe.</p>
Acceptance of the Offer	<p>To accept the Offer —</p> <ul style="list-style-type: none"> <i>By mailing or hand delivery of the physical Assignment Form:</i> (1) Holders of the Trust Interests should complete and return the WHITE Assignment Form, (2) Holders of the Partnership Interests should complete and return the YELLOW Assignment Form, and in each case (3) return them to the Depository at the appropriate address set forth on the back page of this Supplement No. 1. <i>By fax or email of the physical Assignment Form:</i> (1) Holders of the Trust Interests should complete and return the WHITE Assignment Form, (2) Holders of the Partnership Interests should complete and return the YELLOW Assignment Form, and in each case (3) send the Assignment Form to the Contrarian Offeror by fax 203-485-5910 or email freeman@contrariancapital.com or jbright@contrariancapital.com. The Contrarian Offeror will then forward the Assignment Form to the Depository. <i>Over the Internet:</i> (1) Go to www.lifepartnerstender.com, (2) Click on "If you wish to tender click here" appearing at the top right of the Home Page, (3) Enter the Account Code and Security Key you received in the Supplemental Letter and (4) complete the web version of the revised Assignment Form and click submit.

Scheduled Expiration of Offer	Friday, January 18, 2019 at 5:00 p.m. New York City time
Purchasers	<ul style="list-style-type: none"> Life Settlement Liquidity Option, LLC, referred to as the "Anchorage Offeror," a wholly-owned subsidiary of Anchorage Illiquid Opportunities Master VI (B), L.P., referred to as "Anchorage Parent"; and CFunds Life Settlement, LLC, referred to as the "Contrarian Offeror," a wholly-owned subsidiary of Contrarian Funds, L.L.C., referred to as "Contrarian Parent."

You should refer to the questions and answers in the Offer to Purchase for more general information about the Offer. The following additional questions and answers are presented to help you understand the changes being made to the Offer.

Why are you receiving this Supplement No. 1?

You are receiving this Supplement No. 1 because changes are being made to the Offer.

Why are changes being made to the Offer?

A principal reason we are making changes to the Offer is to reflect the addition of the Contrarian Offeror as a bidder in the Offer.

The Anchorage Offeror commenced the Offer on November 13, 2018, filed a Schedule TO and certain other documents with the SEC and mailed the Offer to Purchase and the original Assignment Forms to holders of Interests. Subsequently, on November 28, 2018, Contrarian Funds, L.L.C. commenced its own tender offers for the Interests without making a filing with the SEC (as permitted under SEC rules because the offer would not have resulted in Contrarian Funds, L.L.C. owning more than 5.0% of the Trust or the Partnership). In order to avoid the confusion to holders of Interests that may be caused by two sets of concurrently pending offers, and to promote equality of treatment among tendering Interest holders, representatives of the Contrarian Offeror and the Anchorage Offeror determined to include the Contrarian Offeror as a bidder in the Offer, and Contrarian Funds, L.L.C. terminated the Contrarian Funds, L.L.C.'s offers.

In furtherance of the joinder of the Contrarian Offeror in the Offer, we are increasing the offer price to be equal to the price in Contrarian Funds, L.L.C.'s offers. We are also reducing the number of Trust Interests and Partnership Interests being sought at the higher price, and extending the expiration date of the Offer.

Who are now the bidders in the Offer?

The Anchorage Offeror and the Contrarian Offeror are offering to buy your Interests.

Life Settlement Liquidity Option, LLC, which we refer to as the "Anchorage Offeror" is a Delaware limited liability company that was formed for the purpose of acquiring the Interests. It is an affiliate of Anchorage Capital Group, L.L.C., which as of June 30, 2018, had approximately \$16.5 billion of assets under management, including assets of the Anchorage Illiquid Opportunities VI funds and other investment funds that it manages.

CFunds Life Settlement, LLC, which we refer to as the "Contrarian Offeror," is a Delaware limited liability company that was formed for the purpose of acquiring the Interests. It is an affiliate of Contrarian Capital Management, L.L.C., an SEC registered investment advisor which as of June 30, 2018, had approximately \$5.2 billion of assets under management.

How are you affected by the addition of the Contrarian Offeror as a bidder?

Other than the changes to the terms of the Offer reflected in this Supplement No. 1, the addition of the Contrarian Offeror as a bidder should not affect your rights under the Offer. The Anchorage Offeror and the Anchorage Parent and the Contrarian Offeror stand behind the payment obligations under the Offer, and they each have the adequate resources to pay in full the purchase price for the Interests tendered in, and the expenses of, the Offer.

How will the tendered Interests be allocated between the Offerors?

If you tender your Interests, subject to the satisfaction of the conditions to the Offer, you will be deemed to have assigned your Interests to the Anchorage Offeror and the Contrarian Offeror according to the allocations that they have agreed between them.

The Interests accepted for payment will be allocated, separately for the tendered Trust Interests and the tendered Partnership Interests, as follows: (a) of the first 45.3% of Interests tendered, 50.0% will be allocated to the Anchorage Offeror and 50.0% will be allocated to the Contrarian Offeror; and (b) thereafter, 85.0% of Interests tendered will be allocated to the Anchorage Offeror and 15.0% will be allocated to the Contrarian Offeror.

Will the allocation of the Interests between the Offerors affect you in any way?

No. The allocation between the Offerors of the Interests accepted for payment will not affect you or your tender of Interests. You will receive the same purchase price regardless of which Offeror ultimately acquires your tendered Interests, for which each of the Offerors is jointly and severally liable.

What is the change to the Offer price?

The Offer price is being increased to \$0.16 per Interest, instead of the original price of \$0.133 per Interest. \$0.16 per Interest is the same price that Contrarian Funds, L.L.C. initially offered in the now-terminated Contrarian offers.

The purchase price will be paid to you, in cash, without interest, net of the deductions described below.

We may deduct from the purchase price:

- any applicable withholding taxes, and
- the amount of any dividends, distributions and other remittances paid by the Trust or the Partnership, as applicable, based upon a record date occurring from November 13, 2018 until the date and time the Interests are accepted by us for payment.

In addition, we may deduct from the purchase price any premiums, fees, and catch-up payments that you may owe to the Trust or the Partnership or their agents in respect of any of the Interests you tender.

Why will deductions be made for premiums, fees and catch-up payments?

If you owe the Trust or the Partnership, or any of their respective agents, premiums, fees and catch-up payments, the Trust or the Partnership has the right to collect these payments from the distributions on the Interests that you own that may be made in the future. Unless these obligations are discharged, you will not be able to tender your Interests free and clear of any encumbrance as we are requiring, and the Interests we are acquiring would be subject to deductions from distributions that we may receive in the future. Accordingly, if you owe any such premiums, fees and catch-up payments, we intend to discharge those obligations upon the consummation of the Offer by paying to the Trust or the Partnership, as the case may be, the amounts that you owe out of the purchase price payment that would otherwise be made to you. By your tender of your Interests, you are authorizing us to do so. Any such amounts paid to discharge your obligations to the Trust or the Partnership will be deemed to have been paid to you in the Offer as part of the purchase price for your Interests.

What is the change to the expiration date?

The expiration date to tender any Interests in the Offer has been extended to Friday, January 18, 2019 at 5:00 p.m. New York City time.

What are the changes to the number of Interests being sought?

We are decreasing the number of Interests sought in the Offer to 105,989,695 Trust Interests and 165,155,385 Partnership Interests, from the 150,375,940 Trust Interests and 225,563,910 Partnership Interests originally sought.

As noted in the Offer to Purchase, if holders of Trust Interests tender more than the number of Trust Interests that we are willing to buy, we will purchase the Trust Interests on a pro rata basis. Similarly, if holders of Partnership Interests tender more than the number of Partnership Interests that we are willing to buy, we will purchase the Partnership Interests on a pro rata basis. This means that we will purchase from you the number of Interests calculated by multiplying the number of Interests you properly tendered by a proration factor. The proration factor will be calculated separately for the Trust Interests and for the Partnership Interests.

What happens if you have already tendered your Interests?

If you have already submitted, and not withdrawn, an Assignment Form to tender your Interests in the Offer, you do not need to take any further action. We will treat your tender of those Interests as tenders into the Offer under the new terms of the Offer contained in this Supplement No. 1.

If you have tendered into the terminated Contrarian offers, or you tendered into the Offer and then withdrew your tender, your tender will be of no effect. If you wish to tender into the pending tender offers, you must re-tender.

What changes are being made to the procedures for tendering Interests?

We are making certain changes to the procedures for tendering your Interests. In addition to tendering your Interests by mail or hand delivery, you may now deliver your Assignment Form by fax or by email. Also, we now have procedures for tendering over the Internet using a web version of the Assignment Form.

We have simplified the process for tendering using a physical Assignment Form. If you are submitting the Assignment Form in a representative capacity, we will not require you to submit separate evidence of authority. Your submission of the Assignment Form will constitute your representation that you are authorized to execute the form in the capacity that you indicate. We reserve the right, however, to require you submit evidence of your authority upon our request.

Will you be receiving a mailing with revised Assignment Forms to reflect the changes to terms of the Offer?

No. We have revised the Assignment Forms, and posted them to the Offer website, but we will not be mailing the revised Assignment Forms. You may use the original Assignment Forms to tender your Interests, even though those Assignment Forms do not reflect the changes to the terms of the Offer. Even if you use the original Assignment Forms, you will be deemed to be tendering on the basis of the revised terms of the Offer (and to both of the Offerors under the revised terms of the Offers) and the representations, warranties, covenants and agreements contained in the revised Assignment Forms.

If you wish, you can also use the revised Assignment Forms to tender your Interests. The revised Assignment Forms may be downloaded from our website at www.lifepartnerstender.com. However, they will not be pre-populated with your information.

How do you tender your Interests using a physical Assignment Form?

You may tender your Interests using a physical Assignment Form either by mailing or delivering the appropriate Assignment Form the Depositary, or by faxing or emailing the appropriate Assignment Form to the Contrarian Offeror, which will forward the Assignment Forms to the Depositary.

In either case, to tender your Interests using an Assignment Form, you should complete and deliver the appropriate Assignment Form prior to the expiration of the Offer. The WHITE Assignment Form should be used to tender the Trust Interests, and the YELLOW Assignment Form should be used to tender the Partnership Interests. If you hold and wish to tender both your Trust Interests and your Partnership Interests, you must complete a separate Assignment Form for each. The appropriate Assignment Form must be received by the Depositary for the tender offers no later than the expiration time of the Offer.

If you are mailing or hand delivering the Assignment Forms, they should be delivered to:

If delivering by mail:
Computershare Trust Company, N.A.
Attn: Corporate Actions
P.O. Box 43011
Providence, RI 02940

If delivering by hand, overnight or courier:
Computershare Trust Company, N.A.
Attn: Corporate Actions
250 Royall St — Suite V
Canton, MA 02021

If you are delivering your Assignment Forms by fax or email, you should do so as follows:

If delivering by fax:
CFunds Life Settlement, LLC
Reference: Life Partners Tender Offer
203-485-5910

If delivering by email:
CFunds Life Settlement, LLC
Rhoda Freeman at freeman@contrariancapital.com
John Bright at jbright@contrariancapital.com

How do you tender your Interests over the Internet?

In order to tender your Interests over the Internet, you must first go to the Home page of the website www.lifepartnerstender.com. On the Home page, you should click on "If you wish to tender click here" towards the top of the page.

By clicking on "If you wish to tender click here," you will be directed to a page on which to enter the Account Code and Security Key that appears in the supplemental letter that you should be receiving in the mail. After entering the Account Code and Security Key, you will be directed to a page titled "Assignment Form."

In order to tender your Interests, you will be required to complete the information in the web form on the "Assignment Form" page. This information is similar to the information required to be completed if you were filling out the appropriate physical Assignment Form. In particular, you will be requested to indicate the number of Interests that you are tendering, but if you do not indicate a number of Interests, and you otherwise complete submit your web form, you will be deemed to have tendered all of your Interests.

By submitting your web form, you will be deemed to represent that you have received the tender offer materials, including this Supplement No. 1, the Offer to Purchase, the Schedule 14D-9 and the appropriate revised Assignment Form. You will also be deemed to acknowledge that your tender is subject to all the terms and conditions contained in the Offer to Purchase and the relevant revised Assignment Form. If you are tendering in a representative capacity, you will be required to indicate your capacity and to represent that you are authorized to act in that capacity. Only an IRA custodian may submit a web form on behalf of an individual retirement account.

In order to properly tender your Interests over the Internet, your submission must be made no later than 5:00 p.m. New York City time on Friday, January 18, 2019.

Beside the procedures described above, what else do I need to do to tender your Interests?

You do not need to do anything else.

However, if you are signing the Assignment Form in a representative capacity, such as an officer of a corporation or the trustee of a trust, you may be requested to submit evidence of your authority. For example, an officer may be required to submit an officer's certificate; a trustee may be required to submit an incumbency certificate. A form of officer's/incumbency certificate is available on the website for your convenience. To locate this form, go to the home page and click "Documents."

This is not the only way to evidence your authority. Other evidence in the reasonable discretion of Offeror will also be acceptable.

A representative of the Offerors will contact you if evidence of authority is required.

You should note that the IRA custodian must execute an Assignment Form on behalf of an individual retirement account or IRA. Execution by the IRA beneficiary alone will not be valid.

You should also note that the Interests are not certificated. You do not have to submit any certificate representing your Interests.

What procedures should you follow if you wish to withdraw the tender of your Interests?

If you wish to withdraw the tender of your Interest, you must deliver a written notice of withdrawal to the Depositary prior to the expiration of the Offer at the addresses specified on the back page of the Supplement No. 1. The notice of withdrawal must specify the name of the person holding the Interests to be withdrawn and the type and number of Interests to be withdrawn.

The procedures for withdrawal are the same irrespective of the method use to tender the Interests. Notices of withdrawal may not be delivered by fax or email or over the Internet.

Have any changes been made to the conditions of the Offer?

Yes. We have revised the conditions of the Offer such that we are now able to terminate the Offer if we determine, in our reasonable discretion, that the Trust or Partnership will not recognize the assignment to the Offerors by tendering holders of the right to receive dividends, distributions and other remittances paid on the Interests accepted for payment in the Offer (for distributions based on a record date following the acceptance for payment of Interests in the Offer).

We have added this condition because, in accordance with the governing documents of the Trust and the Partnership, the recordation of the assignment of Interests acquired by the Offeror in the Offer can only take place on December 31 or June 30 of any given year. Given that the expiration date of the Offer has been extended to January 18, 2019, the assignment of Interests accepted for payment will not be recorded until June 30, 2019. The Trust and the Partnership have agreed (in accordance with the terms of the Restated Notice of Assignee's Notice of Assignment and Assumption and Indemnity Agreement), to recognize the assignment to the Offerors by tendering holders of the right to receive dividends, distributions and other remittances paid on the Interests from the record date following the consummation of the Offer to the date of recordation of the assignment. However, this new condition allows us to terminate the Offer in the event that we determine, in our reasonable discretion, that this agreement will not be observed.

In addition, given the change in expiration date and assignment recordation date mentioned above, we have modified the condition that allowed us to terminate the Offer if the Trust or the Partnership were unable to register the assignment of Interests accepted for payment to the name of the Offerors or their respective affiliates within three business days following the expiration of the Offer. The condition now allows us to terminate the Offer if we determine, in our reasonable discretion, that the Trust or the Partnership will be unable or unwilling to register the assignment as of June 30, 2019.

Whom should you contact if you have questions?

If you have any questions, you may contact Georgeson LLC, the Information Agent for the tender offer, as follows: 1290 Avenue of the Americas, 9th Floor, New York, NY 10104, (866) 767-8986 or CFunds Life Settlement, LLC at (800) 266-3810.

CHANGES TO THE OFFER

General

The following changes and modification of general applicability are made to the Offer to Purchase.

All references in the Offer to Purchase to the Offeror are references to both Offerors.

All references in the Offer to Purchase to the maximum number of Trust Interests and Partnership Interests offered that may be purchased pursuant to the Offer are replaced by 105,989,695 Trust Interests and 165,155,385 Partnership Interests.

All references in the Offer to Purchase to the purchase price offered for each Trust Interest and each Partnership Interest are replaced with \$0.16, subject to deduction for any withholding taxes; the amount of any dividends, distributions and other remittances paid by the Trust or the Partnership, as applicable, based upon a record date occurring from November 13, 2018 until the date and time the Trust Interests and the Partnership Interests are accepted by us for payment; and any premiums, fees, and catch-up payments that you owe in respect of any of the Interests you tender.

All references in the Offer to Purchase to the expiration date of the Offer are replaced with references to 5:00 p.m., New York City time, on Friday, January 18, 2019.

Unless the context otherwise requires, all references to the tender of Interests in the Offer include a tender of Interests by mail or other delivery to the Depositary of a physical Assignment Form at its addresses set forth on the back page of this Supplement No. 1.; a tender of Interests by fax or email or other delivery to CFunds Life Settlement, LLC of a physical Assignment Form for forwarding to the Depositary; and a tender of Interests using the procedures for tender over the Internet.

The following sections of the Offer to Purchase are further amended and supplemented to reflect changes to the Offer. If there is an inconsistency between the disclosure in this Supplement No. 1 and the Offer to Purchase, the disclosure in this Supplement No. 1 will govern the Offer. Undefined terms that are used below have the meanings that are assigned to them in the Offer to Purchase.

Except as described below and elsewhere in this Supplement No. 1, all terms and conditions of the offer remain unchanged.

Section 1 — Terms of the Offer; Proration

If you tender your Interests in the Offer (including pursuant to an Assignment Form that you previously delivered and have not withdrawn), and the conditions to the Offer are satisfied and the Offer is consummated, you will be deemed to have assigned your tendered Interests to the Anchorage Offeror and the Contrarian Offeror in such proportion or amount as they have determined between themselves. This allocation will in no way affect your right to receive payment for your Interests from the Offerors in accordance with the terms of the Offer and the rules and regulations of the SEC.

Interests accepted for payment will be allocated, separately for the tendered Trust Interests and the tendered Partnership Interests, as follows: (a) of the first 45.3% of Interests tendered, 50.0% will be allocated to the Anchorage Offeror and 50.0% will be allocated to the Contrarian Offeror; and (b) thereafter, 85.0% of Interests tendered will be allocated to the Anchorage Offeror and 15.0% will be allocated to the Contrarian Offeror.

In addition to other deductions discussed in the Offer to Purchase, we may deduct from the purchase price any premiums, fees, and catch-up payments that the tendering Interest holders owe in respect of any of the Interests tendered. By your tender of your Interests, you are authorizing us to do so. Any premiums, fees and catch-up payments that are deducted will be deemed to have been paid to the applicable tendering holder as part of the purchase for the tendered Interests, as we will use our funds to discharge the holder's payment obligations to the Trust or the Partnership for those amounts.

Section 2 — Procedure for Tendering Interests

Valid Tender. For a holder of Interests to validly tender Interests under the Offer, the Depositary must receive the holder's tendering materials prior to the expiration date of the Offer.

— *Tender using a physical Assignment Form*

Holders may tender their Interests using a physical Assignment Form delivered by mail or hand delivering to the Depositary, or by faxing or emailing to the Contrarian Offeror which will forward the Assignment Form to the Depositary.

In either case, to tender their Interests using a physical Assignment Form, holders should complete and deliver the appropriate Assignment Form prior to the expiration of the Offer. The WHITE Assignment Form should be used to tender the Trust Interests, and the YELLOW Assignment Form should be used to tender the Partnership Interests. Holders of both Trust Interests and your Partnership Interests must complete a separate Assignment Form for each. The appropriate Assignment Form must be received by the Depositary for the tender offers no later than the expiration time of the Offer.

Assignment Forms may be delivered to the Depositary at the addresses specified on the back cover of this Supplement No. 1. Assignment Forms may also be delivered by fax or email to the Contrarian Offeror, which will then forward them to the Depositary, as follows:

If delivering by fax:
CFunds Life Settlement, LLC
Reference: Life Partners Tender Offer
203-485-5910

If delivering by email:
CFunds Life Settlement, LLC
Rhoda Freeman at freeman@contrariancapital.com
John Bright at jbright@contrariancapital.com

For delivery to be valid, the Depositary must receive the Assignment Forms prior to the expiration time of the Offer at 5:00 p.m. New York City time on Friday, January 18, 2019:

— *Tender Over the Internet*

We are now providing to holders the opportunity to tender their Interests over the Internet. Holders are receiving a supplemental letter with individualized Account Codes and Security Keys. To tender their Interests over the Internet, holders should:

- Go to www.lifepartnerstender.com.
- Click on "If you wish you tender click here" appearing at the top right of the Home Page.
- Enter the Account Code and Security Key that has been provided to them where indicated.
- Complete the web version of the Assignment Form (including the appropriate form to avoid U.S. federal tax withholding) and click submit.

A tender over the Internet will have the same effect as a tender made using a physical Assignment Form. A holder tendering over the Internet, must submit the web version of the Assignment Form no later than the expiration time of the Offer at 5:00 p.m. New York City time on Friday, January 18, 2019.

Revised Assignment Forms. We have revised the Assignment Forms, and posted them to our website, but we will not be mailing the revised Assignment Forms. Holders may use the original Assignment Forms to tender their Interests, even though those Assignment Forms do not reflect the changes to the terms of the Offer. If a holder uses the original Assignment Forms, the holder will be deemed to be tendering on the basis of the revised terms of the Offer and the representation and warranties contained in the revised Assignment Forms.

Holders can also use the revised Assignment Forms to tender their Interests. The revised Assignment Forms may be downloaded from our website at www.lifepartnerstender.com.

Among other things, the revised Assignment Forms contain the acknowledgment that holders who tender their Interests agree that, once the Interests have been accepted for payment, the holders will take no action to sell, assign or transfer the Interests to any person other than Offerors, notwithstanding that the recordation of assignment of the Interests to the Offerors may not occur until a later date, and any such sale, assignment or transfer shall be null, void and of no effect. Holders will continue to agree that all distributions with a record date after the closing of the Offer made with respect to such tendered Interests will be assigned and payable to Offerors notwithstanding that the recordation of assignment of the Interests may be delayed.

Other Matters. We have simplified the process for tendering using a physical Assignment Form. Holders that submit an Assignment Form in a representative capacity will not be required to submit separate evidence of authority. Submission of the Assignment Form will constitute a representation that the person submitting the Assignment Form is authorized to execute the form in the capacity indicated. We reserve the right, however, to require submission of evidence of authority upon our request.

If a holder has already submitted, and not withdrawn, an appropriate Assignment Form tendering its Interests in the Offer according to the Offer to Purchase, the holder need not take any further action. We will treat the tender of those Interests as tenders into the Offer under the new terms of the Offer contained in this Supplement No. 1, subject to the terms of the revised Assignment Forms.

If a holder has tendered its Interests into the terminated Contrarian offers, that tender will not constitute a valid tender for purposes of the Offer. Similarly, if a holder tendered its Interests in the Offer, but then withdrew its tender, for example in contemplation of tendering the Interests into the now terminated Contrarian offers, the holder will be regarded as not having tendered its Interests for purposes of the Offer. If the holder now wishes to participate in the Offer, it must re-tender its Interests in accordance with the procedures set forth in the Offer to Purchase and this Supplement No. 1.

If Interests are tendered on behalf of an Individual Retirement Account, only the IRA custodian may tender the Interests held in the account. Also, the Paying Agent will only send a check for Interests held in such accounts to the custodian. If Interests held in an individual retirement account are being tendered, and the IRA beneficiary or the IRA custodian for the account believes that the Trust or the Partnership does not have the address of the IRA custodian, the beneficiary or custodian should promptly contact the Information Agent.

Section 9 — Information Concerning the Purchasers and their Affiliates

General. Information concerning the Anchorage Offeror and its affiliates is provided in the Offer to Purchase. The following information is provided with respect to the Contrarian Offeror and its affiliates.

The Contrarian Offeror is a Delaware limited liability company formed for the purpose of acquiring Interests. Contrarian Funds, L.L.C. (the “Contrarian Parent”) is a Delaware limited liability company and sole member of the Contrarian Offeror. Contrarian Capital Management, L.L.C. (the “Contrarian Manager”) is a Delaware limited liability company that is an SEC registered investment adviser and manager of the Contrarian Parent.

Mr. Jon Bauer is the Chief Executive Officer and Chief Investment Officer of the Contrarian Manager and has held these positions for 23 years. The Contrarian Parent currently owns 4,202,079 Trust Interests and 1,772,986 Partnership Interests that were primarily acquired as a result of the Life Partners Holdings, Inc. bankruptcy. It last acquired Interests in June of 2018.

None of the Contrarian Offeror, the Contrarian Parent, the Contrarian Manager nor Mr. Bauer has been convicted in a criminal proceeding during the last five years (excluding traffic violations or similar misdemeanors). None of the Contrarian the Offeror, the Contrarian Parent, the Contrarian Manager nor Mr. Bauer has been a party to any judicial or administrative proceeding during the last five years (except for matters that were dismissed without sanction or settlement) that resulted in a judgment, decree or final order enjoining the person from future violations of, or prohibiting activities subject to, federal or state securities laws, or a finding of any violation of federal or state securities laws.

The business address of each of the Contrarian Offeror, the Contrarian Parent, the Contrarian Manager and Mr. Bauer is 411 West Putnam Avenue, Suite 425, Greenwich, Connecticut 06830. The telephone number there is (203) 862-8200.

In August of 2018, representatives of the Contrarian Offeror began communicating with the Trustee and Manager to discuss the possibility of an offer for the Interests, thereby providing liquidity to holders who desired immediate cash for their Interests. Between September and November of 2018, a representative

of the Contrarian Offeror and the Trustee discussed terms of a Notice of Assignment and Assumption and Indemnity Agreement between them, that would be required for offers for the Interests. A representative of the Contrarian Offeror also communicated with the Trustee and Magna Servicing LLC regarding its bankruptcy claims, which were converted into Interests under the bankruptcy plan. Additional conversations occurred regarding the public quarterly financial statements and monthly newsletters. On November 28, 2018 the Contrarian Parent commenced offers for the Interests, by distribution of offering materials to all holders of Interests. Because the Contrarian Parent and its affiliates would not have held more than 5.0% of the outstanding Trust Interests or Partnership Interests even if the offers were fully subscribed, the Contrarian Parent was not required to file its offering materials with the SEC.

In late November 2018, the Anchorage Offeror and Contrarian Offeror began discussions regarding termination of the Contrarian offers and the Contrarian Offeror's joining the Offer as a bidder. On December 20, 2018, the Anchorage Offeror and the Contrarian Offeror entered into a letter agreement. The letter agreement establishes the revised terms of the Offer, including the allocation of Interests between the Offerors upon completion of the Offer, as reflected in this Supplement No. 1 and the Offer to Purchase.

Under the terms of the letter agreement, the Offerors agree to:

- pay their share of the purchase price for the Interests validly tendered in accordance with the established allocation, with the deduction of premiums, fees, and catch-up payments owed by the holders of Interests;
- require joint action by the Offerors to waive any of the conditions to the Offer and to make any public announcements or regulatory filings concerning the Offer;
- allocate between the Offerors in a prescribed manner past and future costs and expenses for the Offer and the Contrarian tender offers, including in the event that the Offer is not consummated;
- provide the requisite representations for the delivery of any legal opinions required in connection with the Offer;
- be responsible for third party claims, including related costs, expenses, damages, liabilities and other losses, that are attributable to an act or omission of such Offeror, and to share responsibility for such claims in a prescribed manner in all other circumstances;
- indemnify the other, and certain of its related parties, against claims, losses and expenses arising from a breach of representations and warranties or material breaches of any agreement between the parties, in each case, given or entered into in connection with the Offer; and
- share information with respect to the Offer.

The Offerors also make certain representations to each, including as to authorization, absence of conflicts, absence of misstatements or omission and compliance with law.

Following the appointment of a successor Trustee and Manager, representatives of the Offerors engaged in discussions with the successor, in which the successor confirmed that the Trust and the Partnership would continue to abide by the terms of the Assignee's Notice of Assignment and Assumption and Indemnity Agreement. On December 20, 2018, the Offerors entered into an amended and restated agreement. The amended and restated agreement is substantially the same as the original agreement described in the Offer to Purchase, except that the successor Trustee and Manager has been substituted, the Contrarian Offeror has become a party to the agreement, and the Trust and the Partnership have agreed to record the assignment of the Interests acquired in the Offer to each of the Anchorage Offeror and the Contrarian Offeror as they direct in accordance with their agreed upon allocations.

Section 10 — Source and Amount of Funds

If we purchase the maximum number of Trust Interests and Partnership Interests pursuant to the Offer at \$0.16 per Interest, our aggregate cost will be \$43.4 million, not including fees and expenses which are estimated to be approximately \$800,000. See Introduction and Section 1 — "Terms of the Offer; Proration" of this Supplement No. 1 and the Offer to Purchase. The Offer is not conditioned on any financing arrangements.

The Anchorage Offeror will fund the purchase of Trust Interests and Partnership Interests sought in the Offer, together with related fees and expenses with unfunded commitments from investors substantially in excess of the amount needed to fund all liabilities under the Offer, assuming it is fully subscribed. The unfunded commitments from its investors are freely available. While the Anchorage Offeror does not have alternative financing plans or arrangements if these commitments fall through, because the aggregate commitments are substantially in excess of the amount required to fund the Offer, the Anchorage Offeror does not anticipate that the failure of any commitments would interfere with the ability of the Anchorage Offeror to fund the Offer. The Contrarian Offeror is funding this Offer from cash on hand.

The Offer is not subject to any financing conditions.

Accordingly, we do not believe the financial statements of the Offerors or any of their affiliates are material to the Offer.

Section 12 — Conditions to the Offer

Anything in the Offer to Purchase notwithstanding, none of the Offerors nor any of their respective affiliates may assert their own actions or failure to act as a basis for terminating the Offer.

In addition, we are modifying the conditions to the Offer as follows:

- We are modifying condition (a), such that we shall not be required to accept for payment, and may postpone the acceptance for payment, of Interests tendered if we determine, in our reasonable discretion, that the Trust or the Partnership will be unable or unwilling to register the assignment of Interests accepted for payment in the Offer to the name of the Offerors or their respective affiliates as of June 30, 2019.
- We are adding a condition, such that we shall not be required to accept for payment, and may postpone the acceptance for payment, of Interests tendered if we determine, in our reasonable discretion, that the Trust or Partnership will not recognize the assignment to the Offerors by tendering holders of the right to receive dividends, distributions and other remittances paid on the Interests accepted for payment in the Offer (for distributions based on a record date following the acceptance for payment of Interests in the Offer).

Section 14 — Fees and Expenses

The amount of the fee payable to Sanford Scott & Company LLC will be calculated based solely on the amount of Interests ultimately allocated to the Anchorage Offeror following consummation of the Offer.

The Contrarian Offeror has agreed to pay Saddle River Funding, LLC and RF Capital, LLC, as payment for facilitating communications with holders of Interests, a fee of up to 1.0% of the Interests tendered pursuant to the Offer that are ultimately allocated to the Contrarian Offeror, per the procedures disclosed herein.

Section 16 — Miscellaneous

Anything in the Offer to Purchase notwithstanding, the Offerors will accept tenders validly made and not withdrawn from all holders of Interests wherever located.

We have filed with the SEC an original and an Amendment No. 2 to the Schedule TO under Exchange Act Rule 14d-3, together with exhibits, furnishing additional information with respect to the Offer, and may file amendments thereto. The Schedule TO, Amendment No.2 and any additional amendments, including exhibits, should be available for inspection and copies should be obtainable in the manner set forth in Section 8 — "Information Concerning the Trust and the Partnership" of the Offer to Purchase.

December 20, 2018

Life Settlement Liquidity Option, LLC
CFunds Life Settlement, LLC

Delivery will be deemed made only when actually received by the Depositary.

The Depositary for the Offer is:

If delivering by mail:

Computershare Trust Company, N.A.
Attn: Corporate Actions
P.O. Box 43011
Providence, RI 02940

If delivering by overnight or courier:

Computershare Trust Company, N.A.
Attn: Corporate Actions
250 Royall St— Suite V
Canton, MA 02021

You may also deliver your Assignment Form by fax or by email to CFunds Life Settlement, LLC, which will forward it to the Depositary.

If delivering by fax:

CFunds Life Settlement, LLC
Reference: Life Partners Tender Offer
203-485-5910

If delivering by email:

CFunds Life Settlement, LLC
Rhoda Freeman at freeman@contrariancapital.com
John Bright at jbright@contrariancapital.com

Submission over the Internet of the web version of the Assignment Forms, in the manner described in this Supplement No. 1, will also constitute delivery to the Depositary.

DELIVERY OF THE ASSIGNMENT FORMS OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE A VALID DELIVERY TO THE DEPOSITARY.

If you plan to make delivery by mail, we recommend that you deliver by registered mail with return receipt requested and obtain proper insurance. In all cases, sufficient time should be allowed to ensure timely delivery. Holders of Interests have the responsibility to cause the Assignment Forms and any other documents required by us to be delivered in accordance with the Offer.

Questions and requests for assistance regarding the Offer may be directed to:

The Information Agent for the Offer is:

Georgeson

1290 Avenue of the Americas, 9th Floor
New York, NY 10104

Call Toll-Free: (866) 767-8986

[Name]
[Address]

Offer Deadline: 5:00 PM New York City time on Friday, January 18, 2019

**REVISED OFFER TERMS AND INSTRUCTIONS FOR TENDERING BY EMAIL, FAX
OR OVER THE INTERNET**

LIFE SETTLEMENT LIQUIDITY OPTION, LLC
an entity managed by Anchorage Capital Group, L.L.C.
CFUNDS LIFE SETTLEMENT, LLC,
an entity managed by Contrarian Capital Management, L.L.C.

December 20, 2018

Attn: Life Partners Position Holder Trust Interest Holders:

As a holder of Position Holder Trust Interests issued by Life Partners Position Holder Trust you have previously received materials for participating in the tender offer of Life Settlement Liquidity Option, LLC (which we are referring to as the Anchorage Offeror), an affiliate of Anchorage Capital Group, L.L.C., to purchase Trust Interests for cash. We refer to this tender offer as the Offer. The Offer presents an opportunity to holders of Trust Interests to receive cash for their Interests now, rather than wait for possible distributions from the Trust in the future. We are writing to you to let you know of important changes to the terms of the Offer. Also, we are now offering to holders of Trust Interests the option of tendering by email, fax or over the Internet. The procedures for tendering by email, fax or over the Internet are described below.

Together with this letter you are receiving a Supplement No. 1 to the Offer to Purchase that was previously distributed to you. You should read the Supplement No. 1, because it explains the changes to the terms of the Offer in more detail and provides additional information.

Contrarian Now a Joint Bidder

As you probably know, Contrarian Funds, L.L.C. (which we are referring to as Contrarian Parent), an affiliate of Contrarian Capital Management, L.L.C., previously commenced an offer to purchase Trust Interests, for a lesser amount of Interests but at a higher price per Interest than the Anchorage Offer. Contrarian Parent has now terminated its offer and CFunds Life Settlement, L.L.C., an affiliate of Contrarian Parent that we refer to as the Contrarian Offeror, will become a joint bidder in the Offer, upon the modified terms described in the enclosed supplement. The Anchorage Offeror and the Contrarian Offeror have an agreement to allocate Trust Interests that are tendered in the Offer between themselves, and if you tender, you will be assigning your Trust Interests to each of them in accordance with that allocation. *Importantly, this allocation in no way will affect your rights in the Offer, which are to receive cash for the Trust Interests that you tender, subject to the conditions of the Offer.*

Changes to the Offer Price, Size of the Offer and Expiration Date

The Offer price is being increased to **\$0.16 in cash**, subject to certain deductions, for each Trust Interest tendered (which was the price of the now terminated Contrarian offer). Based upon the records provided to us by the Trust, if you tendered all of your Trust Interests you could receive **a cash payment in the amount indicated below.**¹

¹ This assumes that the Offer is not oversubscribed. If it is, the number of Interests we accept for purchase, and the cash you receive, will be proportionately reduced. The amount you would receive is also subject to any required tax withholding, and any offset for distributions by the Trust made to you with a record date after the date of this letter and until we accept the Interests for payment. Any premiums fees and other amounts that you may owe to the Trust or its agents will also be deducted, as shown in the table. The premiums, fees and catch-up payments constitute a part of the purchase price for your Trust Interests, and will be deducted from future distributions from the Trust. See the Supplement No. 1 to the Offer to Purchase for details.

Number of Trust Interests:	[Number of Interests]
Cash You Could Receive if You Tendered All Your Interests:	[Cash Amount]

Important: We will deduct from the purchase price any premiums, fees or catch-up payments that you owe with respect to your tendered Interests. As a result, the cash you receive would be less than this amount.

The maximum size of the Offer is being reduced to 105,989,695 Trust Interests. Also, the expiration date of the Offer has been extended to 5:00 p.m. New York City time on Friday, January 18, 2019.

Tendering Your Interests

Tendering Using a Physical Assignment Form

You may still use the physical Assignment Form that was previously mailed to you to make your tender even though the terms of the Offer have changed. We will regard your tender using the original Assignment Form as being made in accordance with the revised terms of the Offer. Alternatively, you can obtain a revised Assignment Form by downloading it from our website, which is referenced below.

You now have a number of ways to submit a physical Assignment Form. You may either submit the Assignment Form—

- to Computershare Trust Company, N.A., the Depositary for the Offer, by mail or hand delivery at the addresses set forth on the Assignment Form; or
- to CFunds Life Settlement, LLC by fax 203-485-5910 or email at freeman@contrariancapital.com or jbright@contrariancapital.com. The Contrarian Offeror will then forward the Assignment Form to the Depositary.

If you are tendering a physical Assignment Form by mail, hand, fax or email, it must be received by 5:00 p.m., New York City time, on Friday, January 18, 2019.

We have also made a simplifying change to the process for tendering using a physical Assignment Form. If you are submitting the Assignment Form in a representative capacity, we will not require you to submit separate evidence of authority. Your submission of the Assignment Form will constitute your representation that you are authorized to execute the form in the capacity that you indicate. We reserve the right, however, to require you to submit evidence of your authority upon our request.

Tendering over the Internet

To assist holders of Trust Interests wishing to tender their Interests, we are now providing holders with the opportunity to submit their tender over the Internet. To tender your Trust Interests over the Internet, you should follow these instructions:

1. Go to www.lifepartnerstender.com.
2. Click on “If you wish to tender click here” appearing at the top right of the Home Page.
3. Enter the following Account Code and Security Key where indicated:

Account Code:	[Account Code]
Security Key:	[Security Key]

4. Complete the web version of the Assignment Form (including the appropriate form to avoid U.S. federal tax withholding) and click submit.

A tender over the Internet will have the same effect as a tender made using a physical Assignment Form. If you are tendering over the Internet, you must submit the web version of Assignment Form no later than the expiration time of the tender offer at 5:00 p.m. New York City time on Friday, January 18, 2019.

Previously Tendered Interests

If you have previously tendered your Trust Interests into the Offer, and have not withdrawn such tender, and you do not wish to make any change, you are not required to do anything. Your tender will be considered as being made in accordance with the revised terms of the Offer.

If you have not tendered your Trust Interests and wish to do so, or you wish to make a change in the tender that you previously made, we are now offering you a number of ways to do so, as described above.

If you have tendered into the terminated Contrarian offer, or you tendered into the Offer and then withdrew your tenders, your tenders will be of no effect. If you wish to tender into the pending Offer, you must re-tender.

Other Information

If the conditions to the Offer are satisfied, and you properly tender your Trust Interests prior to the deadline, you will receive payment for your Interests by check. The check will be mailed to your address, as it appears on the register of Interest holders maintained by the Trust, following the expiration of the Offer, anticipated to be within three business days of the expiration date.

You should read the enclosed Supplement No. 1 to the Offer to Purchase and the Schedule 14D-9 previously mailed to you, for more complete information about the Offer. These materials are also available on our website at www.lifepartnerstender.com.

If you have any questions, you may contact Georgeson LLC, the Information Agent for the Offer, as follows: 1290 Avenue of the Americas, 9th Floor, New York, NY 10104, (866) 767-8986 or CFunds Life Settlement, LLC at 800-266-3810.

Sincerely,

LIFE SETTLEMENT LIQUIDITY OPTION, LLC
CFUNDS LIFE SETTLEMENT, LLC

[Name]
[Address]

Offer Deadline: 5:00 PM New York City time on Friday, January 18, 2019

**REVISED OFFER TERMS AND INSTRUCTIONS FOR TENDERING BY EMAIL, FAX
OR OVER THE INTERNET**

LIFE SETTLEMENT LIQUIDITY OPTION, LLC
an entity managed by Anchorage Capital Group, L.L.C.

CFUNDS LIFE SETTLEMENT, LLC,
an entity managed by Contrarian Capital Management, L.L.C.

December 20, 2018

Life Partners IRA Holder Partnership, LLC Interest Holders:

As a holder of IRA Partnership Interests issued by Life Partners IRA Holder Partnership, LLC you have previously received materials for participating in the tender offer of Life Settlement Liquidity Option, LLC (which we are referring to as the Anchorage Offeror), an affiliate of Anchorage Capital Group, L.L.C., to purchase Partnership Interests for cash. We refer to this tender offer as the Offer. The Offer presents an opportunity to holders of Partnership Interests to receive cash for their Interests now, rather than wait for possible distributions from the Partnership in the future. We are writing to you to let you know of important changes to the terms of the Offer. Also, we are now offering to holders of Partnership Interests the option of tendering by email, fax or over the Internet. The procedures for tendering by email, fax or over the Internet are described below.

Together with this letter you are receiving a Supplement No. 1 to the Offer to Purchase that was previously distributed to you. You should read the Supplement No. 1, because it explains the changes to the terms of the Offer in more detail and provides additional information.

Contrarian Now a Joint Bidder

As you probably know, Contrarian Funds, L.L.C. (which we are referring to as Contrarian Parent), an affiliate of Contrarian Capital Management, L.L.C., previously commenced an offer to purchase Partnership Interests, for a lesser amount of Interests but at a higher price per Interest than the Anchorage Offer. Contrarian Parent has now terminated its offer and CFunds Life Settlement, L.L.C., an affiliate of Contrarian Parent that we refer to as the Contrarian Offeror, will become a joint bidder in the Offer, upon the modified terms described in the enclosed supplement. The Anchorage Offeror and the Contrarian Offeror have an agreement to allocate Partnership Interests that are tendered in the Offer between themselves, and if you tender, you will be assigning your Partnership Interests to each of them in accordance with that allocation. *Importantly, this allocation in no way will affect your rights in the Offer, which are to receive cash for the Partnership Interests that you tender, subject to the conditions of the Offer.*

Changes to the Offer Price, Size of the Offer and Expiration Date

The Offer price is being increased to **\$0.16 in cash**, subject to certain deductions, for each Partnership Interest tendered (which was the price of the now terminated Contrarian offer). Based upon the records provided to us by the Partnership, if you tendered all of your Partnership Interests you could receive **a cash payment in the amount indicated below.**¹

Number of Partnership Interests:	[Number of Interests]
Cash You Could Receive if You Tendered All Your Interests:	[Cash Amount]

Important: We will deduct from the purchase price any premiums, fees or catch-up payments that you owe with respect to your tendered Interests. As a result, the cash you receive would be less than this amount.

The maximum size of the Offer is being reduced to 165,155,385 Partnership Interests. Also, the expiration date of the Offer has been extended to 5:00 p.m. New York City time on Friday, January 18, 2019.

Tendering Your Interests

Tendering Using a Physical Assignment Form

You may still use the physical Assignment Form that was previously mailed to you to make your tender even though the terms of the Offer have changed. We will regard your tender using the original Assignment Form as being made in accordance with the revised terms of the Offer. Alternatively, you can obtain a revised Assignment Form by downloading it from our website, which is referenced below.

You now have a number of ways to submit a physical Assignment Form. You may either submit the Assignment Form—

- to Computershare Partnership Company, N.A., the Depositary for the Offer, by mail or hand delivery at the addresses set forth on the Assignment Form; or
- to CFunds Life Settlement, LLC by fax 203-485-5910 or email at freeman@contrariancapital.com or jbright@contrariancapital.com. The Contrarian Offeror will then forward the Assignment Form to the Depositary.

If you are tendering a physical Assignment Form by mail, hand, fax or email, it must be received by 5:00 p.m., New York City time, on Friday, January 18, 2019.

We have also made a simplifying change to the process for tendering using a physical Assignment Form. If you are submitting the Assignment Form in a representative capacity, we will not require you to submit separate evidence of authority. Your submission of the Assignment Form will constitute your representation that you are authorized to execute the form in the capacity that you indicate. We reserve the right, however, to require you to submit evidence of your authority upon our request.

¹ This assumes that the Offer is not oversubscribed. If it is, the number of Interests we accept for purchase, and the cash you receive, will be proportionately reduced. The amount you would receive is also subject to any required tax withholding, and any offset for distributions by the Partnership made to you with a record date after the date of this letter and until we accept the Interests for payment. Any premiums fees and other amounts that you may owe to the Partnership or its agents will also be deducted, as shown in the table. The premiums, fees and catch-up payments constitute a part of the purchase price for your Partnership Interests, and will be deducted from future distributions from the Partnership. See the Supplement No. 1 to the Offer to Purchase for details.

Tendering over the Internet

To assist holders of Partnership Interests wishing to tender their Interests, we are now providing holders with the opportunity to submit their tender over the Internet. To tender your Partnership Interests over the Internet, you should follow these instructions:

1. Go to www.lifepartnerstender.com.
2. Click on "If you wish to tender click here" appearing at the top right of the Home Page.
3. Enter the following Account Code and Security Key where indicated:

Account Code:	[Account Code]
Security Key:	[Security Key]

4. Complete the web version of the Assignment Form (including the appropriate form to avoid U.S. federal tax withholding) and click submit.

A tender over the Internet will have the same effect as a tender made using a physical Assignment Form. If you are tendering over the Internet, you must submit the web version of Assignment Form no later than the expiration time of the tender offer at 5:00 p.m. New York City time on Friday, January 18, 2019.

Previously Tendered Interests

If you have previously tendered your Partnership Interests into the Offer, and have not withdrawn such tender, and you do not wish to make any change, you are not required to do anything. Your tender will be considered as being made in accordance with the revised terms of the Offer.

If you have not tendered your Partnership Interests and wish to do so, or you wish to make a change in the tender that you previously made, we are now offering you a number of ways to do so, as described above.

If you have tendered into the terminated Contrarian offer, or you tendered into the Offer and then withdrew your tenders, your tenders will be of no effect. If you wish to tender into the pending Offer, you must re-tender.

Other Information

If the conditions to the Offer are satisfied, and you properly tender your Partnership Interests prior to the deadline, you will receive payment for your Interests by check. The check will be mailed to your address, as it appears on the register of Interest holders maintained by the Partnership, following the expiration of the Offer, anticipated to be within three business days of the expiration date.

You should read the enclosed Supplement No. 1 to the Offer to Purchase and the Schedule 14D-9 previously mailed to you, for more complete information about the Offer. These materials are also available on our website at www.lifepartnerstender.com.

If you have any questions, you may contact Georgeson LLC, the Information Agent for the Offer, as follows: 1290 Avenue of the Americas, 9th Floor, New York, NY 10104, (866) 767-8986 or CFunds Life Settlement, LLC at 800-266-3810

Sincerely,

LIFE SETTLEMENT LIQUIDITY OPTION, LLC
CFUNDS LIFE SETTLEMENT, LLC

Email to Trust and Partnership Interest Holders

Dear Interest Holder —

You are receiving this email because you are a holder of Position Holder Trust Interests of Life Partners Position Holder Trust and/or a holder of IRA Partnership Interests of Life Partners IRA Holder Partnership, LLC.

Life Settlement Liquidity Option, LLC and CFunds Life Settlement, LLC together are offering to purchase up to 105,989,695 of Trust Interests and up to 165,155,385 Partnership Interests for a cash price of **\$0.16 per Interest**, less any tax withholdings and premiums, fees or catch-up payments that you may owe according to your account statements. We refer to these tender offers as the Offer. The Offer presents an opportunity to holders of Trust Interests and Partnership Interests to receive cash for their Interests now, rather than wait for possible distributions from the Trust or the Partnership in the future.

Life Settlement Liquidity Option, LLC (referred to here as the Anchorage Offeror) is an affiliate of Anchorage Capital Group, L.L.C., which has approximately \$16.5 billion of assets under management. CFunds Life Settlement, LLC (referred to here as the Contrarian Offeror) is an affiliate of Contrarian Capital Management, L.L.C., an SEC registered investment advisor with approximately \$5.3 billion of assets under management.

There have been important changes to the Offer.

The important changes to the Offer that you should be aware of include:

- The Contrarian Offeror has joined the Anchorage Offeror in the Offer, and has terminated its own tender offers for Interests.
- The offer price has been increased to **\$0.16 per Interest** (the same price as in the Contrarian offers) from \$0.133 per Interest (in each case, subject to certain deductions).
- The maximum number of Interests to be purchased in the Offer has been reduced to 105,989,695 Trust Interests and 165,155,385 Partnership Interests.
- The expiration date for the Offers has been extended to 5:00 p.m. New York City time on Friday, January 18, 2019.

You should have already received a package in the mail for the Offer, including the Offer to Purchase, a Solicitation/Recommendation Statement on Schedule 14D-9; and a WHITE Assignment Form (for the Trust Interests) or a YELLOW Assignment Form (for the Partnership Interests). You are receiving a supplemental package that includes a Supplement No. 1 to the Offer to Purchase that describes the changes to the Offer in more detail. The supplemental package also includes a letter, which not only summarizes the modified terms of the Offer, but also includes certain codes you will need if you wish to tender over the Internet, as described below.

Ways in which you can tender.

If you have previously tendered your Interests into the Offer, and you do not wish to make any change, you are not required to do anything. Your tender will be considered as being made in accordance with the revised terms of the Offer.

If you have not tendered your Interests and wish to so, or you wish to make a change in the tender that you previously made, we are now offering you a number of ways to do so, as described below.

If you have tendered into the terminated Contrarian offers, or you tendered into the Offer and then withdrew your tender, your tender will be of no effect. If you wish to tender into the pending Offer, you must re-tender.

You may submit a physical Assignment Form.

You may use the previously sent physical Assignment Forms to participate in the Offer. To do so, complete and sign the appropriate Assignment Form return it, either —

- to Computershare Trust Company, N.A., the Depositary for the Offer, by mail or hand delivery; or

If delivering by mail:
Computershare Trust Company, N.A.
Attn: Corporate Actions
P.O. Box 43011
Providence, RI 02940

If delivering by hand, overnight or courier:
Computershare Trust Company, N.A.
Attn: Corporate Actions
250 Royall St — Suite V
Canton, MA 02021

- to the Contrarian Offeror by fax 203-485-5910 or email freeman@contrariancapital.com or jbright@contrariancapital.com. The Contrarian Offeror will then forward the Assignment Form to the Depositary.

You may also submit a web version of the Assignment Forms over the Internet.

The letter in the supplemental package cover contains your personal Account Code and Security Key. If you wish to tender into in the Offer over the Internet —

- Go to the website for the Offer by clicking on this link: www.lifepartnerstender.com.
- Click on “If you wish to tender click here” appearing at the top right of the Home Page.
- Enter your personal Account Code and Security Key.
- Follow the directions for completing the web version of the Assignment Form (including the appropriate form to avoid U.S. federal tax withholding) and click submit.

Whether you participate in the Offer by using a physical Assignment Form or over the Internet, you submission must be received no later than **5:00 p.m. New York City time on Friday, January 18, 2019.**

If you did not receive the tender offer package or the supplemental package, or do not have your Account Code and Security Key, please contact the Information Agent for assistance at the telephone number (866) 767-8986.

If the conditions to the Offer are satisfied, and you properly tender your Interests prior to the deadline, you will receive payment for your Interests by check. The check will be mailed to your address, as it appears on the register of Interest holders maintained by the Trust or the Partnership, following the expiration of the Offer, anticipated to be within three business days of the expiration date. (Checks for the payment of the purchase price of tendered Interests held in individual retirement accounts (IRAs) will only be sent to the address of the IRA custodian. If you are tendering Interests in an IRA, and you think the address of the IRA custodian is incorrect or unavailable, you should contact the Information Agent for the Offer.)

You should read the Offer to Purchase, the Supplement No. 1 and the Schedule 14D-9 for more complete information about the Offer.

If you have any questions, you may contact Georgeson LLC, the Information Agent for the Offer, as follows: 1290 Avenue of the Americas, 9th Floor, New York, NY 10104, (866) 767-8986 or CFunds Life Settlement, LLC at (800)266-3810. You may call ASM Capital at the contact information listed below.

Sincerely

[ASM Capital Contact]
for ASM Capital,
an affiliate of Sanford Scott & Company LLC,
an advisor to Life Settlement Liquidity Option, LLC

**LIFE SETTLEMENT LIQUIDITY OPTION, LLC AND CFUNDS LIFE SETTLEMENT, LLC
ANNOUNCE EXTENSION AND AMENDMENT OF TENDER OFFER FOR INTERESTS OF
LIFE PARTNERS POSITION HOLDER TRUST AND
LIFE PARTNERS IRA HOLDER PARTNERSHIP, LLC**

NEW YORK — December 20, 2018 — Life Settlement Liquidity Option, LLC and CFunds Life Settlement, LLC, today announced the amendment and extension of the tender offers (collectively referred to as the “Offer”) commenced on November 13, 2018 to purchase a portion of the outstanding position holder trust interests (the “Trust Interests”) of Life Partners Position Holder Trust (the “Trust”) and a portion of the outstanding IRA Partnership Interests (the “Partnership Interests”, and, together with the Trust Interests, the “Interests”) of Life Partners IRA Holder Partnership, LLC (the “Partnership”).

Life Settlement Liquidity Option, LLC is an affiliate of Anchorage Capital Group, L.L.C. and is referred to as the “Anchorage Offeror”. CFunds Life Settlement, LLC is an affiliate of Contrarian Capital Management, L.L.C. and is referred to as the “Contrarian Offeror”. Together they are referred to as the “Offerors”. The Offer was originally commenced by the Anchorage Offeror. The Contrarian Offeror has now been added as a bidder.

The changes to the Offer include:

- The Contrarian Offeror has joined the Anchorage Offeror in the Offer.
- The expiration date of the Offer has been extended to 5:00 p.m. New York City time on Friday, January 18, 2019. The Offer, as previously extended, was set to expire at 5:00 p.m. New York City time on December 20, 2018.
- The purchase price for the Interests has been increased to \$0.16 per Interest, from \$0.133 per Interest. The purchase price may be reduced for tax withholding, distributions made on the Interests with a record date after the commencement of the Offer, and any premiums, fees and catch-up payments that a holder may owe to the Trust or the Partnership with respect to the Interests being tendered.
- The maximum number of Interests that the Offerors are offering to purchase has been reduced to 105,989,695 Trust Interests and 165,155,385 Partnership Interests.
- The Offer has also been revised to permit tenders of Interests by email or fax or over the Internet.

Computershare Trust Company, N.A., the Depository for the Offer, has advised the Offerors that, as of 5:00 p.m., New York City time, on Wednesday, December 19, 2018, an aggregate of 15,204,208 Trust Interests and an aggregate of 2,403,070 Partnership Interests were validly tendered.

All other terms and conditions of the Offer remain materially the same. A Supplement No. 1 to the Offer to Purchase relating to the Offer has been distributed to the holders of Interests and filed with the U.S. Securities and Exchange Commission (the “SEC”) on December 20, 2018. Holders are referred to the Supplement No. 1 for more detailed information concerning the changes to the Offer and to the Offer to Purchase for other terms and conditions of the Offer.

Georgeson LLC is acting as information agent for the Offer. Computershare Trust Company, N.A. is acting as the depository and paying agent for the Offer.

Termination of the Prior Contrarian Tender Offer

Effective as of December 20, 2018, in anticipation of joining the Offer, Contrarian Funds, L.L.C. terminated its prior separate tender offers to purchase up to 19,745,000 of Trust Interests and up to 35,545,000 of Partnership Interests, in each case, at a price of \$0.16 per Interest (subject to certain deductions), pursuant to an offer to purchase, dated and first mailed to holders of Interests on November 28, 2018 (together with the assignment forms described in the such offer to purchase, the “November 28 Offer”). The November 28 Offer had been set to expire at 5:00, pm New York City time, on December 31, 2018.

Contrarian Funds, L.L.C. will not accept for purchase any Interests tendered pursuant to the November 28 Offer, and any assignment form delivered pursuant to the November 28 Offer (whether delivered before, on or after the date hereof) shall be deemed null and void and of no further force or effect.

About Anchorage

Anchorage Capital Group, L.L.C. is a New York-based registered investment adviser founded in 2003. The firm manages private investment funds across the credit, special situations and illiquid investment markets of North America and Europe using an active long and short basis, with particular focus on defaulted and leveraged issuers.

About Contrarian

Contrarian Capital Management, L.L.C. is a Connecticut-based registered investment adviser founded in 1995 that specializes in distressed debt investing. The firm is headquartered in Greenwich, CT and had approximately \$5.3 billion of assets under management as of November 30, 2018.

News Release for Informational Purposes Only

This news release is for informational purposes only and is not an offer to buy or the solicitation of an offer to sell any Interests. The Offer is being made solely by the Offer to Purchase and the related Assignment Forms, as they may be amended or supplemented. Holders of Interests and investors are urged to read the tender offer statement on Schedule TO filed November 13, 2018 with the SEC in connection with the Offer, which includes as exhibits the Offer to Purchase, the related Assignment Forms and other offer materials, as well as the Amendment No. 2 to the Schedule TO filed December 20, 2018 with the SEC, which includes as exhibits Supplement No. 1 to the Offer to Purchase and other offer materials, and any further amendments or supplements to the Schedule TO or the Offer to Purchase when they become available, because they contain important information. Each of these documents has been or will be filed with the SEC, and investors may obtain them for free from the SEC at its website (www.sec.gov); or from Georgeson LLC, the information agent for the Offer, by telephone at: (866) 767-8986 (toll-free) or by writing to: 1290 Avenue of the Americas, 9th Floor, New York, NY 10104.

Contact

Anchorage Capital Group, L.L.C. Phone: (212) 432-4600

Contrarian Capital Management, L.L.C. Phone: (203) 862-8200

AMENDED AND RESTATED
ASSIGNEE'S NOTICE OF ASSIGNMENT AND ASSUMPTION, AND
INDEMNITY AGREEMENT – TENDER OFFER

THIS AMENDED AND RESTATED NOTICE OF ASSIGNMENT AND ASSUMPTION, AND INDEMNITY AGREEMENT (this "**Restated Notice and Indemnity Agreement**") is entered into this 20th day of December, 2018 (the "**Restatement Date**"), by and among: (i) Life Settlement Liquidity Option, LLC, a Delaware limited liability company ("**LSLO**"), and CFunds Life Settlement, LLC, a Delaware limited liability company ("**CFLS**"), and, together with LSLO, "**Assignees**"; and (ii) the Life Partners Position Holder Trust (the "**PHT**") and the Life Partners IRA Holder Partnership, LLC, a Texas limited liability company (the "**Partnership**" and together with the PHT, the "**Successor Entities**").

WHEREAS, THE REVISED THIRD AMENDED PLAN OF REORGANIZATION OF LIFE PARTNERS HOLDINGS, INC. ET AL. Case No 15-40289-rfn11 (the "**Plan**"), which was confirmed by the United States Bankruptcy Court for the Northern District of Texas on November 1, 2016, and became effective on December 9, 2016;

WHEREAS, as of the date hereof, Michael J. Quilling has been duly appointed, and is duly acting, as the trustee of the PHT (the "Trustee") and the manager of the Partnership (the "Manager");

WHEREAS, the PHT is governed by the Trust Agreement for the Life Partners Position Holders Trust (the "**Trust Agreement**"); and the Partnership is governed by Company Agreement of Life Partners IRA Holder Partnership, LLC, (the "**Company Agreement**," and, together with the Trust Agreement, the "**Successor Entity Agreements**") each effective as of December 9, 2016;

WHEREAS, LSLO commenced tender offers (the "**Tender Offers**") for PHT Units and IRA Partnership Units, as further described in that certain Schedule TO (together with all exhibits thereto, the "**Schedule TO**") filed by LSLO with the Securities and Exchange Commission on November 13, 2018;

WHEREAS, CFLS is now being joined to the Tender Offers as an offeror along with LSLO, as described in an amendment to the Initial Schedule TO (together with all exhibits thereto, the "**Amended Schedule TO**"; and together with the Initial Schedule TO, the "**Initial Schedule TO**") filed by LSLO with the Securities and Exchange Commission on the Restatement Date;

WHEREAS, those security holders (each an "**Assignor**" and collectively the "**Assignors**") desiring to tender their PHT Units and/or their IRA Partnership Units (the "**Tendered Securities**") have been or will be identified, together with the Securities being tendered, in the forms of assignment, which may be in physical form or which may be in electronic form posted to an Internet website (the "**Assignment Forms**"), to be delivered to the appropriate Successor Entities, with the intent to assign, transfer and convey to the Assignees: (i) the Tendered Securities as of the Effective Date, as defined below, plus (ii) any right to receive dividends or any other distributions and remittances made or declared by the Successor Entities in respect of the Tendered Securities (collectively "**Post-Closing Dividends**") with a record date on or after the date of consummation (the "**Closing Date**") of the Tender Offers (the "**Record Date**") (collectively, the "**Assignment**");

WHEREAS, Assignees will accept for payment the Tendered Securities validly tendered and not withdrawn as of the date of the Tender Offers, subject to the terms and conditions of the offer to purchase and the other documents filed as exhibits to the Schedule TO;

WHEREAS, as disclosed in the Amended Schedule TO, Assignees intend to allocate the Tendered Securities between them in the manner set forth in the Amended Schedule TO (the "**Allocation**"), such that, while the obligation of Assignees to accept the Tendered Securities for payment on the Closing Date will be joint and several, Assignees intend that Tendered Securities will be assigned to each of them in accordance with the proportions of the Allocation; and

WHEREAS, to the extent that any premiums, fees, and catch-up payments are owed in respect of any of the Tendered Securities to the respective Successor Entities or their respective servicing agents (collectively, "**Premiums**"), Assignees will deduct such Premiums from the amount of the consideration paid to the holders of the Tendered Securities and pay over such amounts to the respective Successor Entities, thereby discharging the obligation to pay such Premiums on behalf of such holders.

NOW, THEREFORE, in consideration of the mutual promises, representations, warranties and covenants set forth herein, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound hereby, the Parties agree as follows:

1. Effective Date. This Restated Notice and Indemnity Agreement is delivered as of December 20, 2018; provided, however, that the Parties acknowledge that the Successor Entities shall recognize and record the assignment of Tendered Securities, if any, only effective as of the first June 30th or December 31st immediately following the Closing Date (the "**Effective Date**"); provided further that Successor Entities shall recognize the ancillary assignment of the right to receive Post-Closing Dividends.

2. Notification of Assignment. Assignees hereby confirm that as of the Closing Date, each Assignor of Tendered Securities, pursuant to its respective Assignment Form, will assign, transfer and convey the corresponding Tendered Securities to Assignees, and Assignees agree, severally and not jointly, pursuant to this Restated Notice and Indemnity Agreement, to assume and to perform, pay or discharge, when due, all liabilities, obligations and commitments arising out of, resulting from, or relating to the Tendered Securities, to be performed on or after the Closing Date, allocated and assigned to each of them in accordance with the Allocation. For the avoidance of doubt, all such liabilities, obligations and commitments referenced in the immediately preceding sentence shall be limited to the liabilities, obligations and commitments with respect to the Tendered Securities and shall not include any liability, obligation or commitment that an Assignor may have in any other capacity with respect to the Trustee or Manager.

3. Recordation of Transfer; Payment of Premiums.

(a) On the Closing Date, Assignees will inform the Successor Entities of the number of Tendered Securities of the respective Successor Entities to be assigned to each of them in accordance with the Allocation.

(b) Assignees request that, separately with respect to each Assignee in accordance with the Allocation, the appropriate Successor Entity record the Assignment on its books and records, show the respective Assignee as the Tendered Securities' record owner and direct all future correspondence and remittances to such Assignee as set forth below:

(i) in the case of Tendered Securities assigned to LSLO:

Life Settlement Liquidity Option, LLC
c/o Anchorage Capital Group, L.L.C.
610 Broadway
New York, New York 10012
Telephone: (212) 432 4600
Fax: (212) 358-4249
Attn: Jason Cohen; and

(ii) in the case of Tendered Securities assigned to CFLS:

CFunds Life Settlement, LLC
c/o Contrarian Funds, L.L.C.
411 West Putnam Ave., Suite 425
Greenwich, Connecticut 06830
Telephone: (203) 862-8200
Fax: (203) 629-1977
Attn: Gina N. Scianni

(c) Effective as of the Effective Date, the appropriate Successor Entity shall record the respective Assignee as the record owner of the Tendered Securities allocated to such Assignee in accordance with the Allocation, and shall recognize such Assignee as the record owner of such Tendered Securities for all purposes; provided that the appropriate Successor Entity shall recognize the ancillary assignment of the right to receive Post-Closing Dividends and shall remit to each Assignee, in accordance with the Tendered Securities allocated to such Assignee pursuant to the Allocation, all such Post-Closing Dividends.

(d) On, or as promptly as practicable following the Closing Date, Assignees will cause to be paid over to the respective Successor Entities, or to any servicing agent as may be designated by the respective Successor Entities, the Premiums payable by holders of the Tendered Securities allocated to each of them in accordance with the Allocation, to the extent such Premiums are deducted from the offer consideration payable to such holders in accordance with the Amended Schedule TO, and to the extent of such payment the respective Successor Entities will promptly record on its books and records the discharge of the holder of such Tendered Securities of the obligation to pay such Premiums.

4. Representations and Warranties.

(l) Each Assignee, severally and not jointly, represents and warrants to the Successor Entities, as to itself only, that the following statements are true and accurate:

- (a) Protected Purchaser. Effective upon the recordation by the appropriate Successor Entity of the ownership of the respective Tendered Securities by such Assignee on the books and records of such Successor Entity, such Assignee shall become a protected purchaser of such Securities, free and clear of any adverse claim (as the terms "protected purchaser" and "adverse claim" are defined in the Uniform Commercial Code in effect on the Closing Date in the State of Texas).
- (b) Authority. Such Assignee has full power and authority to enter into this Restated Notice and Indemnity Agreement, to carry out its obligations hereunder, and to consummate the transactions contemplated hereby to be consummated by Assignee. This Restated Notice and Indemnity Agreement and the other transaction documents which such Assignee has executed and delivered to the Successor Entities in connection with the Tender Offers have been duly executed and delivered by Assignee and, constitute such Assignee's legal, valid and binding obligations, enforceable against it in accordance with their terms. The execution and delivery thereof by such Assignee have been duly authorized, and no other proceedings (corporate or otherwise) on the part of such Assignee are necessary with respect thereto.
- (c) Plan. Such Assignee acknowledges that the Successor Entity Agreements, together with the Plan and the Plan Documents, govern the Tendered Securities.
- (d) No Material Non-Public Information. To the knowledge of such Assignee, none of the information received by such Assignee from the Successor Entities, the Servicing Company, or any affiliate of any of them, and not disclosed in filings made by the Successor Entities with the Securities and Exchange Commission (the "**Successor Entity SEC Filings**") or in the Schedule TO or the Successor Entity Tender Offer Disclosure (as hereafter defined), constitutes material non-public information, within the meaning of the federal securities laws. Such Assignee has relied solely upon information available in the Successor Entity SEC filings, the Successor Entity Tender Offer Disclosure, the Disclosure Statement, the Plan, the Plan Documents and any independent investigations made by the Assignee.
- (e) Investment Purpose. Such Assignee will be acquiring the Securities for such Assignee's own account and not for the account of any other person, for investment purposes only and not with a view to distribute or resell the Securities in whole or in part.
- (f) W-9. Attached hereto is a true and correct copy of such Assignee's W-9.
- (g) Legal Opinion. All representations of fact in respect of such Assignee contained in the opinion of counsel submitted to the Successor Entities, the form of which is attached to this Restated Notice and Indemnity Agreement, are true and correct.
- (h) Compliance. Such Assignee's execution, delivery and performance of its obligations under this Restated Notice and Indemnity Agreement do not violate any applicable federal or, to its knowledge, state laws. The Tender Offers comply with all applicable federal laws and regulations, and, to such Assignee's knowledge, applicable state laws.
- (i) No Advice. Neither the Successor Entities nor any SE Indemnitee (as hereafter defined) has given such Assignee any advice or counsel regarding the Assignment, including without limitation, advice or counsel regarding the tax consequences of the Assignment, the validity

of the Assignment, the suitability of the Securities as investments and the Assignments' compliance with any applicable law.

- (j) No Reliance. Other than as contained in the Successor Entity SEC filings and Successor Entity Tender Offer Disclosure, such Assignee has not relied upon any statements, representations, or other information, written or oral, from the Successor Entities or any SE Indemnitor in connection with the Assignment or this Restated Notice and Indemnity Agreement.
- (k) Consideration. The recognition and recordation by the appropriate Successor Entity of the Assignment, as provided in Section 3, is adequate and sufficient consideration for such Assignee's obligations hereunder.
- (II) The Successor Entities represent and warrant to Assignees that the following statements are true and accurate:
 - (a) Authority. The Successor Entities have full power and authority to enter into this Restated Notice and Indemnity Agreement, to carry out their obligations hereunder, and to consummate the transactions contemplated hereby to be consummated by the Successor Entities. This Restated Notice and Indemnity Agreement has been duly executed and delivered by the Successor Entities and constitutes the Successor Entities' legal, valid and binding obligations, enforceable against them in accordance with its terms. The execution and delivery of this Restated Notice and Indemnity Agreement have been duly authorized by the Successor Entities, and no other proceedings (corporate or otherwise) on the part of the Successor Entities are necessary with respect thereto
 - (b) No Material Non-Public Information. To the knowledge of the Successor Entities, none of the information received by Assignees from the Successor Entities, the Servicing Company, or any affiliate of any of them, and not disclosed in filings made by the Successor Entities in the Successor Entity SEC Filings or in the Schedule TO or the Successor Entity Tender Offer Disclosure, constitutes material non-public information, within the meaning of the federal securities laws.

5. Assignees' Covenants.

Each Assignee, severally and not jointly, covenants, as to itself only, to the Successor Entities as follows:

- (a) Such Assignee hereby confirms that it: (i) has received a copy of the Plan and Plan Documents; (ii) has read and understood the Plan and Plan Documents; (iii) agrees to assume the Tendered Securities allocated to it pursuant to the Allocation subject to the Plan and Plan Documents and subject to any restrictions, covenants, or limitations imposed thereby, including without limitation any transfer restrictions the Plan and Plan Documents impose on said securities; and (iv) agrees to be bound by the Plan and Plan Documents and adhere to their terms and conditions, as such may apply to such Assignee or the Securities.
- (b) Such Assignee agrees that the Tendered Securities allocated to it pursuant to the Allocation may not be transferred, sold, assigned, pledged or otherwise disposed of except pursuant to the terms of the Plan and Plan Documents, and may not be transferred, sold, assigned, pledged or otherwise disposed of for a period of one year from the Effective Date, except to an Affiliate of Assignee.
- (c) Such Assignee and its owners covenant not to participate in a Change of Control Transaction for a period of one year from the Effective Date. For purposes of this subsection, a "Change of Control Transaction" means the sale of all or substantially all the assets of an entity; any merger, consolidation or acquisition of an entity with, by or into another corporation, entity or person; or any change in the ownership of more than fifty percent (50%) of the voting interests of an entity in one or more related transactions, except in each case to or with an Affiliate of such entity.

- (d) Such Assignee agrees that neither the Successor Entities nor the Servicing Company is obligated to file any registration statement relating to the Securities pursuant to the Securities Act of 1933 or any state securities law or facilitate any sale or other assignment of the Securities.
- (e) Such Assignee agrees that such Assignee may not (i) list the Tendered Securities on any securities market, exchange or interdealer quotation system (or substantial equivalent thereof), (ii) take any action, directly or indirectly, to develop a trading market for the Tendered Securities, (iii) act as a broker or dealer with respect to the Tendered Securities, (iv) accept any commission or other compensation in connection with any trading activities relating to the Tendered Securities, (v) collect and disseminate any information in connection with any trading activities relating to the Tendered Securities, or (vi) otherwise facilitate any trading activities relating to the Tendered Securities.
- (f) Such Assignee agrees that none of the Successor Entities, Servicing Company, their counsel or any affiliate of any of them (i) is not obligated to provide and has not provided legal, tax or investment advice to the Assignee; and (ii) is not obligated to warn and has not warned the Assignee of any legal, tax, financial or other risks of this Assignment.
- (g) Such Assignee agrees that the Successor Entities and the Servicing Company make no representation with respect to the Assignment, other than that the information heretofore furnished to Assignee concerning owners of record of the PHT Units and the IRA Partnership Units registered on the books and records of the appropriate Successor Entity is true and correct, and that (i) upon recordation of the Assignment as provided in Section 3, such Assignee will be the owner of record of the Tendered Securities allocated to it pursuant to the Allocation in accordance with the terms of the Successor Entity Agreements, and (ii) the Successor Entities will pay any Post-Closing Dividends as provided in Section 3. Neither the Successor Entities, the Servicing Company, their counsel nor any affiliate of any of them is making any representation or warranty as to the validity of the Assignment, its propriety under any law, the suitability of the security or any other matter; provided that nothing in this Section 5(g) shall relieve the Successor Entities of responsibility for the disclosures in the Successor Entity SEC Documents or the Successor Entities' disclosures made pursuant to Rule 14e-2 under the Securities Exchange Act of 1934, including disclosures made on Schedule 14d-9, in respect of the Tender Offers (each a "**Successor Entity Tender Offer Disclosure**").

6. Indemnification. Assignees shall, jointly and severally, indemnify, defend and hold harmless the Successor Entities, the PHT Board members, the Trustee, the Manager, counsel to the Successor Entities, Vida Capital, Inc., Magna Servicing LLC, and their respective affiliates (each, a "**Primary SE Indemnitee**"), and the respective attorneys, agents, representatives, contractors and servicers of each of them (each such person, a "**Secondary SE Indemnitee**," and, together with Primary SE Indemnitees, the "**SE Indemnitees**") harmless from and against any and all claims, losses, liabilities, costs, expenses, obligations and damages, including reasonable attorneys' fees and disbursements, sustained, incurred or paid by a SE Indemnitee (collectively, the "Damages") that: (i) would not have been sustained, incurred or paid if all the representations, warranties, agreements and covenants of Assignee in this Restated Notice and Indemnity Agreement had been true, correct or duly performed; or (ii) relate to the Assignment or the actions contemplated by this Restated Notice and Indemnity Agreement; provided that nothing in this subsection (ii) shall relieve any SE Indemnitee of liability for, and such SE Indemnitee shall not be entitled to indemnification with respect to, its own negligence, in the case of Secondary SE Indemnitees, or gross negligence, in the case of Primary SE Indemnitees, or willful misconduct, in the case of any SE Indemnity, or for any false or misleading statement in any Successor Entity SEC Document or for any false or misleading Successor Entity Tender Offer Disclosure.

- (a) If any claim is asserted or any action, suit or proceeding is commenced against an SE Indemnitee that may result in any liability or indemnity being imposed on Assignees, the Successor Entities shall exercise due diligence and reasonable business judgment in defending or settling the same and shall give notice thereof in writing to Assignees promptly following

the assertion of the claim or commencement of the action, suit or proceeding. Upon the receipt of such notice, Assignees, at their own expense, may participate in the defense against such claim, action, suit or proceeding, any negotiations with respect thereto and take all such steps as may be necessary or proper therein. Such participation shall not be deemed to be an admission of liability to the SE Indemnitee or any Assignee with respect to such matter. The SE Indemnitee shall have control of any defense or settlement, except that Assignees may assume and prosecute the defense, with counsel reasonably satisfactory to the SE Indemnitee, if Assignees do not agree to a settlement proposed by the SE Indemnitee and admit its potential liability to the SE Indemnitee hereunder with respect to such matter. Anything to the contrary herein notwithstanding, no SE Indemnitee shall settle any claim, action suit or proceeding with respect to which it is entitled to indemnification under this Section 6 without the joint written consent of Assignees, which consent shall not be unreasonably withheld.

- (b) Assignees' indemnification obligations shall extend for the longest applicable statute of limitations period; provided that the obligation of Assignees to indemnify any Primary SE Indemnitee for reasonable attorneys' fees and disbursements sustained, incurred or paid by such Primary SE Indemnitee with respect to any claim asserted or any action, suit or proceeding commenced against such Primary SE Indemnitee shall extend indefinitely.
- (c) Should an indemnification obligation under this provision arise, each Assignee hereby expressly authorize the Successor Entities to set-off such obligation against any distributions payable to such Assignee pursuant to the Plan and remit same to the corresponding SE Indemnitee; provided that if such Assignee shall contest in a writing delivered to the Successor Entities the entitlement of an SE Indemnitee to such indemnification, the Successor Entities shall not make such remittance and shall instead hold such distribution in escrow, separate and apart from other assets of the Successor Entities, until such time as the entitlement of such SE Indemnitee to indemnification is finally determined by a court of competent jurisdiction (and shall make a remittance thereof to Assignee if the SE Indemnitee is finally determined not to be entitled to such indemnification); provide further than any remittance made to an SE Indemnitee pursuant to this Section 6(c) shall be deemed in satisfaction of such Assignee's indemnification obligations hereunder.

7. Further Assurances. At any time and from time to time after the date hereof, Assignees and the Successor Entities shall execute and deliver, upon written request, all such further documents and instruments and shall do and perform all such acts as may be reasonably necessary to give full effect to the intent of this Restated Notice and Indemnity Agreement.

8. Governing Law. This Restated Notice and Indemnity Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

9. Multiple Counterparts; Electronic Delivery. This Restated Notice and Indemnity Agreement may be executed in any number of counterparts; all such counterparts shall be deemed to constitute one and the same instrument and each of the said counterparts shall be deemed an original. Delivery of an executed counterpart of this Restated Notice and Indemnity Agreement, by facsimile, electronic mail in portable document format (.pdf) or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, has the same effect as delivery of an executed original of this Restated Notice and Indemnity Agreement.

10. Assignability; Binding Effect; Third Parties.

- (a) Except as otherwise set forth in this Restated Notice and Indemnity Agreement, Assignees' and the Successor Entities' rights and obligations hereunder may not be assigned or delegated without the prior written consent of the other party. Subject to the preceding sentence, this Agreement is binding upon and will inure to the benefit of each Assignee, the Successor Entities, and each of their respective successors, assigns, heirs and legal representatives.
- (b) Except as otherwise set forth in this Restated Notice and Indemnity Agreement, nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies arising from this Agreement on any person other than Assignees, the Successor Entities and

their respective successors or assigns, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third party to a party, nor shall any provision of this Agreement give any third party a right of subrogation or action against any party.

11. Definitions. Except as expressly defined herein, capitalized terms in this Restated Notice and Indemnity Agreement shall have the meaning given them in the Plan or, in the case of "Affiliate," the Trust Agreement.

12. Merger and Integration. This Restated Notice and Indemnity Agreement along with its exhibits modifies and supersedes all other preceding agreements, oral or written, between the Assignees and the Successor Entities and constitutes the entire agreement of the parties regarding the subject matter hereto.

[Remainder of this page left blank]

IN WITNESS WHEREOF, the parties have executed this Restated Notice and Indemnity Agreement as of the date first written above.

ASSIGNEES (severally and not jointly, except with respect to section 6 hereof):

LIFE SETTLEMENT LIQUIDITY OPTION, LLC

By: Anchorage Capital Group, L.L.C., its Investment Manager

By: /s/ Jason A. Cohen

Name: Jason A. Cohen

Title: Secretary

CFUNDS LIFE SETTLEMENT, LLC

By: /s/ Gina N. Scianni

Name: Gina N. Scianni

Title: Authorized Signatory

PHT:

LIFE PARTNERS POSITION HOLDER TRUST

By: /s/ Michael J. Quilling

Name: Michael J. Quilling

Title: Trustee

PARTNERSHIP:

LIFE PARTNERS IRA HOLDER PARTNERSHIP, LLC

By: /s/ Michael J. Quilling

Name: Michael J. Quilling

Title: Manager

Life Settlement Liquidity Option, LLC
c/o Anchorage Capital Group, L.L.C.
610 Broadway, 6th Floor
New York, NY 10012

December 20, 2018

CFunds Life Settlement, LLC
c/o Contrarian Funds, L.L.C.
411 West Putnam Ave., Suite 425
Greenwich, CT 06830

**Re: Offers to Purchase Position Holder Trust Interests of Life Partners Position Holder Trust
and IRA Partnership Interests of Life Partners IRA Holder Partnership.**

Gentlemen and Ladies:

Life Settlement Liquidity Option, LLC, a wholly-owned subsidiary of Anchorage Illiquid Opportunities Master VI (B), L.P. and an affiliate of Anchorage Capital Group, L.L.C. (collectively with any other relevant affiliates, "Anchorage") has commenced tender offers for up to 150,375,940 Position Holder Trust Interests ("Trust Interests") of Life Partners Position Holder Trust (the "Trust") and up to 225,563,910 IRA Partnership Interests ("Partnership Interests") and, together with the Trust Interests, the "Interests") of Life Partners IRA Holder Partnership, LLC (the "Partnership") for \$0.133 per Interest in cash (the "Anchorage Tender Offers"). Contrarian Funds, L.L.C. has commenced tender offers for up to 19,745,000 Trust Interests and 35,545,000 Partnership Interests for \$0.16 per Interest in cash (the "Contrarian Tender Offers").

In order to avoid the confusion to holders of Interests that may be occasioned by two sets of concurrently pending tender offers, and to promote equality of treatment among tendering Interest holders, Anchorage and Contrarian Funds, L.L.C. have agreed that Contrarian Funds, L.L.C. will terminate the Contrarian Tender Offers and that CFunds Life Settlement, LLC, a wholly-owned subsidiary of Contrarian Funds, L.L.C., (collectively, "Contrarian") will join in the Anchorage Tender Offers, on the terms set forth in Annex A to this letter (this "Letter Agreement"). For the avoidance of doubt, Annex A hereto ("Annex A") forms a part of this Letter Agreement, and together with this Letter Agreement is intended to constitute the legally binding obligations of each of Life Settlement Liquidity Option, LLC and CFunds Life Settlement, LLC to jointly continue with the Anchorage Tender Offers on the terms set forth herein and therein. The Anchorage Tender Offers as so continued are referred to as the "Amended Offer."

From and after the date hereof, each of Anchorage and Contrarian agrees to take all action as shall be reasonably necessary or desirable in order to conduct and consummate the Amended Offer substantially on the terms set forth in Annex A.

Capitalized terms used in this Letter Agreement and not otherwise defined herein shall have the meanings ascribed to them in the Offer to Purchase (the "Offer to Purchase") filed under cover of Schedule TO, dated November 13, 2018, by Anchorage with the Securities and Exchange Commission (as amended and together with the exhibits thereto, including the Offer to Purchase, the "Schedule TO").

This Letter Agreement, the transactions contemplated hereby and any dispute arising hereunder are governed by and construed in accordance with the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule. The parties hereto each irrevocably agrees and consents to the exclusive jurisdiction of the courts of the State of New York and the federal courts for the United States, sitting in New York, New York, borough of Manhattan, for the adjudication of any matters arising under or in connection with this Letter Agreement and the transactions contemplated hereby.

EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS LETTER AGREEMENT OR THE BREACH, TERMINATION OR VALIDITY OF THIS LETTER AGREEMENT, OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Each Party acknowledges and agrees that remedies at law will be inadequate remedies for breach of this Letter Agreement and consequently agrees that this Letter Agreement shall be enforceable by specific performance. The remedy of specific performance shall be cumulative of all of the rights and remedies at law or in equity of the parties under this Letter Agreement.

This Letter Agreement (including Annex A hereto) constitutes the entire agreement among the parties hereto and cannot be altered except in a writing signed by all of the parties hereto.

Signatures may be delivered by facsimile or by portable document format ("pdf") in electronic transmission, which shall be effective as delivery of a manually executed counterpart of this Letter Agreement.

[Remainder of page intentionally blank.]

Please indicate your agreement with the terms of this Letter Agreement, including Annex A, by signing in the place indicated below and returning a counterpart signature page to the undersigned.

Very truly yours,

LIFE SETTLEMENT LIQUIDITY OPTION, LLC

By: Anchorage Capital Group, L.L.C., as manager

By: /s/ Jason A. Cohen

Name: Jason A. Cohen

Title: Secretary

Acknowledged and Agreed:

CFUNDS LIFE SETTLEMENT, LLC

By: Contrarian Funds, L.L.C., as sole member

By: /s/ Gina N. Scianni

Name: Gina N. Scianni

Title: Authorized Signatory

Terms of the Amended Offer

1. **Price per Interest:** \$0.16 per Interest, less the amount of (i) any applicable tax withholding, (ii) distributions payable to holders of record of the Interests as of a record date that occurs following November 13, 2018 and prior to the expiration date referred to below and (iii) premiums, fees, and catch-up payments owed by the applicable tendering holder to the Trust, Partnership or their respective servicing agents in respect of Interests (the amounts described in clauses (i)-(iii) above, the "Deduction Amounts").
2. **Number of Interests** Up to 105,989,695 Trust Interests and up to 165,155,385 Partnership Interests.
3. **Expiration Date:** No earlier than the end of the minimum period required by Rule 14e-1(b) under the Securities Exchange Act. The expiration date set forth in any supplemental materials filed with the SEC and/or disseminated to Interest holders shall only be extended with the joint approval of Anchorage and Contrarian.
4. **Offerors:** Life Settlement Liquidity Option, LLC ("Anchorage Offeror") and CFunds Life Settlement, LLC (the "Contrarian Offeror") and, together with the Anchorage Offeror, the "Parties").
5. **Other Terms of the Amended Offer:** As set forth in the Offer to Purchase, unless otherwise agreed by Anchorage and Contrarian. The Offer to Purchase will be appropriately amended to reflect the participation of the Contrarian Offeror as an offeror. In addition, the Parties will obtain such agreements of the Trustee and Manager, and execute such instruments of assignment and other agreements or documents, as may reasonably be required to ensure that each of the Anchorage Offeror and the Contrarian Offeror is (contemporaneously) recorded as the record owner of Interests acquired by, or allocated to, each of them in accordance with the provisions of this Annex A.
6. **Allocation of Interests Purchased:** As between the Anchorage Offeror and the Contrarian Offeror, tendered Interests will be allocated, separately for the tendered Trust Interests and the tendered Partnership Interests, as follows:
 - (a) of the first 45.3% of the Interests tendered, 50.0% will be allocated to the Anchorage Offeror and 50.0% will be allocated to the Contrarian Offeror; and
 - (b) thereafter, 85.0% will be allocated to the Anchorage Offeror and 15.0% will be allocated to the Contrarian Offeror.

At the conclusion of the Amended Offer, the Parties will instruct the Trustee and Manager to record the assignment of record of the Interests to each of them in accordance with the foregoing allocations. Without limiting the foregoing, to the extent that any Assignment Form delivered by an Interest holder provides for the transfer to a Party of Interests that should be allocated to the other Party in accordance with this Annex A, the first Party shall take all action reasonably necessary, including executing and delivering (or causing to be executed or delivered) to the other Party, the Trust and the Partnership, as applicable, such instruments of assignment, trade confirmations, legal opinions and other document as the Trustee or Manager may request or the other Party may otherwise

- reasonably require, to cause the assignment of such Interests to the other Party as of the earliest date following the date that Interests tendered in the Amended Offer are transferred to the first Party.
7. **Allocation of Purchase Price for the Interests:** Anchorage and Contrarian agree to fund the purchase price of the Interests allocated to them in accordance with this Annex A. The allocation between Anchorage and Contrarian of any Deduction Amounts will be on a *pro rata* basis in accordance with this Annex A.
8. **Waiver; Termination of Offer:** The conditions to the Amended Offer, as set forth in the Offer to Purchase, and any defect applicable to any tender by an Interest holder, may be waived only with the joint approval of Anchorage and Contrarian. The Amended Offer may only be terminated with the joint approval of Anchorage and Contrarian, unless a condition to accepting tendered Interests is not satisfied (or jointly waived) prior to the expiration date of the Amended Offer (in which case, the Amended Offer shall be terminated, unless otherwise agreed by the Parties).
9. **Public Announcements and Filings:** Any public announcements and regulatory filings in connection with the Amended Offer will require the joint approval of Anchorage and Contrarian.
10. **Allocation of Costs and Expenses:** Anchorage and Contrarian will be responsible, on a *pro rata* basis in accordance with the tendered Interests allocated to them in accordance with this Annex A, for all costs and expenses: (i) incurred to the date hereof in connection with the Anchorage Tender Offers (which total approximately \$375,000) and the Contrarian Tender Offers (which total approximately \$250,000); and (ii) incurred by each of them, or incurred by them jointly, from and after the date hereof in connection with the Amended Offer. For the avoidance of doubt, this shall include costs and expenses payable to the Depositary, the Information Agent or the Paying Agent for the Amended Offer, as well as any indemnification obligations owed to the Trustee of the Trust, the Manager of the Partnership or any other persons in connection with the Amended Offer (but, for the avoidance of doubt, subject to the Parties' respective obligations to one another pursuant to Section 13 of this Annex A).
- The allocation of costs and expenses, however, shall not include any commissions or brokerage fees.
- In the event that the Amended Offer is not consummated, the Parties will be responsible for all costs and expenses incurred as follows:
- (a) for costs and expenses incurred prior to or on the date hereof in connection with the Anchorage Tender Offers and the Contrarian Tender Offers, each Party will be responsible for its own costs and expenses; and
 - (b) for costs and expenses incurred after the date hereof in connection with the Amended Offer:
 - (i) if the Amended Offer is not consummated as a result solely of either Party's unilateral willful misconduct, bad faith or any other action (for failure to act) taken (or omitted to be taken) in violation of this Agreement, then solely the Party whose action (or omission to act) or bad faith or willful misconduct led to the Amended Offer not being consummated will be responsible for the costs and expenses incurred; and
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- (ii) if the Amended Offer is not consummated for any reason or under any circumstance other than those described in clause (i) above, the Parties will each be responsible for 50.0% of the costs and expenses incurred.

11. Legal Opinions

Each of Anchorage and Contrarian shall provide such representations as shall be reasonably required for the delivery of any legal opinions requested by the Trustee or Manager.

12. Third Party Claims

Each Party shall be solely responsible for any costs, expenses, damages, liabilities or other losses based on claims of third parties ("Third Party Claims") to the extent attributable to the act or omission of such Party, or to any misstatement or omission to make a statement, of or by such Party related to the Amended Offer or any disclosures made in connection with the Amended Offer (including information furnished by such Party, or required to be furnished by such Party, for inclusion in any documentation for the Amended Offer). Except as provided in the prior sentence, the responsibility for all Third Party Claims shall be allocated in the same proportions as the costs and expenses of the Amended Offer, provided above.

All decisions with respect to the defense of Third Party Claims for which responsibility is allocated to both Parties will be made jointly by the Parties. Decisions with respect to the defense of Third Party Claims as to which only one Party is responsible will be made exclusively by that Party.

13. Indemnification and Contribution

Each Party will indemnify, defend and hold harmless the other Party, its officers, directors, partners and affiliates ("Indemnified Parties") from and against claims, losses and expenses arising from, or relating to, (i) any material breach of its representations and warranties and (ii) any material breach or non-fulfillment of any agreement or undertaking of the indemnifying Party hereunder, including to the extent the Indemnified Party pays, discharges or assumes, or is required to pay, discharge or assume, any cost, expense, obligation or liability allocated to the indemnifying Party under this Annex A. The aforesaid indemnification obligation includes indemnification for (i) any reasonable legal or other out-of-pocket costs of investigation, defense or enforcement (including enforcement of the indemnification obligation), which shall be paid as incurred by the Indemnified Party, and (ii) amounts paid by an Indemnified Party pursuant to Section 6 of the Amended and Restated Assignee's Notice of Assignment and Assumption, and Indemnity Agreement (the "Trustee Indemnity Agreement") in excess of such Indemnified Party's proportionate share thereof (as determined in accordance with this Annex A) or by reason of a breach by the indemnifying Party of its representations and warranties in the Trustee Indemnity Agreement or herein with respect to such indemnifying Party. The indemnity agreements contained herein shall be in addition to any remedy available to any of the Indemnified Parties at law or in equity and any liability of the indemnifying Party pursuant to applicable law.

To the extent any indemnification provided hereunder is prohibited or limited by law, the indemnifying Party agrees, in lieu of indemnifying the Indemnified Parties, to make the maximum contribution with respect to any amounts for which it would otherwise be liable under this Annex A to the fullest extent permitted by law.

14. Representations and Warranties

Each Party represents to the other Party, in customary fashion, (i) that it has the authority to enter into this Letter Agreement and to perform its obligations hereunder and that this Letter Agreement constitutes the binding obligation of such party, subject to customary exceptions relating to creditors rights and principles of equity, (ii) that this Letter Agreement and the actions to be performed pursuant hereto by it and its affiliates have been duly authorized and will not conflict with any contractual, legal or other obligation of such Party or its affiliates, and (iii) that the disclosures made by such Party (including any information relating to such Party and/or any relationship or transaction between such Party, on the one hand, and the Trust or the Partnership on the other) in the documentation for the Amended Offer will not contain a material misstatement or omit any statement necessary so that its statements therein will not be materially misleading.

The Anchorage Offeror represents and warrants to the Contrarian Offeror that the Schedule TO, as and when originally filed, (i) complied in all material respects with the Securities Exchange Act of 1934, as amended, and the applicable rules and regulations of the SEC thereunder; and (ii) did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading.

The Contrarian Offeror represents and warrants to the Anchorage Offeror that the Offer to Purchase, dated as of November 28, 2018, mailed by the Contrarian Offer to holders of Interests, as of its date of first mailing, (i) did not violate in any material respects the Securities Exchange Act of 1934, as amended, and the applicable rules and regulations of the SEC thereunder; and (ii) did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading.

The foregoing representations and warranties shall survive the expiration, termination or withdrawal of the Amended Offers.

15. Other Agreements

Each Party shall notify the other Party of any material developments with respect to the Amended Offer. Without limiting the foregoing, (i) Anchorage shall instruct its Information Agent and Depositary as well as Sanford Scott & Company LLC to furnish or make available to Contrarian all information furnished or made available to Anchorage in connection with the Amended Offer (contemporaneously) and (ii) each Party agrees to promptly notify the other Party of any comment letter or other communication received from the SEC, and any response to such communications shall be made jointly by the Parties. Anchorage has provided Contrarian with copies of all written correspondence prior to the date hereof in respect of the Anchorage Tender Offers between Anchorage and the SEC. Other than such written correspondence, there have been no material communications between Anchorage and the SEC regarding the Anchorage Tender Offers or the Amended Offer.
