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February 20, 2020

**Via Hand-Delivery**

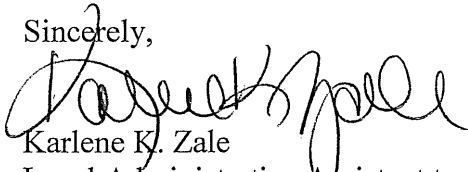
Clerk of the Court  
Ingham County Circuit Court  
313 W. Kalamazoo  
Lansing, MI 48933

Re: *Anita G. Fox v. Pavonia Life Insurance Company of Michigan*  
Case No. 19-504-CR

Dear Clerk:

Enclosed for filing is the original and Judge's copy of the *Response Of Aspida Holdco, LLC To The 2/12/20 Letter Of Society Of Settlement Planners And The Response To Latest Responses Of Objector Independent Insurance Group, LLC* as well as *Certificate of Service*. Please file in your usual manner. Thank you.

Sincerely,



Karlene K. Zale  
Legal Administrative Assistant to  
Lori McAllister

Enclosures

cc: Christopher L. Kerr (w/encl.)  
Jonathan E. Raven (w/encl.)  
Timothy W. Volpe (w/encl.)  
Ellen M. Dunn (w/encl.)  
Ryan Shannon (w/encl.)  
Joseph A. Di Gangi (w/encl.)

118738.000001 4815-2887-5178.1

**STATE OF MICHIGAN  
CIRCUIT COURT FOR THE COUNTY OF INGHAM**

ANITA G. FOX, Director of the Michigan  
Department of Insurance and Financial  
Services,

Plaintiff,

v.

PAVONIA LIFE INSURANCE COMPANY  
OF MICHIGAN,

Defendant.

Case No. 19-504-CR

Hon. Wanda M. Stokes

**CERTIFICATE OF SERVICE**

I hereby certify that on February 20, 2020, I caused to have served by first class mail, with postage prepaid a copy of the *Response Of Aspida Holdco, LLC To The 2/12/20 Letter Of Society Of Settlement Planners And The Response To Latest Responses Of Objector Independent Insurance Group, LLC* upon:

Christopher L. Kerr  
Assistant Attorney General  
Department Of Attorney General Corporate  
Oversight Division  
P.O. Box 30736  
Lansing, MI 48909

Ellen M. Dunn  
Sidley Austin LLP  
787 Seventh Avenue  
New York, NY 10019

Ryan Shannon  
Dickinson Wright  
2154 S. Washington Square, Ste. 200  
Lansing, MI 48933

Jonathan E. Raven  
Fraser Trebilcock Davis & Dunlap, PC  
124 W. Allegan Street, Ste. 1000  
Lansing, MI 48933

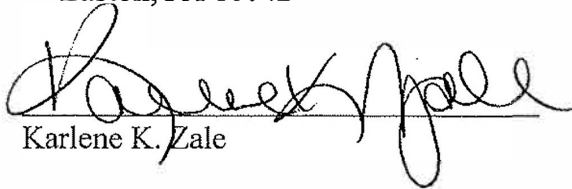
Timothy W. Volpe  
Adams and Reese LLP  
TIAA Bank Plaza  
501 Riverside Avenue, Suite 601  
Jacksonville, Florida 32202

Joseph A. Di Gangi, CFP, CSSC  
President  
Society of Settlement Planners  
101 Larry Holmes Dr., Ste. 215  
Easton, PA 18042

**RECEIVED**

**FEB 20 2020**

Clerk of the Court  
30th Judicial Circuit

  
Karlene K. Zale

STATE OF MICHIGAN  
CIRCUIT COURT FOR THE 30TH JUDICIAL CIRCUIT  
INGHAM COUNTY

---

ANITA G. FOX, DIRECTOR OF THE  
MICHIGAN DEPARTMENT OF  
INSURANCE AND FINANCIAL  
SERVICES,

Petitioner,

v

PAVONIA LIFE INSURANCE COMPANY  
OF MICHIGAN,

Respondent.

Case No. 19-504-CR

HON. WANDA M. STOKES

[IN REHABILITATION]

RECEIVED

FEB 20 2020

Clerk of the Court  
30th Judicial Circuit

---

**RESPONSE OF ASPIDA HOLDCO, LLC TO THE 2/12/20 LETTER of  
SOCIETY OF SETTLEMENT PLANNERS and the RESPONSE TO LATEST  
RESPONSES of OBJECTOR INDEPENDENT INSURANCE GROUP, LLC**

The “Society of Settlement Planners” (“SSP”) purports to provide an unverified letter (the “Letter”) “for the benefit and protection of the structured settlement industry which includes Pavonia’s 1,597 structured settlement payees.” The Court should disregard the letter. The Letter is over *four months late*, was filed without leave of Court, states no facts establishing any kind of standing of SSP to be heard, contains material mis-statements of fact, and proffers a standard for review of the Plan of Rehabilitation (“Plan”) that is inapplicable. Moreover, according to SSP’s own website, Objector is a “Platinum Sponsor” of SSP, and at least six of Objector’s officers and other representatives are members of SSP and one of them is on SSP’s Board, which strongly suggests (if not establishes) that Objector solicited the SSP letter.

Meanwhile, Objector purports to make an unverified “timely filed” response to filings Buyer and the Rehabilitator made to Objector’s 214 page January 27, 2020 Second Supplement (“Second Supplement” or “Supplemental Response”). Ten of Objector’s 11 points would “correct the record” without any competent evidence whatsoever, and without any citations to legal authority save as part of a Hail Mary request for mediation. The Court will note that Objector’s many references to “threats” and “improper, unethical and unprofessional” conduct by Seller, Buyer and ServiceCo are made without either quotation or any reference to rules. Objector devotes fully half of its 25 page brief to prevarication hoping to hide its now admitted solicitation of and cooperation from Seller’s and Management’s former most senior officer and board vice chair, George Luecke, in what would appear to be in derogation of his fiduciary duties.<sup>1</sup> They say they “prefer[] that these matters be resolved forthwith,” but request a “comprehensive dialogue,” “due diligence” and mediation, all the while denying any intent to delay or own up to responsibility for its consequences. Objector is neither a party nor an “interested person,” but yet continues to trample over the proceedings. And unless the Court reaffirms the initial procedures set forth for the Plan, there is little doubt that Objector will feel licensed to continue submitting filings based on, among other things, the pending criminal trial of Greg Lindberg.

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<sup>1</sup> Objector referred to a proposal by the Buyer to address the documentation attached to its recent filing (See Objector’s 2/18/20 Response at 14.). According to Objector’s February 18, 2020 submission, in relation to what it references as the “Confidential Board Deck” (an attachment to a 2019 email to Mr. Luecke), Buyer “agreed to retract it as an exhibit to its filing.” (Obj. 2.18.20 Res. at 14.) This is inaccurate (see Group Exhibit A, Buyer’s February 14, 2020 letter to Mr. Kerr in response to a February 13, letter from Mr. Raven to Mr. Kerr and the Court (without the redundant Aspida Further Response), and Mr. Kerr’s February 14 email to counsel (without redundant letter attachments)), and Objector has agreed to correct the inaccuracy by letter, a copy of which is to be submitted to the Court.

Patricia Hussain is a legal assistant of DLA Piper, and her name is on the email because she printed it.

Pursuant to the Court's January 28, 2020 Order Permitting Responses and Setting Supplemental Briefing Schedule, Buyer / Aspida Holdco, LLC hereby responds to SSP's untimely and unfounded but biased Letter submission, and Objector's latest whinge.

### **KEY FACTS THAT SSP MISREPRESENTED AND/OR OMITTED**

SSP's website reveals that Objector is one of SSP's two highest level "Platinum Sponsors," a status for which Objector presumably paid \$7,500. (See <https://www.societyofsettlementplanners.com/> and Group Ex. B, submitted herewith). SSP's members include five Objector officers or representatives, and a sixth representative of Objector's affiliate Delta Settlements; Objector's Michael Upchurch appears in both capacities, and Independent's VP of Internal Sale for Independent is on the SSP Board of Directors.<sup>2</sup>

SSP's reference to "Pavonia's 1,597 structured settlement payees" is wrong: they are *not* payees of Pavonia, but instead of Lincoln National Life Insurance Company, one of the nation's largest life insurers. Pavonia simply reinsured Lincoln National; in the event Lincoln National compensates a payee, it may seek indemnification from Pavonia. There is no privity between the payees and Pavonia. (See Group Ex. C, submitted herewith.) As demonstrated in Group Ex. C, both Lincoln National and Pavonia independently reflected in their statutorily required financial statements that Lincoln National reinsured such payees with Pavonia. (See Affidavit of Tamre F. Edwards, submitted herewith as Exhibit D.)<sup>3</sup>

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<sup>2</sup> See <https://www.independent.life/about-us/leadership-team>. We also note that there is a Rick Miller listed among SSP's Board Members (*id.*), and that there is a Rick W. Miller on the Delta Settlements website. <http://www.deltasettlements.com/rick-w-miller>

<sup>3</sup> Indeed, the parties also entered into a state-formatted trust agreement for the Pavonia assets backing the reinsured liabilities, that granted Lincoln National unilateral withdrawal rights, and provides agreed upon investment guidelines. As noted in our prior filings, MI DIFS requires prior submission and approval of all such arrangements.

## ARGUMENT

**The SSP Letter is legally insufficient for a multitude of reasons and the Court should disregard it.**

First, the Letter is untimely. Pursuant to the Court's August 8, 2019 Order Preliminarily Approving Plan of Rehabilitation to: . . . (ii) Establish Procedures for Notice, Comment and Hearing Concerning Final Approval of Plan of Rehabilitation, "any comment or objection to the Plan of Rehabilitation, including any specific aspects thereof" must "provid[e] all applicable legal support, and: (a) . . . [be filed] on or before Friday, October 4, 2019, at 4:30 p.m. Eastern Standard Time; and (b) [be served] on Christopher Kerr and James Long." (Order at 11-12.) The Letter is dated February 12, 2020, so it is over four months late, and was not addressed to, and did not include as cc recipients, either Mr. Kerr or Mr. Long. Nor did SSP seek leave of Court to file the Letter.

Second, SSP has no standing to be heard. Buyer incorporates by reference all of the arguments and authority that Buyer presented previously which establish that neither Objector nor its sponsored trade association SSP has any right, title or legal interest in the Plan or these proceedings. SSP "feels obligated and justified to write this letter on behalf of Pavonia structured settlement payees" (Letter at 12), but ignores the representative capacity in which the Director – both as regulator/Director reviewing the Form A application for approval of Buyer acquisition of Pavonia and GBIG LLC, as well as receiver/Rehabilitator – already serves for the protection of all Pavonia creditors and the general public.

Third, SSP has misrepresented (or at least misunderstands) the facts of Pavonia's "relationship" with structured settlement payees, whose obligations from Lincoln National Pavonia simply reinsured. (See Edwards Aff. paras. 21-26.) The referenced structured settlement payees are *payees of Lincoln National, not Pavonia*. Objector's avowed interest in protecting

“Pavonia’s policyholders” is wholly misplaced. The Court also should ignore the sleight of hand by which SSP suggests that annuity policies written by NC Insurer Affiliate Colorado Bankers Life Insurance Company are somehow tied to Pavonia’s reinsurance of Lincoln National’s annuity payees. (See Letter at 10.)

Fourth, the Letter contains no applicable legal support. SSP cites to a Michigan structured settlement protection act, but the statute by its terms requires court approval of a structured settlement payment transaction that, by definition, has *already occurred* in a trial court before which was pending a private litigant claim. The statute has no application to receivership proceedings, and inflammatory references to the Flint Water Crisis and Michigan state sex abuse torts cannot change that fact. (See Letter at 14.)

Fifth, the Letter is filled with unsubstantiated conclusions (not to mention undefined acronyms). *See, e.g.*, “the risk to Pavonia and its existing structured settlement payees is materially increased,” (Letter at 11), and Aspida will be “the rebranded version of Pavonia.” (*Id.* at 10.) As the Court knows, Buyer’s parent Ares is a very substantial, highly regulated manager of financial services.

At bottom, the SSP Letter is a transparent attempt to diminish industry competition by supporting the absorption of Pavonia into the single state licensed entity, a circumstance that cannot on its face benefit structured settlement annuity consumers or the general public.

#### **Objector’s Latest Unverified Response is Without Merit**

Objector fails to add any material points to its supposed objections to the Plan. It spends a substantial portion of its recent submission berating Buyer for the inclusion of certain emails and documents with Buyer’s last response to an Objector filing. Perhaps Objector feels pained as it now inherits the wind caused by its own omissions.

To be clear, not only did Buyer's counsel inquire as to any limitation related to the emails attached to Buyer's last brief, the emails attached include Non-Disclosure Agreements with terms that plainly expired long before this proceeding began. The information relates to past business discussions that did not reach fruition. Interestingly, Objector appears to suggest that it aborted the transaction; the documents imply and Mr. Edwards' Affidavit evidence the contrary. Regardless, the information Objector omitted is not the type that requires protection.

Objector further complains that a "Board Deck" its chairman attempted to email to Mr. Luecke at his Eli Global email address is "both plainly confidential and irrelevant to the proceedings before this Court." (Sec. Supp. at 14.) The document, however, is evidence of the Objector's scheme to disrupt these proceedings. Independent Life is a new insurance company with one state license. It did not incur the costs and efforts of due diligence, bidding, and a negotiation process. It bears repeating that the fact that Pavonia was for sale was no secret, the 2019 Wall Street Journal article previously submitted to the Court makes that plain. And yet, not having submitted a bid, Objector falsely pretends to have standing before this Court - a position which is entirely wrong as a matter of law - to support its belated effort to acquire Pavonia (or some part of it, it is not clear). Objector has never established its standing, but yet it continues to assert its right to acquire Pavonia.

In any event, the relevance of the information is plain from the documents and Objector's attempt to discount them rings hollow. Objector's true motives comes to light (at least to some extent) from the documents attached to the 2019 emails Buyer included with its February 3, 2020 submission. Objector - with the assistance of one of GBIG's previous global leaders who possesses all manner of confidential information that he obtained in a fiduciary capacity - planned to undermine the rehabilitation by pursuing Pavonia, which was already the subject of an executed stock purchase agreement and pending rehabilitation proceeding. Mr. Edwards' Affidavit presents



the truth of Mr. Luecke's involvement in and approval of the very same Affiliate Investments that Objector contends should be laid at the feet of the Management Team Mr. Luecke supervised, directed and managed. Objector's unsubstantiated, vain attempts to separate Mr. Luecke from the Management Team and the Affiliate Transactions lack merit and are made solely to upend the transaction that Buyer, Seller and DIFS have worked hard to present as part of the Plan, a Plan that fully protects *Pavonia's* policyholders and creditors.

Objector disrespects the Director as regulator and Rehabilitator and the laws the Director enforces, ignores the schedule set forth by the Court, and berates the *bona fide* participants in this proceeding. This is all about the Objector; but of course it must be, as it would utilize the Court to acquire an entity that will give the Objector status in markets it strives to enter but has failed to reach by traditional means.

### CONCLUSION

Taken together, the SSP Letter and Objector's latest Supplemental Response are nothing more than a cat's paw for Objector that continues to claw at the SPA and the Rehabilitation Plan, helplessly hoping to loosen a viable string of objection. There is none. If Objector is permitted to continue making or soliciting written statements of "concern," this entire proceeding will have been undermined, and the role of the Director/Rehabilitator divested of authority. Buyer remains confident that the Plan of Rehabilitation is well within the Director's authority and discretion, and secures the future for thousands of policyholders of the Michigan domestic life insurer. This is not a matter of mediation; it is ripe for final adjudication confirming the Plan. The Rehabilitator has provided ample evidence and support for approval of the Plan. The SSP Letter presents nothing of substance to overcome that, nor does the most recent Supplemental Submission by the Objector.

For all of these reasons, as well as those set forth in the prior submissions and January 16, 2020 argument of the Rehabilitator, the Seller and the Buyer: (i) the Objection should be overruled and Objector's participation terminated; (ii) the Plan should be approved without delay or modification; (iii) the Court should remedy SSP's baseless and frivolous delay of these proceedings; (iv) the Court should deny all relief requested by Objector; and (v) the Court should grant such further additional relief as the Court deems fair and equitable, including, without limitation, an award to Buyer of its attorney's fees and costs incurred in responding to the SSP Letter and repeated Objector submissions.

Dated: February 20, 2020

Respectfully submitted,

**ASPIDA HOLDCO, LLC**

By: 

Lori McAllister  
Stephen W. Schwab  
Carl H. Poedtke III  
Its Attorneys

Lori McAllister (P39501)  
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*Attorneys for Interested Party ASPIDA  
HOLDCO, LLC*

# **GROUP EXHIBIT A**

## Hussain, Patricia

---

**From:** Schwab, Stephen W.  
**Sent:** Thursday, February 20, 2020 12:09 PM  
**To:** Hussain, Patricia  
**Subject:** Group Ex. A  
**Attachments:** Pavonia L Kerr et al Confidential Docs 021320 SIGNED .pdf; RE: Purported confidentiality in Fox v Pavonia - Case # 19-504-CR; RE: Purported confidentiality in Fox v Pavonia - Case # 19-504-CR

**Importance:** High

**From:** Jonathan Raven <jraven@fraserlawfirm.com>  
**Sent:** Thursday, February 13, 2020 1:02 PM  
**To:** Zale, Karlene <KZale@dykema.com>; kerrc2@michigan.gov; rshannon@dickinsonwright.com; tim.volpe@arlaw.com; edunn@sidley.com; McAllister, Lori <LMcAllister@dykema.com>; Schwab, Stephen W. <Stephen.Schwab@us.dlapiper.com>; Poedtke, III, Carl H. <carl.poedtke@us.dlapiper.com>; Tyler Smith <TSmith2@ingham.org>; Gregg, Randall (DIFS) (GreggR2@michigan.gov) <GreggR2@michigan.gov>  
**Cc:** Erin Papson <epapson@fraserlawfirm.com>  
**Subject:** RE: Fox v Pavonia - Case # 19-504-CR  
**Importance:** High

[EXTERNAL]

---

## Court and Counsel

Please find attached correspondence to DIFS, c/o Assistant Attorney General Christopher Kerr, regarding the foregoing circuit court and DIFS proceedings.

In this letter, we are requesting confidential treatment for certain material included in Aspida's "Further Response" filed on February 11, 2020, and submit herewith proposed redaction to achieve same.

Thank you,



**Jonathan Raven** | Shareholder | Fraser Trebilcock  
**dd:** 517.377.0816 **mo:** 517.290.5667 **fx:** 517.913.6111  
**a:** 124 W. Allegan Street, Suite 1000 Lansing, MI 48933  
**w:** [fraserlawfirm.com](http://fraserlawfirm.com)

Directions to Fraser Trebilcock in [Lansing](#)



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**Jonathan E. Raven**  
jraven@fraserlawfirm.com  
(517) 377-0816

13 February 2020

Christopher Kerr  
Assistant Attorney General  
Department of Attorney General  
Oversight Division  
PO Box 30736  
Lansing, MI

Via Email: KerrC2@michigan.gov

Dear Mr. Kerr:

We are writing to request confidential treatment of certain material recently filed with DIFS and the Circuit Court, and that you take steps to ensure same.

On February 11, 2020, Aspida filed with the Court, and DIFS, a certain Further Response of Aspida Holdco, LLC to the 1/27/20 Supplemental Post-Hearing Filing by Independent Insurance Group, LLC (the Further Response).

The Further Response itself was a mere 7 pages, however the filing with Exhibits constituted a total of 231 pages.

Among the Exhibits were certain business documents and communications attached to Aspida's Further Response, many of which are also marked "Confidential" in one manner or another, and which require confidential treatment.

By attaching such documents and communications to public filings, Aspida (itself NOT a party to receipt of such confidential documents and thus potentially active in causing breach of applicable Non-Disclosure Agreements) is now furthering such breach by filing same with the Court, and with DIFS, expecting that they will therefore be made public, including by posting on websites.

Among these documents were confidential materials including business plans of Independent Life.

We have been requested by the principals and by Independent Life to request confidential treatment of these materials, and that they be sealed subject to use of DIFS, the Court, and the parties, and toward that end offer the following redacted version of Aspida's Further Response. They were marked as confidential and should be treated as so. Names of specific clients and private

February 13, 2020

Page 2

financial details were detailed in the documents. A redacted version is attached that eliminates the confidential information.

We note that DIFS has treated certain information filed by Pavonia, Ares and GBIG as confidential and has not made that information public.

We look forward to confirmation of this treatment, or discussion to reach agreement on its terms.

Very truly yours,

**Fraser Trebilcock Davis & Dunlap, P.C.**

A handwritten signature in blue ink, appearing to be "Jonathan E. Raven", with a large, stylized initial "J" and "R".

Jonathan E. Raven

Cc: Hon. Wanda Stokes  
Randall Gregg, Esq.  
Ellen M. Dunn, Esq.  
Ryan Shannon, Esq.  
Stephen Schwab, Esq.  
Lori McAllister, Esq.

Enclosure

## Hussain, Patricia

---

**From:** Schwab, Stephen W.  
**Sent:** Friday, February 14, 2020 3:22 PM  
**To:** Jonathan Raven; kerrc2@michigan.gov; rshannon@dickinsonwright.com; tim.volpe@arlaw.com; edunn@sidley.com; McAllister, Lori; Gregg, Randall (DIFS) (GreggR2@michigan.gov)  
**Cc:** Erin Papson; Zale, Karlene; Poedtke, III, Carl H.  
**Subject:** RE: Purported confidentiality in Fox v Pavonia - Case # 19-504-CR  
**Attachments:** 2020.02.14 Letter to C Kerr.pdf

Counsel:

Please see the attached.

You will note that we have not cc'd the Court. We are advised that Mr. Raven's unilateral transmission to the Court of his earlier letter was an improper *ex parte* communication, so we have removed Tyler. Smith as a recipient of this message. We reserve the right to provide this to the Court under appropriate circumstances.

Thank you.



Stephen W. Schwab, DLA Piper LLP (US)

[stephen.schwab@us.dlapiper.com](mailto:stephen.schwab@us.dlapiper.com)

T. 312.368.2150 (Tie 810) M. 847.366.5490

 Please consider the environment before printing this email.

---

**From:** Jonathan Raven <jraven@fraserlawfirm.com>  
**Sent:** Thursday, February 13, 2020 1:02 PM  
**To:** Zale, Karlene <KZale@dykema.com>; kerrc2@michigan.gov; rshannon@dickinsonwright.com; tim.volpe@arlaw.com; edunn@sidley.com; McAllister, Lori <LMcAllister@dykema.com>; Schwab, Stephen W. <Stephen.Schwab@us.dlapiper.com>; Poedtke, III, Carl H. <carl.poedtke@us.dlapiper.com>; Tyler Smith <TSmith2@ingham.org>; Gregg, Randall (DIFS) (GreggR2@michigan.gov) <GreggR2@michigan.gov>  
**Cc:** Erin Papson <epapson@fraserlawfirm.com>  
**Subject:** RE: Fox v Pavonia - Case # 19-504-CR  
**Importance:** High

[EXTERNAL]

---

## Court and Counsel

Please find attached correspondence to DIFS, c/o Assistant Attorney General Christopher Kerr, regarding the foregoing circuit court and DIFS proceedings.

In this letter, we are requesting confidential treatment for certain material included in Aspida's "Further Response" filed on February 11, 2020, and submit herewith proposed redaction to achieve same.

Thank you,



**Jonathan Raven** | Shareholder | Fraser Trebilcock

**dd:** 517.377.0816 **mo:** 517.290.5667 **fx:** 517.913.6111

**a:** 124 W. Allegan Street, Suite 1000 Lansing, MI 48933

**w:** [fraserlawfirm.com](http://fraserlawfirm.com)

**Fraser Trebilcock**  
LAWYERS

Directions to Fraser Trebilcock in [Lansing](#)



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T 312.368.2150 F 312.630.7343

February 14, 2020

**VIA EMAIL** ([KerrC2@michigan.gov](mailto:KerrC2@michigan.gov))

Christopher Kerr, Esq.  
Assistant Attorney General  
Department of Attorney General  
Oversight Division  
PO Box 30736  
Lansing, MI 48909

**Re: Independent Insurance Group, LLC February 13, 2020 Letter**

Dear Mr. Kerr:

We are in receipt of a copy of the letter addressed to you on Thursday, February 13, 2020, by Mr. Raven. On behalf of Aspida Holdco, LLC ("Buyer"), we briefly address a few points below in response thereto.

As you are aware, Independent Insurance Group, LLC ("Independent") has submitted multiple filings in relation to its purported objection to the proposed Plan of Rehabilitation for the Pavonia Life Insurance Company of Michigan in the matter styled *Fox v. Pavonia Life Ins. Co. of Mich.*, Case No. 19-504-CR, pending before Judge Stokes in the Circuit Court for the County of Ingham. Per the Court's Order of January 27, 2020, briefing was permitted related to Independent's submission of the same date. Buyer submitted a filing on February 4, 2020, and then a further response on February 11, 2020. The second included various exhibits that are the subject of Independent's letter to you.

Buyer recently received the information from Seller and reviewed the various emails and attachments dating back to 2016, 2017 and 2019. Following that review Buyer concluded the material was relevant in respect of the matters raised by Independent and concerned information not previously disclosed by Independent to the Court. Buyer reviewed the information, and confirmed that any non-disclosure obligation with respect to such information had expired and the information was not protected under terms of confidentiality. Moreover, Seller advised that it intended to exhibit various of the emails and communications to a submission to the Court in response to Independent's January 27, 2020 filing. Buyer confirmed that DIFS also possessed the emails, and Buyer advised DIFS it would be attaching the emails to a court submission.



Christopher Kerr, Esq.  
February 14, 2020  
Page 2

A brief review of the information demonstrates that a prior relationship existed between Independent's principals and Seller dating back to 2016, with Mr. George Luecke serving as the principal contact on behalf of Global Bankers Insurance Group. While the relationship with Independent appears to have terminated early in 2017, Independent then appears to have pursued employing Mr. Luecke, the former co-CEO and Vice-Chairman of the Eli Global Insurance Group, and Global Bankers Insurance Group, by emailing him in 2019 to purportedly assist in acquiring Pavonia, notwithstanding the pending rehabilitation, the stock purchase agreement, and the plan for the sale to Buyer. Independent emailed information to Mr. Luecke's former email account at Eli Global Insurance Group, including, among other things, proposed employment terms, and a draft presentation power point referencing a presentation by Mr. Luecke related to Pavonia.

There is no expectation of privacy in the information that is attached to the February 11, 2020 filing. In relation to the earlier communications, any non-disclosure terms had expired. In terms of the 2019 communications, there could be no expectation of confidentiality, as there was no proof of employment yet with Mr. Luecke, with whom Independent was attempting to communicate at Global Bankers. And if there were an employment relationship, then there would be substantial concerns that Independent could be encouraging a breach of Mr. Luecke's fiduciary responsibilities that would continue in respect of information he possessed as a result of his employment at Global Bankers.

Buyer strongly disagrees with Independent's suggestion that Buyer is involved in any breach of confidentiality. As noted above, Buyer confirmed that the information was not protected by any non-disclosure agreement or deemed confidential, and further advised DIFS it would be utilizing the information. However, while Independent's position is not well founded, we have considered its proposal to redact certain pages. Buyer would not object were you to conclude to redact the information for the public record, so long as the material is available in unredacted form to the Court and the participants in these proceedings.

We look forward to hearing from you.

Very truly yours,

**DLA PIPER LLP (US)**

A handwritten signature in blue ink, appearing to read 'Stephen W. Schwab'.

Stephen W. Schwab

SWS/paw

Enclosures

cc: Jonathan E. Raven, Esq. ([jraven@fraserlawfirm.com](mailto:jraven@fraserlawfirm.com))  
Timothy W. Volpe, Esq. ([tim.volpe@arlaw.com](mailto:tim.volpe@arlaw.com))  
Randall Gregg, Esq. ([GreggR2@michigan.gov](mailto:GreggR2@michigan.gov))  
Ellen M. Dunn, Esq. ([edunn@sidley.com](mailto:edunn@sidley.com))



Christopher Kerr, Esq.  
February 14, 2020  
Page 3

Ryan Shannon, Esq. (*RShannon@dickinson-wright.com*)  
Lori McAllister, Esq. (*LMcAllister@dykema.com*)  
Carl H. Poedtke III, Esq. (*carl.poedtke@dlapiper.com*)

## Hussain, Patricia

---

**From:** Kerr, Christopher (AG) <KerrC2@michigan.gov>  
**Sent:** Friday, February 14, 2020 4:47 PM  
**To:** Schwab, Stephen W.; Jonathan Raven; rshannon@dickinsonwright.com; tim.volpe@arlaw.com; edunn@sidley.com; McAllister, Lori; Gregg, Randall (DIFS); Long, James (AG)  
**Cc:** Erin Papson; Zale, Karlene; Poedtke, III, Carl H.  
**Subject:** RE: Purported confidentiality in Fox v Pavonia - Case # 19-504-CR  
**Attachments:** 2020.02.14 Letter to C Kerr.pdf; Pavonia L Kerr et al Confidential Docs 021320 SIGNED .pdf

[EXTERNAL]

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Mr. Raven and Mr. Schwab:

I am in receipt of each of your letters (attached) concerning the disputed exhibit materials included with the *Further Response of Aspida Holdco, LLC to the 1/27/20 Supplemental Post-Hearing Filing by Independent Insurance Group, LLC*, which Aspida filed with the Court on 2/11/20.

Please be advised that it is up to the Court to decide whether and to what extent any of the disputed exhibit materials should be redacted and/or protected under seal as to those materials filed with the Court. The Rehabilitation and DIFS team will not be part of that decision, which is an issue to which your attached letters are particularly relevant. It is also up to the Court whether appropriate motions must be filed to enable the Court to decide this issue.

With respect to posting on the DIFS/Pavonia website, the Rehabilitation and DIFS team will follow whatever decision the Court makes regarding the redaction and/or sealing of the disputed exhibit materials. Thus far, and until the Court makes a ruling about the disputed exhibit materials being redacted and/or protected under seal, the Rehabilitation and DIFS team have only posted the Aspida brief on the DIFS/Pavonia website, without the disputed exhibit materials.

Thank you.

Chris

---

**From:** Schwab, Stephen W. <stephen.schwab@dlapiper.com>  
**Sent:** Friday, February 14, 2020 4:22 PM  
**To:** Jonathan Raven <jraven@fraserlawfirm.com>; Kerr, Christopher (AG) <KerrC2@michigan.gov>; rshannon@dickinsonwright.com; tim.volpe@arlaw.com; edunn@sidley.com; McAllister, Lori <LMcAllister@dykema.com>; Gregg, Randall (DIFS) <GreggR2@michigan.gov>  
**Cc:** Erin Papson <epapson@fraserlawfirm.com>; Zale, Karlene <KZale@dykema.com>; Poedtke, III, Carl H. <carl.poedtke@dlapiper.com>  
**Subject:** RE: Purported confidentiality in Fox v Pavonia - Case # 19-504-CR

Counsel:

Please see the attached.

You will note that we have not cc'd the Court. We are advised that Mr. Raven's unilateral transmission to the Court of his earlier letter was an improper *ex parte* communication, so we have removed Tyler. Smith as a recipient of this message. We reserve the right to provide this to the Court under appropriate circumstances.

Thank you.



Stephen W. Schwab, DLA Piper LLP (US)

[stephen.schwab@us.dlapiper.com](mailto:stephen.schwab@us.dlapiper.com)

T. 312.368.2150 (Tie 810) M. 847.366.5490

 Please consider the environment before printing this email.

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**From:** Jonathan Raven <[jraven@fraserlawfirm.com](mailto:jraven@fraserlawfirm.com)>

**Sent:** Thursday, February 13, 2020 1:02 PM

**To:** Zale, Karlene <[KZale@dykema.com](mailto:KZale@dykema.com)>; [kerrc2@michigan.gov](mailto:kerrc2@michigan.gov); [rshannon@dickinsonwright.com](mailto:rshannon@dickinsonwright.com); [tim.volpe@arlaw.com](mailto:tim.volpe@arlaw.com); [edunn@sidley.com](mailto:edunn@sidley.com); McAllister, Lori <[LMcAllister@dykema.com](mailto:LMcAllister@dykema.com)>; Schwab, Stephen W. <[Stephen.Schwab@us.dlapiper.com](mailto:Stephen.Schwab@us.dlapiper.com)>; Poedtke, III, Carl H. <[carl.poedtke@us.dlapiper.com](mailto:carl.poedtke@us.dlapiper.com)>; Tyler Smith <[TSmith2@ingham.org](mailto:TSmith2@ingham.org)>; Gregg, Randall (DIFS) (<[GreggR2@michigan.gov](mailto:GreggR2@michigan.gov)> <[GreggR2@michigan.gov](mailto:GreggR2@michigan.gov)>)

**Cc:** Erin Papson <[epapson@fraserlawfirm.com](mailto:epapson@fraserlawfirm.com)>

**Subject:** RE: Fox v Pavonia - Case # 19-504-CR

**Importance:** High

[EXTERNAL]

---

## Court and Counsel

Please find attached correspondence to DIFS, c/o Assistant Attorney General Christopher Kerr, regarding the foregoing circuit court and DIFS proceedings.

In this letter, we are requesting confidential treatment for certain material included in Aspida's "Further Response" filed on February 11, 2020, and submit herewith proposed redaction to achieve same.

Thank you,



**Jonathan Raven** | Shareholder | Fraser Trebilcock

**dd:** 517.377.0816 **mo:** 517.290.5667 **fx:** 517.913.6111

**a:** 124 W. Allegan Street, Suite 1000 Lansing, MI 48933

**w:** [fraserlawfirm.com](http://fraserlawfirm.com)

Directions to Fraser Trebilcock in [Lansing](#)



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# **GROUP EXHIBIT B**

# Our Sponsors



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## Platinum Sponsors



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TRUST COMPANY



**IndependentLife**  
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# Current Members



You can enter a member's name, state abbreviation, or company name in the search box at the top-right of the table to narrow down your search. In addition, you can sort any of the columns in ascending or descending order.

Search:  ×

Last	First	Company	State	Email
Atkins	James	Independent Life	SC	jatkins@independent.life
Bua	Christopher	Independent Life	FL	cbua@independent.life
Herrema	Donald	Independent Life	FL	dherrema@independent.life
Upchurch	Michael	Independent Insurance Group	FL	michael@deltasettlements.com
Hindert	Patrick	Independent Life	OH	phindert@independent.life

Showing 1 to 5 of 5 entries (filtered from 311 total entries)

# Current Members



You can enter a member's name, state abbreviation, or company name in the search box at the top-right of the table to narrow down your search. In addition, you can sort any of the columns in ascending or descending order.

Search:  ×

Last	First	Company	State	Email
Taft	Mikel	Delta Settlements	FL	mtaft@deltasettlements.com
Upchurch	Michael	Independent Insurance Group	FL	michael@deltasettlements.com

Showing 1 to 2 of 2 entries (filtered from 311 total entries)

# SSP Board Members



The Executive Officers and Board of Directors for the SSP are committed to building the profession of settlement planning.

The current SSP Executive Officers are as follows:

- **President:** Joseph Di Gangi
- **Treasurer:** Steve Halterbeck
- **Secretary:** Daniel Maxwell

The SSP Board of Directors is comprised of the following individuals:

- Jeremy Babener
- Rhonda Bentzen
- Chris Bua
- Andy Cook
- Joe Di Gangi
- Ryan Garrison
- Steve Halterbeck
- Kent Hansen
- Steve Harris
- Paul Isaac, Jr.
- Rick Miller
- Sean Pendray
- Stacy Scrip
- John Stone
- Joseph Tombs

# **GROUP EXHIBIT C**

## SCHEDULE S - PART 3 - SECTION 1

Reinsurance Ceded Life Insurance, Annuities, Deposit Funds and Other Liabilities  
Without Life or Disability Contingencies, and Related Benefits Listed by Reinsuring Company as of December 31, Current Year

1	2	3	4	5	6	7	8	9 Reserve Credit Taken		11	12 Outstanding Surplus Relief		14	15
NAIC Company Code	ID Number	Effective Date	Name of Company	Domiciliary Jurisdiction	Type of Reinsurance Ceded	Type of Business Ceded	Amount In Force at End of Year	Current Year	Prior Year	Premiums	Current Year	Prior Year	Modified Reinsurance Reserve	Funds Withheld Under Reinsurance
70815	06-0838648	07/01/2000	HARTFORD LIFE AND ACCIDENT INSURANCE COMPANY	CT	OTHG	OL	125,000	31,370	36,287					
65036	38-1659835	01/01/1982	JACKSON NATIONAL LIFE INSURANCE CO.	MI	YRTL	OL	250,113	4,349	4,785	3,813				
64017	75-0300900	01/01/1982	JEFFERSON NATIONAL LIFE INSURANCE COMPANY	TX	YRTL	OL	78,040	1,350	1,274	1,038				
65838	01-0233346	03/17/1979	JOHN HANCOCK LIFE INSURANCE COMPANY USA	MI	COI	OL	289,519	11,712		523				
65838	01-0233346	03/01/1989	JOHN HANCOCK LIFE INSURANCE COMPANY USA	MI	YRTL	OL	1,205,153	21,821	241,419	15,938				
65315	04-6076039	01/01/1982	LIBERTY LIFE ASSURANCE COMPANY OF BOSTON	NH	YRTL	OL	215,357	2,833	3,630	3,419				
76694	23-2044256	07/27/1992	LONDON LIFE REINSURANCE COMPANY	PA	COI	FA			49,636,911	(46,578,123)				
76694	23-2044256	11/09/1994	LONDON LIFE REINSURANCE COMPANY	PA	COI	FA			8,369,085	(7,872,967)				
65978	13-5581829	12/02/1974	METROPOLITAN LIFE INSURANCE COMPANY	NY	YRTL	OL	5,265,731	127,611	127,777	120,709				
66044	46-0164570	03/17/1979	MIDLAND NATIONAL LIFE INSURANCE COMPANY	IA	COI	OL	57,904	1,663		105				
66044	46-0164570	03/01/1989	MIDLAND NATIONAL LIFE INSURANCE COMPANY	IA	YRTL	OL	432,976	5,111	6,970	3,631				
66346	58-0828824	12/01/1970	MUNICH AMERICAN REASSURANCE COMPANY	GA	YRTL	OL	42,468,694,459	289,387,020	269,010,556	187,546,458				
66346	58-0828824	12/01/1986	MUNICH AMERICAN REASSURANCE COMPANY	GA	COI	OL	4,951,358,149	137,055,944	138,902,037	5,793,334				
66346	58-0828824	09/01/2010	MUNICH AMERICAN REASSURANCE COMPANY	GA	OTHG	OL	2,211,070,178	2,427,272	2,317,216	8,268,284				
66346	58-0828824	09/30/2018	MUNICH AMERICAN REASSURANCE COMPANY	GA	COFWL	XXOL	55,124,117,617	122,760,821		144,139,472				13,304,938
66680	03-0144090	03/17/1979	NATIONAL LIFE INSURANCE COMPANY	VT	COI	OL	57,904	2,102		105				
66680	03-0144090	07/01/1986	NATIONAL LIFE INSURANCE COMPANY	VT	YRTL	OL	307,192	9,566	9,424	9,442				
66680	03-0144090	04/16/1995	NATIONAL LIFE INSURANCE COMPANY	VT	YRTL	OL	1,673,387	15,251	15,758	7,274				
66889	31-4156830	01/01/1982	NATIONWIDE LIFE INSURANCE COMPANY	OH	YRTL	OL	394,674	6,488	8,243	6,399				
66915	13-5382869	08/01/1986	NEW YORK LIFE INSURANCE COMPANY	NY	YRTL	OL	615,096	19,155	18,889	17,724				
66915	13-5382869	07/01/1998	NEW YORK LIFE INSURANCE COMPANY	NY	COIG	OL		1,439,021	1,640,843					
80099	75-1608507	02/09/1979	OPTIMUM RE INSURANCE COMPANY	TX	YRTL	OL	8,409,619,422	50,405,012	44,672,210	29,447,928				
80099	75-1608507	05/01/1979	OPTIMUM RE INSURANCE COMPANY	TX	COI	OL				(291,092)				
80099	75-1608507	01/01/1989	OPTIMUM RE INSURANCE COMPANY	TX	COI	OL	2,050,000	32,757	40,592	33,237				
76112	86-0216483	11/09/1994	OXFORD LIFE INSURANCE COMPANY	AZ	COI	FA		23,273,279	25,107,195	96,037				
67466	95-1079000	08/01/1979	PACIFIC LIFE INSURANCE COMPANY	NE	YRTL	OL	2,226,664,065	50,091,837	48,695,243	31,306,533				
67466	95-1079000	01/01/1981	PACIFIC LIFE INSURANCE COMPANY	NE	COI	OL	41,306,970	914,861	1,091,931	474,522				
67466	95-1079000	07/01/1981	PACIFIC LIFE INSURANCE COMPANY	NE	COI	OL	1,270,288	646,064	740,501	17,472				
67466	95-1079000	01/01/1982	PACIFIC LIFE INSURANCE COMPANY	NE	YRTL	OL	375,062	6,924	8,624	6,138				
67466	95-1079000	01/01/2001	PACIFIC LIFE INSURANCE COMPANY	NE	YRTL	OL	5,273,340	207,234	93,362	99,861				
93777	38-2341728	10/01/1995	PAVONIA LIFE INSURANCE COMPANY OF MICHIGAN	MI	COIG	OL	1,213,321,762	43,973,024	43,987,891	1,992,402				
93777	38-2341728	10/01/1995	PAVONIA LIFE INSURANCE COMPANY OF MICHIGAN	MI	COI	OA		653,604,149	652,787,200					
93777	38-2341728	10/01/1995	PAVONIA LIFE INSURANCE COMPANY OF MICHIGAN	MI	COI	OL	575,000	50,556	54,050	3,069				
68241	22-1211670	06/01/1976	PRUDENTIAL INSURANCE COMPANY OF AMERICA	NJ	YRTL	OL	769,048	23,949	23,592	38,214				
68241	22-1211670	03/17/1979	PRUDENTIAL INSURANCE COMPANY OF AMERICA	NJ	COI	OL	113,808	3,187		209				
68241	22-1211670	01/01/1982	PRUDENTIAL INSURANCE COMPANY OF AMERICA	NJ	YRTL	OL	538,949	9,751	12,056	10,518				
68241	22-1211670	02/05/1998	PRUDENTIAL INSURANCE COMPANY OF AMERICA	NJ	YRTL	OL	210,448	1,863	6,034	521				
67105	41-0451140	03/23/1993	RELASTAR LIFE INSURANCE COMPANY	MN	COI	OL	104,345	3,525		5,517				

**ANNUAL STATEMENT FOR THE YEAR 2018 OF THE Pavonia Life Insurance Company of Michigan**

**SCHEDULE S - PART 1 - SECTION 1**

Reinsurance Assumed Life Insurance, Annuities, Deposit Funds and Other Liabilities  
Without Life or Disability Contingencies, and Related Benefits Listed by Reinsured Company as of December 31, Current Year

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsured	5 Domiciliary Jurisdiction	6 Type of Reinsurance Assumed	7 Type of Business Assumed	8 Amount of in Force at End of Year	9 Reserve	10 Premiums	11 Reinsurance Payable on Paid and Unpaid Losses	12 Modified Consurance Reserve	13 Funds Withheld Under Consurance
General Account - Affiliates - U.S. - Captive												
General Account - Affiliates - U.S. - Other												
General Account - Affiliates - Non-U.S. - Captive												
General Account - Affiliates - Non-U.S. - Other												
General Account - Non-Affiliates - U.S. - Non-Affiliates												
60275	39-0676017	04/01/1991	AMERICAN BANKERS LIFE ASSUR CO OF FL	FL	CO/G	OL	17,444,345	502,150	180,610	46,494		
60704	04-1516901	02/01/2005	WILSON REASSUR LIFE CO OF NY	NY	CO/I	OL	178,464,616		163,661	206,250		
60740	04-1687050	01/01/2006	FIRST ALLAMERICA FIN LIFE INS CO	VA	MO/I	OL	23,012,500		1,247,031	3,600		
60744	52-6033321	04/01/2005	FIDELITY & GUAR LIFE INS CO	CO	CO/I	OL	2,452,083,470	68,273,394	11,801,070	3,400,721	18,133,833	
60747	36-1745000	07/01/2006	GUARANTEE TRUST LIFE INS CO	TX	CO/I	OL	36,654,660	13,101,226	1,282,481	275,493		
6084017	75-0300900	04/01/2005	JEFFERSON NATL LIFE INS CO	TX	CO/I	OL	54,199,288	1,524,039	263,283	160,000		
66676	35-0472300	10/01/1995	LINCOLN NATL LIFE INS CO	IN	CO/G	OL	1,213,321,762	43,973,024	1,192,402	16,418,959		
66676	35-0472300	10/01/1995	LINCOLN NATL LIFE INS CO	IN	OH/I	OL	553,833,485					
66676	35-0472300	10/01/1995	LINCOLN NATL LIFE INS CO	IN	CO/I	OL	50,598		3,466	49,739		
67261	36-1577440	12/31/1990	OLD REPUBLIC LIFE INS CO	IL	CO/I	OL	497,500					
68100	47-0397286	12/31/1990	RENAISSANCE LIFE & HLTH INS CO OF AM	IN	CO/I	OL	5,962,528	4,297,396	82,506	46,695		
68100	47-0397286	12/31/1990	RENAISSANCE LIFE & HLTH INS CO OF AM	IN	CO/I	FA		2,052,034				
68100	47-0397286	12/31/1990	RENAISSANCE LIFE & HLTH INS CO OF AM	IN	CO/G	OL	234,093		2,252	351		
92703	37-1095206	01/01/1995	UNITED SECURITY LIFE INS CO OF NY	NY	CO/G	OL	707,523		2,329	9,439		
92703	37-1095206	07/01/2006	UNITED NATL LIFE INS CO OF AMER	NY	CO/I	OL	5,679,004	2,368,507	264,452	13,908		
95663	74-1472662	12/31/1990	USAA LIFE INS CO	TX	CO/G	OL						
0895999	General Account - Non-Affiliates - U.S. - Non-Affiliates											
0895999	General Account - Non-Affiliates - Non-U.S. - Non-Affiliates											
0895999	General Account - Non-Affiliates - U.S. - Non-Affiliates											
0895999	General Account - Non-Affiliates - Non-U.S. - Non-Affiliates											
1099599	General Account - Total General Account											
1099599	General Account - Total Non-Affiliates											
Separate Accounts - Affiliates - U.S. - Captive												
Separate Accounts - Affiliates - U.S. - Other												
Separate Accounts - Affiliates - Non-U.S. - Captive												
Separate Accounts - Affiliates - Non-U.S. - Other												
Separate Accounts - Non-Affiliates - U.S. - Non-Affiliates												
Separate Accounts - Non-Affiliates - Non-U.S. - Non-Affiliates												
2395999	Total U.S. (Sum of 0895999, 0895999, 1495999 and 1995999)											
2495999	Total Non-U.S. (Sum of 0895999, 0895999, 1795999 and 2095999)											
								789,979,167	17,382,375	20,614,539	18,133,833	0
								73,395,407	478,216	41,394	0	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933	18,133,833	41,393
								4,063,996,625	789,979,167	20,655,933</		

# **EXHIBIT D**

STATE OF MICHIGAN  
CIRCUIT COURT FOR THE 30<sup>TH</sup> JUDICIAL CIRCUIT  
INGHAM COUNTY

Anita G. Fox, Director of the Michigan  
Department of Insurance and  
Financial Services

Petitioner,

Case No. 19-504-CR

Hon. Wanda M. Stokes

v

Pavonia Life Insurance Company  
of Michigan,

Respondent.

**AFFIDAVIT OF TAMRE F. EDWARDS**

State of North Carolina     )  
  ) ss  
County of Wake                )

Tamre F. Edwards, appearing before the undersigned notary and being duly sworn, states  
that:

1. I, Tamre F. Edwards, am over the age of eighteen, and reside in Cary, North Carolina.
2. I understand that I may be called to testify in court in connection with this litigation. If called, I would testify to and in accord with the statements made in this Affidavit, and believe that I could do so competently.
3. I submit this Affidavit in support of the Response of Aspida Holdco, LLC (“Buyer” and “Buyer’s Response”) to the 2/12/20 Letter of Society of Settlement Planners (“SSP”) and the Response to Latest Responses of Objector Independent Insurance Group, LLC (“Objector’s Response”).



4. I am currently the Chief Legal Officer and Secretary of Global Bankers Insurance Group, LLC ("Global Bankers"). Global Bankers is a wholly-owned subsidiary of Pavonia Life Insurance Company of Michigan ("Pavonia") and, like Pavonia, is currently in rehabilitation proceedings before this Court. In my role as Chief Legal Officer and Secretary of Global Bankers, I am the primary lawyer for Global Bankers and Pavonia in connection with the proposed sale of those companies.

5. I caused staff persons under my direction and officers and senior managers I advise to make examination of the books and records of Global Bankers, and inform me in respect of the assertions of fact by SSP and Objector and related matters referenced in the Objector's Response.

6. I make this affidavit based on my personal knowledge gained from serving in my role as Chief Legal Officer and Secretary of Global Bankers, and from my review of documents and information provided to me in that capacity.

7. I have reviewed the Response. The facts stated in respect of Buyer's responses to the fact assertions by SSP and Objector and related matters referenced in the Buyer's Response are true and correct to the best of my knowledge, information and/or belief.

8. Payment of my compensation is not contingent in any way either upon my statements in this Affidavit or the outcome of this matter.

9. The team of officers and senior managers who are managing the business and operations of Global Bankers (the "GBIG Management Team") provide services to Pavonia as well as to Pavonia's affiliated North Carolina insurance companies (the "NC Insurer Affiliates").

10. The NC Insurer Affiliates have been in administrative supervision by the North Carolina Department of Insurance ("NC DOI") since October of 2018. Following the order

establishing administrative supervision on October 18, 2018, representatives of the NC DOI were periodically onsite at Global Bankers' headquarters in Durham, North Carolina, and those representatives worked with the GBIG Management Team. Following the entry of an order of rehabilitation with respect to four North Carolina insurers (the "NC Insurer Affiliates") on June 27, 2019, representatives of the NC DOI have been onsite full time at Global Bankers' headquarters. The NC DOI has not sought to replace any members of the GBIG Management Team during either the periods of supervision or rehabilitation.

11. Among the four NC Insurer Affiliates under supervision and rehabilitation is Colorado Bankers Life Insurance Company ("CBLIC"). A revolving line of credit extended by CBLIC in May of 2019 and increased in June of 2019 to Academy Financial Assets, LLC, was negotiated and approved by the NC DOI's supervisor while the NC Insurer Affiliates were in administrative supervision.

12. The NC Insurer Affiliates filed their original 2019 annual financial statement while under supervision by the NC DOI, and subsequent amendments to those statements were filed while under control of the NC Rehabilitator at the direction of the Special Deputy Rehabilitator, including review and approval by the Special Deputy Rehabilitator.

13. Based on my review and my discussions with the GBIG Management Team, Objector's claim that in excess of \$900 million of affiliate investments were made between July 18 and July 31, 2018 is not correct. About \$266 million in such investments were made during this period.

14. Both the Michigan Department of Insurance and Financial Services ("DIFS") and the NC DOI have worked with the GBIG Management Team during the past sixteen months; I

am not aware that either one has sought to replace any member of that team or sought to displace the team itself from its position as a service provider to Pavonia or the NC Insurer Affiliates.

15. No member of the GBIG Management Team was granted or approved of the management buy-outs referenced at page 13 of Objector's January 16, 2020 Supplemental Post-Hearing Filing.

16. Objector previously sought a long-term partnership with Mr. Lindberg and his affiliates, including Eli Global, LLC ("Eli Global"), beginning in 2016. This partnership would have included Mr. Lindberg, through his affiliates, providing funding for the creation of an entity servicing and/or transacting structured settlement annuities. Objector's Chairman of the Board, Michael Upchurch, communicated with the GBIG Management Team's Co-CEO and Vice Chairman, George Luecke, about Objector's proposed partnership multiple times in 2016. In early 2017, Mr. Luecke advised Mr. Upchurch that Mr. Lindberg and Eli Global were no longer interested in pursuing the proposed partnership.

17. Mr. Luecke was the CEO of Global Bankers beginning on or about May 11, 2016; he subsequently became the Co-CEO and Vice Chairman in September of 2016. He left that position on or about October 26, 2018. During his employment, Mr. Luecke was a fiduciary of Global Bankers. He was involved in approving a substantial number of the North Carolina Affiliate's affiliate investment transactions that occurred during the period of his employment.

18. Although Mr. Luecke ended his relationship with Global Bankers, the GBIG Management Team and Eli Global in October of 2018, his email account at Global Bankers' affiliate, Eli Global, LLC, remained active and included a rule to automatically forward his emails to his Global Bankers email account, which was still enabled to receive emails.

19. Based on a review of recent activity in Mr. Luecke's email account, Mr. Luecke has received multiple emails from Michael Upchurch concerning Pavonia or the NC Insurer Affiliates.

20. Copies of emails and attachments identified during the above-mentioned review are attached to Buyer's (2/4/20) Response to Objector's Supplemental Post-Hearing Filing as Group Exhibit A. These materials were received and maintained in the ordinary course of business of Eli Global and Global Bankers without alteration, and it was the ordinary course of business of Eli Global and Global Bankers to receive and maintain such materials and associated email accounts. The material was made at or near the events recorded.

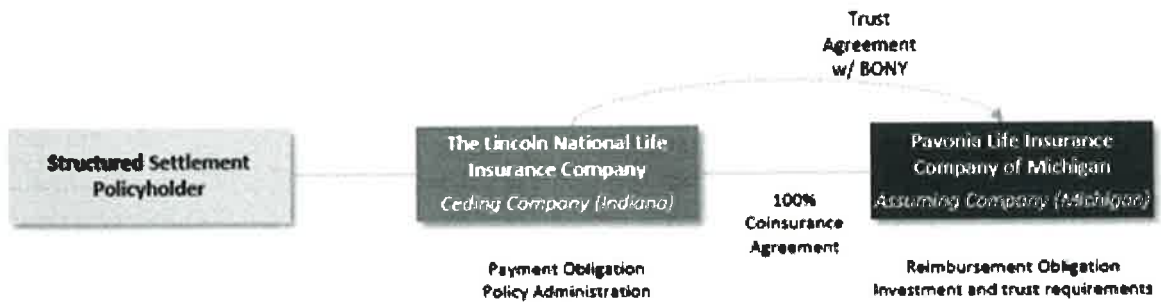
21. SSP's reference to "Pavonia's 1,597 structured settlement payees" is incorrect: they are not insureds or payees of Pavonia, but instead of Lincoln National Life Insurance Company ("Lincoln National"). Pavonia reinsured Lincoln National. In general, and subject to the terms and conditions of the parties' coinsurance agreements, in the event Lincoln National compensates a policyholder, it may seek indemnification from Pavonia. There is no privity between the payees and Pavonia. As demonstrated in Buyer's Response Group Ex. C, both Lincoln National and Pavonia independently reflected in their statutorily required financial statements that Lincoln National reinsured such payees with Pavonia.

22. Lincoln National is the administrator for the policies, communicates with, and is responsible for the payments, to the policyholder of the structured settlement contract regardless of Pavonia's obligation to Lincoln National. This reinsurance relationship with Lincoln National has been in place since 1995 without material issues.

23. Lincoln National and Pavonia also entered into a state-formatted trust agreement for the Pavonia assets backing the reinsured liabilities, which granted Lincoln National unilateral

withdrawal rights, and provides agreed upon investment guidelines that DIFS reviewed and approved.

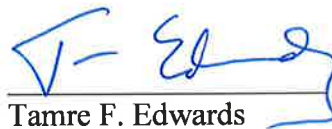
24. The following illustrates the relationship:



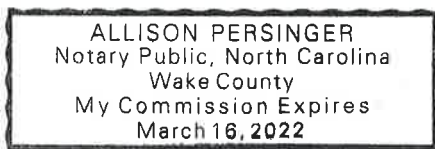
25. I am prepared to elaborate on the subjects discussed in this Affidavit.

26. Further affiant sayeth not.

Dated: February 20, 2020

  
Tamre F. Edwards

(Official Seal)



  
Signature of Notary

Allison Persinger, Notary Public  
Printed Name of Notary

My commission expires: 3/16/22