

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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IN RE PLATINUM-BEECHWOOD LITIGATION	:	18-cv-06658 (JSR)
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MELANIE L. CYGANOWSKI,	:	
	:	
Plaintiff,	:	18-cv-12018 (JSR)
	:	
-v-	:	
	:	
BEECHWOOD RE LTD., et al.,	:	
	:	
Defendants.	:	
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**DECLARATION OF IRA S. LIPSIOUS IN SUPPORT OF BEECHWOOD’S REPLY  
MEMORANDUM OF LAW IN FURTHER SUPPORT OF ITS  
MOTION TO DISMISS CNO’S CROSS-CLAIMS AND THIRD-PARTY COMPLAINT**

I, Ira S. Lipsius, hereby declare and state as follows:

1. I am a partner with the law firm Lipsius Benhaim Law LLP, counsel for Cross-Claim Defendants Mark Feuer, the Feuer Family Trust, Scott Taylor, the Taylor-Lau Family Trust, Beechwood Re Holdings, Inc., B Asset Manager LP, BAM Administrative Services LLC, Beechwood Bermuda Ltd., Beechwood Bermuda International, Ltd., and Beechwood Re (in Official Liquidation) s/h/a Beechwood Re Ltd., and Third-Party Defendants Dhruv Narain and Beechwood Capital Group LLC.

2. I submit this declaration, together with the attached exhibit, in support of Beechwood’s reply brief in further support of their motion to dismiss CNO’s Cross-Claims and Third-Party Complaint.

3. Attached hereto as Exhibit A is an email, dated June 23, 2016, concerning the Quest Livery investment.

4. I declare under penalty of perjury that the foregoing is true and correct.

Executed on June 26, 2019, in Kew Gardens, New York.

/s/ Ira S. Lipsius  
Ira S. Lipsius

# **Exhibit A**

**To:** Johnson, Eric (Chief Investment Officer)[Eric.Johnson@4086.com]  
**Cc:** Scott Taylor[staylor@beechwood.com]; Bischof, Timothy[Timothy.Bischof@CNOinc.com]; Kindig, Karl[Karl.Kindig@CNOinc.com]; Dhruv Narain[dnarain@bassetmanager.com]; Christian R. Thomas[cthomas@beechwood.com]; Jenkins, Thomas[TJenkins@lockelord.com]; Coan, Rachel B.[RCoan@lockelord.com]; Whitmer, Steven[SWhitmer@lockelord.com]; Hall, Matt[Matt.Hall@4086.com]; Samuel Adler[sadler@beechwood.com]  
**From:** Stewart Kim  
**Sent:** Thur 6/23/2016 5:17:01 PM (UTC-04:00)  
**Subject:** RE: Consent request for a sale

- 1. The loan closed this month and we are selling it at cost; Dhruv verified that there hasn't been any material change in the investment. The loan won't be valued by D&P until end of quarter.
- 2. We haven't decided on the replacement.

Thanks

Stew

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**From:** Johnson, Eric (Chief Investment Officer) [mailto:Eric.Johnson@4086.com]  
**Sent:** Thursday, June 23, 2016 5:02 PM  
**To:** Stewart Kim  
**Cc:** Scott Taylor; Bischof, Timothy; Kindig, Karl; Dhruv Narain; Christian R. Thomas; Jenkins, Thomas; Coan, Rachel B.; Whitmer, Steven; Hall, Matt; Samuel Adler  
**Subject:** RE: Consent request for a sale

Based on what has been provided:

- 1. I am still not sure what I have received that demonstrates that the price being received by the Trust is a market arms length price (beyond Druv's memo). Sorry if I have missed that.
- 2. If the objective of the sale is to clear space, for what ?

Thanks

Eric

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**From:** Stewart Kim [mailto:skim@beechwood.com]  
**Sent:** Thursday, June 23, 2016 3:43 PM  
**To:** Johnson, Eric (Chief Investment Officer) <Eric.Johnson@4086.com>  
**Cc:** Scott Taylor <staylor@beechwood.com>; Bischof, Timothy <Timothy.Bischof@CNOinc.com>; Kindig, Karl <Karl.Kindig@CNOinc.com>; Dhruv Narain <dnarain@bassetmanager.com>; Christian R. Thomas <cthomas@beechwood.com>; Jenkins, Thomas <TJenkins@lockelord.com>; Coan, Rachel B. <RCoan@lockelord.com>; Whitmer, Steven <SWhitmer@lockelord.com>; Hall, Matt <Matt.Hall@4086.com>; Samuel Adler <sadler@beechwood.com>  
**Subject:** RE: Consent request for a sale

Eric,

Yes, the Trusts have an investment in 5% BBB-rated ACLICO note. Just to reiterate the reason for the sale, we're trying to clear space for WNIC Sub, as it's bumping up against sector limits. The ACLICO note and Quest are two distinct and separate investments. Thanks.

Stew

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**From:** Johnson, Eric (Chief Investment Officer) [mailto:Eric.Johnson@4086.com]  
**Sent:** Thursday, June 23, 2016 3:19 PM  
**To:** Stewart Kim  
**Cc:** Scott Taylor; Bischof, Timothy; Kindig, Karl; Dhruv Narain; Christian R. Thomas; Jenkins, Thomas; Coan, Rachel B.; Whitmer, Steven; Hall, Matt; Samuel Adler  
**Subject:** RE: Consent request for a sale

Thanks Stewart—

Do I remember seeing that the Trusts may own certain investments in Buyer?

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**From:** Stewart Kim [<mailto:skim@beechwood.com>]  
**Sent:** Thursday, June 23, 2016 3:12 PM  
**To:** Johnson, Eric (Chief Investment Officer) <[Eric.Johnson@4086.com](mailto:Eric.Johnson@4086.com)>  
**Cc:** Scott Taylor <[staylor@beechwood.com](mailto:staylor@beechwood.com)>; Bischof, Timothy <[Timothy.Bischof@CNOinc.com](mailto:Timothy.Bischof@CNOinc.com)>; Kindig, Karl <[Karl.Kindig@CNOinc.com](mailto:Karl.Kindig@CNOinc.com)>; Dhruv Narain <[dnarain@bassetmanager.com](mailto:dnarain@bassetmanager.com)>; Christian R. Thomas <[cthomas@beechwood.com](mailto:cthomas@beechwood.com)>; Jenkins, Thomas <[TJenkins@lockelord.com](mailto:TJenkins@lockelord.com)>; Coan, Rachel B. <[RCoan@lockelord...com](mailto:RCoan@lockelord...com)>; Whitmer, Steven <[SWhitmer@lockelord.com](mailto:SWhitmer@lockelord.com)>; Hall, Matt <[Matt.Hall@4086.com](mailto:Matt.Hall@4086.com)>; Samuel Adler <[sadler@beechwood.com](mailto:sadler@beechwood.com)>  
**Subject:** RE: Consent request for a sale

Eric,

1. Please find attached the rating letter for Quest.
2. Please find attached a revised Investment Memo.
3. B Asset Manager is a sub-investment manager to ACLICO.

Thanks.

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**From:** Johnson, Eric (Chief Investment Officer) [<mailto:Eric.Johnson@4086.com>]  
**Sent:** Thursday, June 23, 2016 2:05 PM  
**To:** Stewart Kim  
**Cc:** Scott Taylor; Bischof, Timothy; Kindig, Karl; Dhruv Narain; Christian R. Thomas; Jenkins, Thomas; Coan, Rachel B.; Whitmer, Steven; [dyoung@wilmingtontrust.com](mailto:dyoung@wilmingtontrust.com); Hall, Matt  
**Subject:** RE: Consent request for a sale

Hi Stewart—

Couple of quick related questions.

1. Do you have an investment or credit summary on Quest Livery—we do not have any information on this investment.
2. Given that BRe is on both sides, what process has 'validated' the terms of the trade as arms length?
3. Please let me know all relationships between the parties QL-BRe and affiliates-Buyer.

Thanks

Eric

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**From:** Stewart Kim [<mailto:skim@beechwood.com>]  
**Sent:** Thursday, June 23, 2016 1:24 PM  
**To:** Johnson, Eric (Chief Investment Officer) <[Eric.Johnson@4086.com](mailto:Eric.Johnson@4086.com)>  
**Cc:** Scott Taylor <[staylor@beechwood.com](mailto:staylor@beechwood.com)>; Bischof, Timothy <[Timothy.Bischof@CNOinc.com](mailto:Timothy.Bischof@CNOinc.com)>; Kindig, Karl <[Karl.Kindig@CNOinc.com](mailto:Karl.Kindig@CNOinc.com)>; Dhruv Narain <[dnarain@bassetmanager.com](mailto:dnarain@bassetmanager.com)>; Christian R. Thomas <[cthomas@beechwood.com](mailto:cthomas@beechwood.com)>; Jenkins, Thomas <[TJenkins@lockelord.com](mailto:TJenkins@lockelord.com)>; Coan, Rachel B. <[RCoan@lockelord....com](mailto:RCoan@lockelord....com)>; Whitmer, Steven <[SWhitmer@lockelord.com](mailto:SWhitmer@lockelord.com)>; [dyoung@wilmingtontrust.com](mailto:dyoung@wilmingtontrust.com)  
**Subject:** Consent request for a sale

Eric,

Please provide a written consent for the sale of Quest Livery from WNIC Sub. Total funded amount is \$700,000.  
Thanks.

Stew

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