

BroadRiver's Branching Out to Litigation Finance

The life settlement advisory firm is seeking investment in the new asset.

By [Donna Horowitz](#)

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BroadRiver Asset Management LP is spreading out into a new asset -- litigation finance.

The New York-based life settlement advisory firm has been circulating documents for its Nomos Capital I LP fund, which is based in Toronto, to raise C\$20 million (\$15.07 million), according to documents obtained by The Life Settlements Report.

The firm also has been discussing creating a fund that includes life settlements and litigation finance assets, according to a potential fund-raiser who visited the company's office in October.

These developments come at a time that the firm has lost three key employees -- two with long tenures in life settlements. This has perplexed market members, who wonder why such seasoned life settlement employees would leave.

One market member, who asked not to be named, said he heard that **BroadRiver** has encountered difficulty deploying funds to buy policies and is getting out of the life settlement business.

Another market member doesn't believe BroadRiver is exiting from life settlements.

A BroadRiver representative emphatically denied that it's leaving the space.

"Investing in the life settlements market is the central focus of BroadRiver Asset Management, and our longevity investment team is currently at its biggest in the life of the firm," Brendan O'Flynn, senior director of investor relations and business development for BroadRiver, said in an email. "But this market is not historically, and likely nor will it be in the future, the only market we transact in. Any new investment product we might launch comprises an addition to our core life settlement business."

He didn't respond to a followup question about how many employees it has working on life settlements as compared to a year ago.

In November, BroadRiver said it had commitments of \$876 million from institutional investors, pension plans, endowments and foundations for its third life settlement fund, BroadRiver III LP.

Those who have left the firm are Chongxi Wang, Jillian Conlon and Andy Feldman.

Wang was a director at BroadRiver for seven years and seven months until he left the firm in November, his LinkedIn professional networking site profile said.

In that job, he analyzed investments and made recommendations on a daily basis, he also generated daily, weekly and monthly reports on the firm's investment activity, conducted research and statistical analysis on longevity and mortality using the firm's database and developed the firm's analytical engine and refined and helped design the firm's trading platform, his profile said.

In March, Wang landed a new job. He works in asset management as a senior data engineer at BNY Mellon in New York.

Conlon was a senior director of investments for BroadRiver for 10 years. Since June, she's been a finance director for Citadel in the New York City area, her LinkedIn profile said. The firm is an investment manager.

Feldman, former chief legal officer for BroadRiver, left the firm for AEF Consultants, according to a Wednesday, Sept. 18, press release by the European Life Settlement Association. He headed a committee that developed a tertiary transaction agreement form. He has not updated his LinkedIn profile, so it's not known when he left BroadRiver, or how long he was with the firm. He was first quoted in a story in The Life Settlements Report in July 2016, however.

BroadRiver announced the hiring of two new employees this year, although it's not entirely clear if the people in the new positions are replacing those who left and if it's even possible to replace the knowledge gained by experienced employees.

Emma Dickson joined the firm as its new general counsel and chief compliance officer; according to a July 23 press release.

Tony Acquadro joined BroadRiver's executive team as its senior director of global business development, a Jan. 23 press release said. He started the BroadRiver job in October, his LinkedIn profile said.

Nicolas Egger, a Zurich investment professional, said he met with Andrew Plevin, one of the two BroadRiver co-CEOs, in October at his New York City office, and was told that he doesn't want to raise money for life settlements. He didn't know if that's because the fund-raising endeavor for the third fund already had finished or if that meant Plevin didn't want to raise any money for life settlements going forward.

He also had heard from Plevin in April 2018 that BroadRiver wasn't actively raising more money for its third life settlement fund, but wanted to know if he was still interested in the firm's litigation fund.



Nicolas Egger

Neither Plevin nor BroadRiver's other co-CEO, Philip Siller, responded to requests for comment.

"In the interest of avoiding public inaccuracy I have the following comments on your notes to Philip and Andrew," O'Flynn said. "Our third longevity linked fund, BroadRiver III, LP. is a closed-end fund, that was closed to new investors in 2018 in the amount of \$876m. ... It is a standard feature of closed-end fund structures that, once closed, they cannot be reopened to new investors. Such an option is not available to us, even should we so wish."

Egger said he was told that BroadRiver wants to form the Uncorrelated Income Fund, which would be made up from litigation finance, insurable strategies and a third credit asset. He said he thought it would be a good product because there would be an income stream from the litigation finance that could be used to fund policy premiums.

He said he was told the duration for the litigation finance asset would be three to five years with a targeted return of 20% while the duration for life settlements would be seven to 10 years with an estimated 7% to 10% return.

Egger said he also met with Acquadro, who had been newly hired at the time. He said he never got a return call from BroadRiver asking him to raise capital for the firm.

Since then, Egger said he's been busy selling asset-backed products in Europe to **insurance companies**, high-net-worth individuals and family offices. The bonds for the products, which have been rated, include purchase of vegetable oil from McDonald's Corp. to convert into fuel, vanadium batteries for storage of energy, solar panels, medical equipment, jewelry and cosmetics, he said.

He said he has raised millions of dollars for those ventures.</p>

In addition, Egger said he has formed a venture capital firm, Sustainable Ethical Solutions Fund **I, d**omiciled in Delaware. He said he worked with Fenwick & West LLP of Mountain View, Calif., this year to establish the company.

As to what Nomos plans to do, documents obtained by The Life Settlements Report said it will provide funding to law firms and claimants for single litigation and arbitration claims, appeals, post-settlement proceedings, portfolios of claims at all stages and monetization of contingency fees and settlements. Through a separate affiliate, it says it offers finance solutions to law firms, such as working capital and receivables financing.

Nomos said it has a target return of more than 20% per year net of fees. In addition, an affiliate of the manager would invest \$1 million as a limited partner. The investment period is two years and the term is five years. There is no management fee.

Philip Siller is president and chairman of the Investment Committee and co-founder of Nomos.

Ezra Siller is managing **director and** a member of the Investment Committee. He's a lawyer and is member of the Ontario and New York bars. Before co-founding Nomos, he was a

litigator at Torys LLP in Toronto, where his practice focused on commercial and administrative litigation and regulatory matters.

Plevin is an Investment Committee member and co-founder of Nomos.

BroadRiver said it has raised \$1.5 billion in three longevity funds with 10-year durations since 2011, according to its website.

It said it is currently extending its asset management business to a wider range of non-correlated assets, including short-term trade receivables, litigation finance and multi-asset portfolios of diverse non-correlated assets.

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