

---

**ASSET PURCHASE AGREEMENT**

by and between

**ROBERTO MARTINEZ,**  
as the Receiver for  
Mutual Benefits Corp.,  
Viatical Services, Inc. and  
Viatical Benefactors, LLC

and

**VSI ACQUISITION SERVICES, LLC**

DATED AS OF MARCH 31, 2009

Table of Contents

Page

ARTICLE I  
DEFINITIONS; CERTAIN RULES OF CONSTRUCTION

Section 1.1	Defined Terms .....	1
Section 1.2	Certain Rules of Construction .....	7

ARTICLE II  
PURCHASE AND SALE OF THE PURCHASED ASSETS

Section 2.1	Purchase and Sale .....	8
Section 2.2	Excluded Assets .....	8
Section 2.3	No Assumed Liabilities .....	8
Section 2.4	Purchase Price .....	8

ARTICLE III CLOSING

Section 3.1	Closing .....	8
Section 3.2	Deliveries by Seller.....	9
Section 3.3	Deliveries by Buyer .....	11

ARTICLE IV  
REPRESENTATIONS AND WARRANTIES OF SELLER

Section 4.1	Status as Receiver .....	11
Section 4.2	Authority, Power and Binding Effect .....	11
Section 4.3	No Violation; Consents .....	12
Section 4.4	Litigation; No Violations of Law .....	12
Section 4.5	Title to Purchased Assets .....	13
Section 4.6	Accuracy of Information .....	13
Section 4.7	Brokers and Finders .....	13
Section 4.8	Keep Policies; Status of Keep Policies .....	13

ARTICLE V  
REPRESENTATIONS AND WARRANTIES OF BUYER

Section 5.1	Existence and Standing .....	14
Section 5.2	Authority, Power and Binding Effect .....	14
Section 5.3	No Violation; Consents .....	14
Section 5.4	Litigation .....	15

Table of Contents  
(continued)

	<u>Page</u>
Section 5.5 Brokers and Finders.....	15
Section 5.6 Financing .....	15

ARTICLE VI  
COVENANTS OF THE PARTIES

Section 6.1 Court Actions .....	15
Section 6.2 Conduct of Business Prior to Closing .....	16
Section 6.3 Deposit .....	17
Section 6.4 Policy Notices; Cooperation by Buyer .....	17
Section 6.5 Policy Notices; Seller's Obligations .....	17
Section 6.6 Access .....	17
Section 6.7 Reasonable Efforts; Further Assurances .....	18
Section 6.8 Policy Proceeds and Communications .....	18
Section 6.9 Transaction Costs; Taxes .....	19
Section 6.10 Notice .....	20

ARTICLE VII  
CONDITIONS PRECEDENT TO OBLIGATIONS OF THE PARTIES

Section 7.1 Conditions Precedent to Obligations of Buyer .....	20
Section 7.2 Conditions Precedent to the Obligations of Seller .....	21

ARTICLE VIII  
TERMINATION

Section 8.1 Termination of Agreement .....	22
Section 8.2 Effect of Termination .....	23
Section 8.3 Termination Fee; Return of Deposit .....	23

ARTICLE IX  
CONFIDENTIAL INFORMATION

Section 9.1 Confidential Information .....	24
Section 9.2 Confidentiality Obligation .....	24
Section 9.3 Exceptions to Confidentiality Obligations .....	24
Section 9.4 Injunctive Relief .....	25

Table of Contents  
(continued)

Page

ARTICLE X  
MISCELLANEOUS

Section 10.1	Survival .....	25
Section 10.2	Successors and Assigns; No Third-Party Beneficiaries .....	25
Section 10.3	Notices .....	26
Section 10.4	Governing Law; Submission To Jurisdiction .....	27
Section 10.5	Entire Agreement .....	27
Section 10.6	Amendment; Waiver; Consent .....	27
Section 10.7	Severability .....	28
Section 10.8	Counterparts .....	28
Section 10.9	Headings .....	28
Section 10.10	Specific Performance .....	28
Section 10.11	Fiduciary Status of Receiver .....	28

Exhibits

Exhibit 6.1	Bidding Procedures
Exhibit 7.1(f)	Lease Terms
Exhibit 7.1(i)	Certain Terms of the Sale of Assets, Servicing and Transfer Order
Exhibit A	Form of Servicing Agreement
Exhibit B	Form of Transitional Services Agreement
Exhibit C	Form of Trust

Schedules

Schedule 2.1(a)	Purchased Assets
Schedule 2.2	Excluded Assets
Schedule 4.4(a)	Pending and Threatened Actions
Schedule 4.8	Keep Policies

## ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT dated as of March 31, 2009 is entered into by and between Roberto Martinez, as the receiver (in such capacity, (hereinafter referred to as the "Receiver" or the "Seller") for Mutual Benefits Corp., a Florida corporation ("MBC"), Viatical Services, Inc., a Florida corporation ("VSI"), and Viatical Benefactors, LLC, a Delaware limited liability company ("VBLLC" and together with MBC and VSI, the "Receivership Entities"), and VSI Acquisition Services, LLC, a Delaware limited liability company ("Buyer").

### RECITALS

WHEREAS, Seller is the receiver for the Receivership Entities under Case No.: 04-60573 CIV-MORENO (the "Receivership Proceeding") in the United States District Court for the Southern District of Florida (the "Court");

WHEREAS, Seller was appointed receiver for the Receivership Entities pursuant to the Order Appointing Receiver entered by the Court on May 4, 2004 (the "Receivership Order");

WHEREAS, pursuant to the Receivership Order, Seller was authorized to take possession of all of the assets of the Receivership Entities, including the Purchased Assets (as defined below), and was vested with all power and authority to, among other things, administer and manage the assets and business affairs of the Receivership Entities;

WHEREAS, Seller desires to, on behalf of each Receivership Entity, sell and assign to Buyer, and Buyer desires to purchase from each Receivership Entity and accept assignment from each Receivership Entity of, all of each such Receivership Entity's right, title and interest in, to and under the assets and business of VSI identified herein and other assets and properties related thereto, subject to the Purchase and Servicing Agreements and Bidding Procedures Order (as defined below) and subject to the other terms and conditions set forth herein;

WHEREAS, simultaneously with the closing of the sale of assets to Buyer hereunder, the Receiver intends to assign and transfer to the trustee of the Trust the Trust Assets (as defined below); and

WHEREAS, in connection with the foregoing transactions, Buyer desires to enter into a servicing agreement with the Trustee, with respect to the services currently being performed by the Seller on behalf of the Receivership Entities;

WHEREAS, in connection with the foregoing transactions, the Receiver has requested that Buyer perform certain transitional services for and on behalf of the Receivership Entities pursuant to a transitional services agreement with the Trustee;

NOW, THEREFORE, in consideration of the mutual representations, warranties, covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

ARTICLE I  
DEFINITIONS; CERTAIN RULES OF CONSTRUCTION

Section 1.1 Defined Terms As used herein, the terms below have the following respective meanings:

"Action" means any claim, action, suit, proceeding, arbitral action, governmental inquiry, criminal prosecution or other investigation, whether or not filed or commenced in any court or tribunal.

"Affiliate" of a Person means any other Person that directly, or indirectly through one or more intermediaries, controls or is controlled by or is under common control with the Person specified.

"Agreement" means this Asset Purchase Agreement (together with all schedules and exhibits attached hereto, which are deemed a party hereof), as may be amended, modified, supplemented and/or restated from time to time in accordance with its terms.

"Assumed Liabilities" has the meaning given to such term in Section 2.3 of this Agreement.

"Bid" has the meaning given to such term in the Bidding Procedures.

"Bid Deadline" has the meaning given to such term in the Bidding Procedures.

"Bid Transaction Documents" means this Agreement, together with a form of Trust Agreement, the Servicing Agreement, and the Transitional Servicing Agreement attached as exhibits.

"Bidding Procedures" means the procedures authorized by the Court to solicit higher and better offers for the Purchased Assets, which such procedures shall be, unless otherwise agreed to in writing by Buyer, in the form of Exhibit 6.1 hereto.

"Bill of Sale and Assignment and Assumption Agreement" has the meaning given to such term in Section 3.2(a)(ii) of this Agreement.

"Business Day" means any day other than a Saturday, Sunday or other day on which banking institutions in the State of Florida are not required to open.

"Buyer" has the meaning given to such term in the preamble to this Agreement.

"Closing" has the meaning given to such term in Section 3.1 of this Agreement.

"Closing Date" means the date on which the Closing occurs.

"Confidential Information" has the meaning given to such term in Section 9.1 of this Agreement.

"Confidentiality Agreement" means the Confidentiality Agreement dated October 1, 2008 between Seller and Buyer.

"Court" has the meaning given to such term in the recitals to this Agreement.

"Court Orders" means collectively (i) the Purchase and Servicing Agreements and Bidding Procedures Order, and (ii) the Sale of Assets, Servicing and Transfer Order.

"Deposit" has the meaning given to such term in Section 3.1(b) of this Agreement.

"Earnest Money Deposit" means the \$50,000 delivered to the Receiver on October 17, 2008 by VSI Acquisition Services, LLC as the successful stalking horse bidder pursuant to its stalking horse bid dated October 14, 2008.

"Encumbrance" means any lien (statutory or otherwise), claim, Liability, interest, beneficial interest, right, pledge, option, charge, hypothecation, security interest, right of first refusal, mortgage, deed of trust, or other encumbrance of any kind, or any right or interest of any party arising from any prior Order entered in the Receivership Proceeding.

"Governmental Authority" means any local, state, federal or foreign government or any agency, bureau, board, commission, court, department, political subdivision, tribunal or other instrumentality of any local, state, federal or foreign government.

"Keep Policies" means those life insurance policies which were designated to be retained by investors pursuant to the procedures set forth in the *Order on Disposition of Policies and Proceeds* entered September 14, 2005 and *Order Clarifying Disposition order and Approving Form of Notice* entered by the Court on November 22, 2005 and which, as of the Closing Date, have not been sold or lapsed.

"Keep Policy Investors" means persons who have invested in an entire interest or a fractional interest in a Keep Policy owned of record by the Receivership Entities.

"Law" means any law, statute, rule, regulation, ordinance, treaty or other pronouncement having the effect of law of the United States, any foreign country or any domestic or foreign state, county, city or other political subdivision or of any Governmental Authority.

"Liabilities" means any and all debts, indebtedness, losses, claims, damages, costs, expenses, demands, fines, judgments, penalties, liabilities, commitments, sales

commissions, contracts, responsibilities and obligations of any kind or nature whatsoever, direct or indirect, absolute or contingent, known or unknown, fixed or unfixed, due or to become due, of a Person.

"Material Adverse Effect" means any effect that individually, or in the aggregate with any other effect, is materially adverse to (i) the Purchased Assets (including the ownership enforceability, value or administration thereof) or (ii) Seller's ability to perform and comply with its obligations under this Agreement or any other Transaction Document to which it is or will be a party, or to consummate the transactions contemplated hereby and thereby, including, without limitation, to sell and assign all of the Purchased Assets to Buyer promptly after the date of this Agreement.

"MBC" has the meaning given to such term in the preamble to this Agreement.

"Order" means any judgment, order, injunction, writ, ruling, decree (including any consent decree), stipulation, award or similar order of any Governmental Authority or private arbitration tribunal (in each case whether preliminary or final).

"Overbid" has the meaning given to such term in the Bidding Procedures.

"Overbidder" means VSI Acquisition Services, LLC and any other Person who meets the requirements of an Overbidder under the Bidding Procedures.

"Person" means any individual, partnership, joint venture, association, corporation, business trust, limited liability company, trust, proprietorship, unincorporated organization, instrumentality, business organization, enterprise, joint stock company, estate, Governmental Authority or other entity.

"Policy Files" has the meaning given to such term in Section 3.2(b) of this Agreement.

"Policy Notice" has the meaning given to such term in Section 6.4 of this Agreement.

"Potential Bidder" has the meaning given to such term in the Bidding Procedures.

"Potential Stalking Horse Bidder" has the meaning given to such term in the July 29, 2008 letter from Seller's attorney titled "Mutual Benefits Corp. Invitation to Bid on Viatical Servicing Business".

"Power of Attorney" has the meaning given to such term in Section 3.2(a)(ii) of this Agreement.

"Proceeding" means any claim, action, arbitration, audit, hearing, investigation, litigation, complaint, counterclaim, joinder, suit, order, notice of violation or other proceeding (whether civil, criminal, administrative, investigative or informal and whether in law or in equity) commenced, brought, conducted or heard by or before, or otherwise involving, any Governmental Authority or arbitrator.



"Purchase and Servicing Agreements and Bidding Procedures Motion" has the meaning given to such term in Section 6.1 of this Agreement.

"Purchase and Servicing Agreements and Bidding Procedures Order" means one or more orders of the Court, in form and substance reasonably satisfactory to Buyer, approving the Purchase and Servicing Agreements and Bidding Procedures Motion.

"Purchase Price" has the meaning given to such term in Section 2.4 of this Agreement.

"Purchased Assets" has the meaning given to such term in Section 2.1 of this Agreement.

"Receivership Entities" has the meaning given to such term in the preamble to this Agreement.

"Receivership Order" has the meaning given to such term in the recitals to this Agreement.

"Receivership Proceeding" has the meaning given to such term in the recitals to this Agreement.

"Sale of Assets, Servicing and Transfer Hearing" has the meaning given to such term in the Bidding Procedures..

"Sale of Assets, Servicing and Transfer Motion" has the meaning given to such term in Exhibit 7.1(i).

"Sale of Assets, Servicing and Transfer Order" means one or more orders of the Court, in form and substance reasonably satisfactory to Buyer, (i) approving and authorizing Seller to, on behalf of the Receivership Entities, sell and assign the Purchased Assets to Buyer in accordance with the terms of the this Agreement, (ii) approving and authorizing Seller to, on behalf of the Receivership Entities, the Keep Policy Investors and the Third Party Beneficiaries, assign the Trust Assets to the Trust in accordance with the terms of this Agreement, (iii) approving and authorizing the Servicing Agreement between Buyer and the Trust, and (iv) containing the findings of fact and conclusions of law set forth on Exhibit 7.1(i) hereto.

"Seller" has the meaning given to such term in the preamble to this Agreement.

"Servicing Agreement" means the Servicing Agreement dated as of the Closing Date by and between the Trust and the Buyer, in the form of Exhibit A attached hereto and made a part hereof.

"Stalking Horse Bidder" means VSI Acquisition Services, LLC, a Delaware limited

liability company.

"Purchase Price" has the meaning given to such term in Section 2.4 of this Agreement.

"Successful Bidder" has the meaning given to such term in the Bidding Procedures.

"Taxes" means (i) any federal, state, local or foreign net or gross income, minimum, alternative minimum, sales, value added, use, excise, franchise, real or personal property, transfer, conveyance, environmental, gross receipts, capital stock, production, business and occupation, disability, employment, payroll, severance, withholding or other tax, assessment, duty, fee, levy or charge of any nature whatever, whether disputed or not, imposed by any Governmental Authority, and any interest, penalties (civil or criminal), additions to tax or additional amounts related thereto or to the nonpayment thereof and (ii) any obligations under any agreement or other arrangement with respect to any item described in clause (i) above.

"Tax Return" means any return, report or similar statement required to be filed with respect to any Tax (including any attached schedules), including, without limitation, any information return, claim for refund, amended return or declaration of estimated Tax.

"Termination Fee" has the meaning given to such term in Section 8.3(a) of this Agreement.

"Third Party Beneficiary" means any Person other than Seller, or a Receivership Entity, or Trustee, or a Keep Policy Investor, who has a beneficial whole or fractional interest in a Keep Policy.

"Transaction Documents" means collectively, this Agreement, the Bill of Sale and Assignment and Assumption Agreement, the Trust Agreement, the Servicing Agreement, the Transitional Services Agreement, the Power of Attorney and any other document executed by Seller or Buyer at the Closing in connection with any of the foregoing.

"Transitional Services Agreement" means the Transitional Services Agreement dated as of the Closing Date by and between the Seller and the Buyer in the form of Exhibit B attached hereto and made a part hereof.

"Trust" or "Trust Agreement" means the Mutual Benefits Keep Policy Trust Agreement to be dated on or about the Closing Date by and between the Seller, as Settlor and the Trustee in the form of Exhibit C attached hereto and made a part hereof.

"Trust Assets" means the Keep Policies, the Policy Files and the Trust Cash.

"Trust Assignment and Assumption Agreement" means the Trust Assignment and Assumption Agreement dated as of the Closing Date by and between the Receiver and the Trustee.

"Trust Cash" has the meaning given to such term in Section 3.2(b)(iii) of this Agreement.

"Trustee" means the trustee of the Trust under the Trust Agreement.

"VBLLC" has the meaning given to such term in the preamble to this Agreement.

"VSI" has the meaning given to such term in the preamble to this Agreement.

"VSI's Offices" means 3000 Gateway Drive, Pompano Beach, FL 33069.

Section 1.2 Certain Rules of Construction. For all purposes of this Agreement, except as otherwise expressly provided for herein or unless the context of this Agreement otherwise requires:

(a) whenever the words "include," "includes" or "including" are used in this Agreement they shall be deemed to be followed by the words "without limitation";

(b) the words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement, and article, section, schedule and exhibit references refer to this Agreement unless otherwise specified;

(c) the meanings given to terms defined herein are equally applicable to both singular and plural forms of such terms;

(d) words herein of any gender are deemed to include each other gender;

(e) unless the context otherwise requires, a reference herein to any party to this Agreement or any other agreement or document includes such party's permitted successors and permitted assigns;

(f) a reference herein to any agreement or other document is to such agreement or other document (together with any schedules, exhibits and other attachments thereto) as it may have been or may hereafter be amended, modified, supplemented, waived and/or restated from time to time in accordance with its terms and the terms hereof (if applicable thereto);

(g) a reference herein to any legislation or to any provision of any legislation includes any modification or re-enactment thereof, any legislative provision substituted therefor and all regulations and rules issued thereunder or pursuant thereto; and

(h) all references herein to "\$", "funds" and "dollars" refer to United States currency.

**ARTICLE II**  
**PURCHASE AND SALE OF THE PURCHASED ASSETS**

Section 2.1 Purchase and Sale. Upon the terms and conditions set forth herein, at the Closing, Seller shall, on behalf of each Receivership Entity, sell, convey, assign, transfer and deliver to Buyer, and Buyer shall purchase from each Receivership Entity and accept assignment from each Receivership Entity of, all of each such Receivership Entity's right, title and interest in, to and under the Purchased Assets, free and clear of all Encumbrances. For all purposes of this Agreement, "Purchased Assets" means all of the assets listed on Schedule 2.1 hereof, but excluding the Excluded Assets referred to in Section 2.2 below.

Section 2.2 Excluded Assets. Notwithstanding anything to the contrary contained in this Agreement, none of Seller or the Receivership Entities shall sell, convey, assign, transfer or deliver to Buyer, and Buyer shall not purchase or accept from Seller, or the Receivership Entities any claims, options, privileges, right, title or interest in, to or under assets listed on Schedule 2.2 hereof (the "Excluded Assets").

Section 2.3 No Assumed Liabilities. Buyer shall not be required to assume any liabilities or obligations from the Receivership Entities of any kind or nature whatsoever, including, without limitation, any arrangement which may be in effect with respect to disposition services applicable to any of the Purchased Assets.

Section 2.4 Purchase Price. The purchase price for the Purchased Assets being purchased hereunder is \$1,000,000 (the "Purchase Price"). With respect to any Buyer other than the Stalking Horse Bidder, the Purchase Price shall be payable as provided in the Bidding Procedures. With respect to the Stalking Horse Bidder, Seller hereby acknowledges having received on October 17, 2008 the Earnest Money Deposit of \$50,000. At the Closing, the Stalking Horse Bidder, should it be selected as the Successful Bidder, shall pay to Seller the balance of the Purchase Price, less the Deposit, in the manner provided in Section 3.3(a) hereof, and Seller shall accept such sum from Buyer in full payment for the Purchased Assets.

**ARTICLE III**  
**CLOSING**

Section 3.1 Closing.

(a) Unless this Agreement shall have been terminated pursuant to Section 8.1 hereof, the closing of the transactions contemplated hereby (the "Closing") shall take place on the third (3<sup>rd</sup>) Business Day following the day on which all of the conditions set forth in Article VII hereof shall have been satisfied or waived by the respective party (other than those conditions that are to be satisfied at the Closing, but subject to the satisfaction or waiver by the respective party of each such condition), or on such other date as the parties hereto shall mutually agree, and in any event, as soon as practicable following entry of the Sale of Assets, Servicing and Transfer Order. The Closing shall be held at the offices

of Kozyak, Tropin & Throckmorton, P.A., 2525 Ponce de Leon Boulevard, Miami, Florida 33134, at 10:00 a.m., local time, unless the parties hereto otherwise agree.

(b) At the Closing, the full amount of any one or more deposits theretofore made by Buyer in connection with the transactions contemplated hereby (the aggregate amount of any such deposits, including the Earnest Money Deposit and the deposit contemplated by Section 6.3 hereof, and all interest income (but not any investment loss) on each such deposit, the "Deposit") shall be delivered by Seller's attorneys, Kozyak, Tropin & Throckmorton, P.A., to Seller.

### Section 3.2 Deliveries by Seller.

(a) At the Closing, Seller shall, on behalf of each Receivership Entity, deliver the following to Buyer:

(i) A wire transfer representing the cash on the Closing Date held by Seller, on behalf of VSI, other than the Trust Cash;

(ii) with respect to the other Purchased Assets to be sold and assigned by Seller to Buyer, a bill of sale and instrument of assignment and assumption, in form and substance reasonably satisfactory to Buyer and Seller (the "Bill of Sale and Assignment and Assumption Agreement"), that has been executed by Seller;

(iii) a power of attorney, in form and substance reasonably satisfactory to Buyer (the "Power of Attorney"), that has been executed by Seller, and grants to Buyer an irrevocable power of attorney, with full power of substitution, coupled with an interest, to take in the name of Seller and the Receivership Entities, as applicable (but on behalf of and for the benefit of and at the expense of Buyer), all lawful steps necessary or otherwise advisable to endorse, negotiate or otherwise realize on any writing or other right of any kind included in the Purchased Assets, including, without limitation, as may be necessary or otherwise advisable to change the named owner or beneficiary of any Keep Policy to the Trust and to cause the insurance company that issued such Keep Policy to recognize the Trust as the owner of the Keep Policy;

(iv) such other bills of sale, assignments and other instruments of transfer or conveyance as Buyer may reasonably request (by notice to Seller given at least two (2) Business Days prior to the Closing) to evidence and effect the sale, assignment, transfer, conveyance and delivery of the Purchased Assets to Buyer hereunder;

(v) a copy of the Sale of Assets, Servicing and Transfer Order that has been certified by the Court;

(vi) a single schedule setting forth the future premium payments owing under the Policies (and the dates upon which such payments are due thereunder) for a period of one year from the Closing Date; and

(vii) a single schedule identifying the insurance company that issued each Keep Policy and contact information therefor; and

(viii) a certificate of Seller certifying as to the satisfaction of the conditions set forth in Section 7.1(a) hereof and Section 7.1(b) hereof, in form and substance reasonably satisfactory to Buyer, that has been executed by Seller.

(b) At the Closing, Seller shall, on behalf of each Receivership Entity, and on behalf of each Keep Policy Investor and each Third Party Beneficiary, deliver the following to the Trustee on behalf of the Trust, to be held by the Trustee in accordance with the terms of the Trust Agreement:

- (i) all files, documents, instruments, papers, correspondence, communications, books and records (including all originals thereof) evidencing or otherwise relating to the Keep Policies, whether in physical, electronic or other form or medium, including, without limitation, (i) the Keep Policies and all correspondence relating thereto, (ii) all information and records with respect to the health status and whereabouts of each insured under a Keep Policy, (iii) all accounting records, including the accounting and bookkeeping records incident to the ownership, premium payments and receipts and distributions of proceeds with respect to each Keep Policy made to or received from the insurance companies that issued the Keep Policies, (iv) all documents and instruments executed and/or delivered by or to Seller, a Receivership Entity, each Keep Policy Investor and any Third Party Beneficiary, an insured, a viator or any other Person in respect of a Keep Policy, or the direct or indirect acquisition, ownership or disposition thereof by Seller, any Receivership Entity, Keep Policy Investor or any Third Party Beneficiary (collectively, the "Policy Files"); provided, that, Policy Files shall not include any attorney-client or other privileged communication between Seller or any Receivership Entity and their respective attorneys or accountants;
- (ii) a copy of the schedules referred to in subsection (a)(v) and (a)(vi) above; and
- (iii) Five (5) separate wire transfers, each to represent the balance on the Closing Date of the cash held by Seller, on behalf of the Receivership Entities and the Keep Policy Investors in the following bank accounts of Seller at Northern Trust Bank (collectively the "Trust Cash"):
  - a. VSI Policies Account;
  - b. VSI Operating REPO Account;
  - c. VSI Operating Account;
  - d. VSI Death Benefit Disbursement REPO Account; and
  - e. VSI Death Benefit Disbursement Account;

Section 3.3 Deliveries by Buyer.

(a) At the Closing, Buyer shall deliver by wire transfer the full amount of the Purchase Price (including the Termination Fee, if applicable), less any Deposit of the Buyer, in immediately available funds to the account of the Receiver.

(b) At the Closing, Buyer shall also deliver the following to Seller:

(i) the Bill of Sale and Assignment and Assumption Agreement, that has been executed by Buyer; and

(ii) a certificate of Buyer certifying as to the satisfaction of the conditions set forth in Section 7.2(a) hereof and Section 7.2(b) hereof, in form and substance reasonably satisfactory to Seller, that has been executed by Buyer.

(c) At the Closing, Buyer shall deliver the Transitional Services Agreement to the Seller and the Servicing Agreement to the Trust.

**ARTICLE IV**  
**REPRESENTATIONS AND WARRANTIES OF SELLER**

Seller hereby represents and warrants to Buyer as of the date hereof and as of the Closing Date as follows:

Section 4.1 Status as Receiver. Seller is the duly appointed and acting receiver for the Receivership Entities.

Section 4.2 Authority, Power and Binding Effect. Subject to entry of the Purchase and Servicing Agreements and Bidding Procedures Order, Seller has all requisite power and authority to execute, deliver and perform its obligations under this Agreement. Subject to entry of the Sale of Assets, Servicing and Transfer Order, Seller has all requisite power and authority to execute, deliver and perform its obligations under each other Transaction Document to which Seller will be a party and to consummate the transactions contemplated hereby and by each other Transaction Document to which Seller is or will be a party (including, without limitation, the power and authority to sell, on behalf of the Receivership Entities, the Purchased Assets to Buyer free and clear of all Encumbrances, and the power and authority to assign and transfer, on behalf of the Receivership Entities the Keep Policy Investors and any Third Party Beneficiaries, the Trust Assets to the Trust free and clear of all Encumbrances). Seller has duly executed and delivered this Agreement and each other Transaction Document to which Seller is a party, and when delivered by Seller in accordance with this Agreement, each other Transaction Document to which Seller will be a party will be duly executed and delivered by Seller. Assuming the due authorization, execution and delivery of this Agreement by Buyer, this Agreement will constitute a legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms, upon the entry of the Purchase and Servicing Agreements and

Bidding Procedures Order. Assuming the due authorization, execution and delivery of each other Transaction Document to which Seller will be a party by each other party thereto, each such other Transaction Document will constitute a legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms, upon the entry of the Sale of Assets, Servicing and Transfer Order.

Section 4.3 No Violation; Consents. Except for, and assuming entry of the Court Orders, the execution, delivery and performance by Seller of this Agreement and each other Transaction Document to which Seller is or will be a party and the consummation by Seller of all of the transactions contemplated hereby and thereby, including, without limitation, (i) the sale and assignment of the Purchased Assets by Seller, on behalf of the Receivership Entities, to Buyer hereunder free and clear of all Encumbrances, and (ii) the assignment of the Trust Assets by Seller, on behalf of the Receivership Entities, the Keep Policy Investors and the Third Party Beneficiaries, to the Trust free and clear of all Encumbrances:

(a) do not and will not violate any provision of the organizational documents of any Receivership Entity;

(b) do not and will not require any consent, waiver, approval, license, order, designation or authorization of, notice to, or registration, filing, qualification or declaration with, any Governmental Authority or other Person, other than with respect to assignment of the lease for VSI's Offices or as set forth in any contract, license, permit, agreement or instrument which may be assumed by Buyer; and

(c) do not and will not with or without the giving of notice or the passage of time or both, violate or conflict with, or result in a breach or termination of any provision of, or constitute a default under, or accelerate or permit the acceleration of the performance required by the terms of, or result in the creation of any Encumbrance upon any of the Purchased Assets under, (i) any contract, license, permit, agreement or instrument to which either Seller or any Receivership Entity is a party or by which Seller, any Receivership Entity or any Purchased Asset is bound or (ii) any Order or Law to which either Seller or any Receivership Entity is a party or by which Seller, any Receivership Entity or any Purchased Asset is bound.

Section 4.4 Litigation; No Violations of Law.

(a) Except as set forth on Schedule 4.4(a) hereto, there are no pending or, to the knowledge of Seller, threatened Actions by any Person against either Seller or any Receivership Entity which, if adversely determined, would have a Material Adverse Effect.

(b) Seller conducts, and at all times since Seller's appointment as a receiver for the Receivership Entities has conducted, its business and the businesses of the Receivership Entities in respect of the Purchased Assets in compliance with all applicable Laws then in effect.



Section 4.5 Title to Purchased Assets.

(a) The Receivership Entities are the sole owners of and have all claims, options, privileges, right, title and in interest in, to and under, the Purchased Assets free and clear of all Encumbrances. Subject to the entry of the Sale of Assets, Servicing and Transfer Order, all of Seller's and each Receivership Entity's and each Keep Policy Investor's and each Third Party Beneficiary's claims, options, privileges, right, title and interest in, to and under the Purchased Assets will be sold, conveyed, assigned, transferred and delivered to Buyer at the Closing, free and clear of all Encumbrances.

(b) The Receivership Entities are the sole owners of and have all claims, options, privileges, right, title and in interest in, to and under, the Trust Assets free and clear of all Encumbrances. Subject to the entry of the Sale of Assets, Servicing and Transfer Order, all of Seller's and each Receivership Entity's and each Keep Policy Investor's and each Third Party Beneficiary's claims, options, privileges, right, title and interest in, to and under the Trust Assets will be conveyed, assigned, transferred and delivered to the Trust at the Closing, free and clear of all Encumbrances.

Section 4.6 Accuracy of Information. To Seller's knowledge, none of the information furnished by Seller to Buyer in connection with Buyer's evaluation of the Purchased Assets and the Trust Assets (i) contains any material misstatement of fact or (ii) omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which such statements were made, not misleading. Seller has provided or made available to Buyer all information related to the Purchased Assets and the Trust Assets requested by Buyer (other than any such information which Seller was precluded from providing or making available to Buyer pursuant to an order of the Court), including all information made available to any other Potential Stalking Horse Bidder or Potential Bidder. However, the sale of the Purchased Assets to Buyer shall be AS IS, WHERE IS, with no representations or warranties as to title, merchantability or fitness for a particular purpose, express, implied, or otherwise, unless specifically set forth in this Agreement, without any recourse whatsoever against the Seller, the Receivership Entities, or any of their professionals, employees, or agents.

Section 4.7 Brokers and Finders. Seller has not engaged any broker, finder or financial advisor, or incurred any liability for any fees or commissions to any broker, finder or financial advisor, in connection with this Agreement or the transactions contemplated hereby for which Buyer could be liable.

Section 4.8 Keep Policies; Status of Keep Policies. All of the Keep Policies are listed on Schedule 4.8 hereof. All of the Keep Policies are "in-force", Seller has paid in full all premiums that are due with respect to the Keep Policies and none of the Keep Policies has lapsed. None of the Keep Policies will be in grace on the Closing Date.

**ARTICLE V**  
**REPRESENTATIONS AND WARRANTIES OF BUYER**

Buyer hereby represents and warrants to Seller as of the date hereof and as of the Closing Date as follows:

Section 5.1 Existence and Standing. Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware, and has all requisite limited liability company power and authority to own its properties and assets and to carry on its business as presently conducted by it. Buyer is qualified as a foreign limited liability company in the State of Florida.

Section 5.2 Authority, Power and Binding Effect. The execution and delivery of, and the performance of all obligations of Buyer under, this Agreement, the Servicing Agreement, the Transitional Services Agreement and each other Transaction Document to which Buyer is or will be a party, and the consummation by Buyer of the transactions contemplated hereby and thereby, have been duly authorized by all necessary limited liability company action on the part of Buyer. Buyer has all requisite limited liability company power and authority to execute, deliver and perform its obligations under this Agreement, the Servicing Agreement, the Transitional Services Agreement and each other Transaction Document to which it is or will be a party and to consummate the transactions contemplated hereby and thereby. Buyer has duly executed and delivered this Agreement the Servicing Agreement, the Transitional Services Agreement and each other Transaction Document to which it is a party, and when delivered by Buyer in accordance with this Agreement, the Servicing Agreement, the Transitional Services Agreement and each other Transaction Document to which Buyer will be a party will be duly executed and delivered by Buyer. Assuming the due authorization, execution and delivery of this Agreement by Buyer, this Agreement constitutes, and the Servicing Agreement, the Transitional Services Agreement and each other Transaction Document when executed and delivered by Buyer will constitute, a legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, subject to applicable bankruptcy, reorganization, insolvency, moratorium and other Laws affecting creditors' rights generally from time to time in effect and to general equitable principles.

Section 5.3 No Violation; Consents. The execution, delivery and performance by Buyer of this Agreement, the Servicing Agreement, the Transitional Services Agreement and each other Transaction Document to which Buyer is or will be a party and the consummation by Buyer of all of the transactions contemplated hereby and thereby, including, without limitation, the purchase and acceptance of the Purchased Assets by Buyer:

- (a) do not and will not violate any provision of the certificate of formation or limited liability company agreement of Buyer;
- (b) do not and will not require any consent, waiver, approval, license, order, designation or authorization of, notice to, or registration, filing, qualification or

declaration with, any Governmental Authority or other Person to which Buyer or any Affiliate thereof, or any asset or property of Buyer or any Affiliate thereof, is subject to or bound; and

(c) do not and will not with or without the giving of notice or the passage of time or both, violate or conflict with, or result in a breach or termination of any provision of, or constitute a default under, or accelerate or permit the acceleration of the performance required by the terms of or under, (i) any contract, license, permit, agreement or instrument to which Buyer is a party or by which Buyer or any of its assets or properties is bound or (ii) any Order or Law to which Buyer is a party or by which Buyer or any of its assets or properties is bound.

Section 5.4 Litigation. There are no pending or, to the knowledge of Buyer, threatened Actions by any Person against Buyer which, if adversely determined, would reasonably be expected to have a material adverse effect on the ability of Buyer to perform and comply with its obligations under this Agreement, the Servicing Agreement, the Transitional Services Agreement and the other Transaction Documents to which Buyer is or will be a party.

Section 5.5 Brokers and Finders. Buyer has not engaged any broker, finder or financial advisor, or incurred any liability for any fees or commissions to any broker, finder or financial advisor, in connection with this Agreement or the transactions contemplated hereby for which Seller could be liable.

Section 5.6 Financing. Buyer currently has access to sufficient unrestricted funds, and will at the time of the Closing have sufficient unrestricted funds, to consummate the transactions contemplated by this Agreement.

## **ARTICLE VI**

### **COVENANTS OF THE PARTIES**

#### Section 6.1 Court Actions.

(a) No later than two (2) Business Days following the date hereof, Seller shall file with the Court one or more motions (collectively, the "Purchase and Servicing Agreements and Bidding Procedures Motion"), in form and substance reasonably satisfactory to Buyer: (i) seeking approval from the Court of (A) this Agreement and all of the terms and conditions hereof and transactions contemplated hereby, (B) the Servicing Agreement and all of the terms and conditions hereof and transactions contemplated thereby, (C) the Transitional Services Agreement and all of the terms and conditions hereof and transactions contemplated thereby, (D) the Bidding Procedures, and (E) the Trust Agreement; (ii) requesting the Court to enter and approve the Purchase and Servicing Agreement and Bidding Procedure Order no later than April 30, 2009; (iii) setting a hearing for the first available date after the Bid Deadline consistent with the Bidding Procedures to approve the sale of the Purchased Assets contemplated hereby to Buyer, and the entering into of the Transitional Services Agreement with the Seller, the entering into of the Servicing Agreement with the Trust, the entering into of the Trust

