

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO.: 04-60573 CIV-MORENO/GARBER

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

MUTUAL BENEFITS CORP., *et al.*,

Defendants,

VIATICAL BENEFACTORS, LLC, *et al.*,

Relief Defendants.

JOINT PROPOSED DISBURSEMENT PLAN
OF THE RECEIVER AND UNION PLANTERS BANK, N.A.

Roberto Martínez, court-appointed receiver (the “Receiver”) of Mutual Benefits Corp., Viatical Benefactors, LLC, Viatical Services, Inc., and Anthony Livoti, Jr. and Anthony Livoti, Jr., P.A. as trustee, and Union Planters Bank, N.A. (the “Bank”) jointly submit the following proposal for the return and disbursement of the pre-closing funds as Ordered by the Court on February 22, 2005 [D.E. 727].

This joint proposal is made with the goal of having the funds distributed as expeditiously as is practicable, as inexpensively as is practicable, and with a minimum amount of attorney involvement. To that end, and as noted in more detail below, the Receiver and the Bank seek an Order from the Court that would, *inter alia*, (1) provide a process for undisputed claims to be returned and for disputed claims to be adjudicated; (2) appoint a Claims Administrator to assist in the disbursement of these funds, and a Special Master to assist in resolving disputed claims,

and (3) segregate the interest collected on the pre-closing funds at issue from a date certain to the date of final disbursement to be utilized for the payments of fees and costs associated with the return of these funds (the “Order”). The following details the joint proposal:

<u>Action</u>	<u>Timeframe</u>
<p>Lifting of the Freeze Order: The Court’s Order will serve to immediately lift the freeze on all Bank accounts holding pre-closing funds. This will allow for the Bank to re-deposit stale interest checks and make other necessary internal corrections and notations to the accounts so that the information provided to the Claims Administrator is accurate as of December 31, 2004.</p>	<p>upon the Court Order</p>
<p>Designation of Pre-Closing Funds: The Bank and the Receiver will identify all sub-accounts that contain pre-closing purchaser funds, with the Receiver providing the most current address information available and the Bank providing the balance on those sub-accounts, inclusive of interest (as of the date elected by the Court). The Bank and the Receiver will provide this information to the court-approved Claims Administrator.</p>	<p>within 30 days from the Order</p>
<p>Submission of Receiver’s Objections: The Receiver will file with the Court a report stating to which specific disbursements the Receiver objects and the grounds for each such objection. The Receiver will give notice to the investors to whose disbursements the Receiver objects stating the grounds for the objection.</p>	<p>within 45 days from the Order</p>
<p>Distribution of Claim Forms: The court-approved Claims Administrator will send via certified mail (domestic) or registered mail (foreign) the bar-coded Claim Form attached to this joint proposal to all investors with pre-closing funds in sub-accounts identified by the Bank and the Receiver, other than those which the Receiver raises in an objection. The Claim Form will be translated into Spanish and Chinese. The Claim Form will be mailed to the person or entity identified as having deposited the funds; in the case of institutional investors that are identified as having deposited the funds, the Claim Form will only be mailed to the institutional investor (and not to any beneficial owners of the funds).</p>	<p>within 45 days from the Order</p>

<p>Return of Claim Forms: The investors will be instructed to return the Claim Forms by mail to the Court-approved Claims Administrator no later than 120 days from the Order. The Claims Administrator shall sort the undisputed claims from the disputed claims and respond to investor inquiries about the Claim Form. The disputed claims will be forwarded to the Special Master.</p>	<p>rolling returns with a postmark cut-off date 120 days from the Order</p>
<p>Disbursement of Funds to Undisputed Claims: No less than twice a month, the Claims Administrator will provide to the Receiver and the Bank a list of all investors that returned the Claim Form with no objection to the disbursement as described in the Claim Form. The Bank will instruct Sunguard, an independent data processing company that maintains the data for these accounts, to disburse the funds as listed by the Claims Administrator. The payee of the checks will be the name of the investor. The checks will be sent to the Claims Administrator via federal express who will thereafter forward the check to the investor. All checks will be made payable in US dollars (the same form in which they were deposited). The final disbursements (excluding any checks that have to be re-issued) for undisputed claims will be completed no later than 60 days from the postmark cut-off date for the return of Claim Forms.</p>	<p>rolling disbursements to be completed within 180 days from the Order</p>
<p>Status Report to the Court of Disbursements: Every 30 days from the date the Claim Forms are mailed out, the Receiver will file with the Court a status report stating (a) the number of investors receiving payments pursuant to undisputed requests (and the total amount of funds paid out), and (b) the number of investors disputing the amount due to them (and the amount of funds). Within 15 days from the final disbursements, the Receiver will file a final status report with the Court listing the total amounts returned, the total amount being disputed by investors, the total amounts remaining unclaimed, and the number of investors who did not respond.</p>	<p>every 30 days</p>
<p>Resolution of Disputed Claims: As to those investors that dispute the return of their funds as provided for in the Claim Form, the Court's Special Master or other designee will first attempt to resolve the claim consensually with the investor (or the investor's counsel). For the claims that cannot be resolved consensually, the Special Master or other designee will advise the Court of all claims that remain disputed and propose a resolution of those claims to the Court.</p>	<p>rolling resolutions to be completed within 180 days from the Order</p>

<p>Final Omnibus Hearing: The Court can hold a final omnibus hearing to resolve (a) any of the disputed claims that remain unresolved, (b) the Receiver's objections to particular disbursements, and (c) the award of any expenses for administering the disbursement of the funds.</p>	<p>within 180 days from the Order</p>
<p>Interest on the Pre-Closing Funds: The Receiver and the Bank would request that the Court order that the interest earned on pre-closing funds in the sub-accounts identified cease to accrue in favor of the investor as of January 1, 2005. Interest accrued after that date will be set aside in a separate account to pay the fees and costs, as approved by the Court, associated with the return of the funds. The Bank will be authorized to close sub-accounts after the funds are disbursed.</p>	<p>January 1, 2005</p>
<p>Payment of Administrative Costs: The administrative costs of returning the funds, including the fees and costs of the Claims Administrator and the Special Master, and the costs of the Bank and any outside vendor utilized for expedition of check processing would be paid from the interest collected on the pre-closing funds from January 1, 2005 to the date of final disbursement and any unclaimed funds. In addition, the Receiver and the Bank may also petition the Court for fees associated with the return of these funds. The Court may also consider fee petitions from other parties. Within 15 days from the final disbursements authorized by the Court or the Special Master, the Bank will submit a report to the Court notifying the Court of the amount of interest that the sub-accounts accrued from January 1, 2005, to the date of final disbursement. Within fifteen days of that report, all interested parties are to submit their petitions for fees and costs.</p>	<p>30 days from the final disbursement of funds</p>

The Receiver and the Bank respectfully request that the Court hold a hearing so that all written objections to this proposal can be heard, and so that other proposals can be considered. Because any change in the proposal might affect other aspects of the proposal, the Court should hear from the parties before any final order is entered. All objections should be in writing and should be filed with the Court no later than five (5) business days before the date of the hearing.

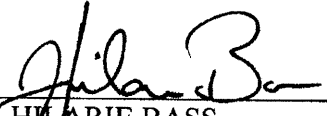
Respectfully submitted,

COLSON HICKS EIDSON
255 Aragon Avenue
Coral Gables, Florida 33134
Telephone: (305) 476-7400
Facsimile: (305) 476-7444
E-mail: curt@colson.com

GREENBERG TRAURIG P.A.
1221 Brickell Avenue
Miami, Florida 33131
Telephone: (305) 579-0500
Facsimile: (305) 961-5534
E-mail: becerraj@gtlaw.com

By 

CURTIS MINER
Fla. Bar No.: 885681

By 


HILARIE BASS
Fla. Bar No.: 334243
JACQUELINE BECERRA
Fla. Bar No.: 25135

Counsel for the Receiver

Counsel for Union Planters Bank, N.A.

CERTIFICATE OF SERVICE

WE HEREBY CERTIFY that a true and correct copy of the foregoing was served in accordance with the attached Receiver's Service List on March 15, 2005.

By 

Curtis Miner, Esq.

Claim Form

MUTUAL BENEFITS CORPORATION

Request for Return of Funds Deposited With Union Planters Bank N.A.

Our records show that you currently have money in a sub-account of an account entitled "Union Planters Bank N.A. - MBC Purchaser Escrow Account" at Union Planters Bank, N.A. (the "Escrow Account"). This money was deposited in the Escrow Account in connection with your investment in a Viatical and Life Settlement Purchase Agreement with Mutual Benefits Corp. ("MBC") or Viatical Benefactors, LLC ("VBLLC"). On May 4, 2004, the U.S. District Court for the Southern District of Florida (the "Court") entered an order placing MBC into receivership and freezing all the activity of the Escrow Account. As of that date, our records reflect that some or all of your money had not yet been invested into the purchase of an interest in an insurance policy, so money deposited by you for this investment was still being held in the Escrow Account. The amount of your principal in the Escrow Account is printed on the attached Claim Form.

On February 22, 2005, the Court ordered that the funds remaining in the Escrow Account that had not been used to purchase an interest in an insurance policy be returned to the investors who deposited those funds. The amount returned to you will include all interest accrued through December 31, 2004. You can view a copy of the Court's Order by going to www.mbcreceiver.com and clicking on the link for "COURT DOCS." Please note that the Court's Order deals only with the money in the Escrow Account that was not invested in an insurance policy as of May 4, 2004. **Any money that you may have deposited that had been invested in a policy as of May 4, 2004, is not subject to the Court's Order to return funds. The Court has not made any determination as to how money already invested as of May 4, 2004 will be treated.**

Below you will find instructions on how to claim your money, or how to file a dispute if you believe the amount that should be returned to you is different than that printed on the attached Claim Form. If you have any questions regarding the claim form, you can call **1-877- 267-1351**. Please note that money will only be returned by check to the address noted in the Claim Form. The check will be payable in United States currency. Whether you are claiming or disputing the amount printed on the Claim Form, your Claim Form **must be postmarked by _____, 2005**, or you will waive your right to the money in the Escrow Account.

How to Claim Your Money

If you agree that the amount printed on the attached Claim Form is correct, fill out the form, have it notarized, and return the notarized form and a copy of your driver's license or face page of passport to:

**MBC Purchaser Escrow Account Claims
Administrator
P.O. Box 9000 #6231
Merrick, NY 11566-9000**

If you do not dispute the amount, your money (including interest accrued through December 31, 2004) should be returned to you within 30 days of the date your Claim Form is received by the Claims Administrator.

If You Have Documents Showing the Amount Is Incorrect

If you disagree that the amount printed on the attached Claim Form is the correct amount, you should so indicate on the Claim Form in the space provided and should attach all documents that you may have to support your claim.

Please keep in mind that this Claim Form deals only with the money in the "Union Planters Bank, N.A. -- MBC Purchaser Escrow Account" that had not been invested in an insurance policy as of May 4, 2004, and not with any other money that you may have invested through MBC.

If you dispute the amount printed on the form, your dispute will be reviewed by a Court designee who will attempt to resolve your dispute. In the event that your dispute cannot be resolved, it will be forwarded to the District Court Judge, or his designee, who will render a decision as to your dispute sometime in the future.

Updated Information

Please also advise us if the person in whose name the money is held, as printed on the Claim Form, is incorrect. If it is incorrect, you need to attach to the Claim Form evidence of why the name should be changed. (For example, if there has been a death, you will need to provide a certified copy of a death certificate and letters testamentary for a personal representative if there is one.)

Must be Postmarked
No Later Than
_____, 2005

Mutual Benefits Corporation
c/o The Garden City Group, Inc.
Administrator for MBC Reciever
P.O. Box 9000 #6231
Merrick, NY 11566-9000
1 (877) 267-1351



CLAIM FORM

Claimant Identification:

Claim Number: _____ Control Number: _____

YOUR NAME AND ADDRESS:

AMOUNT OF MONEY:

(plus accrued interest)

PLEASE MAKE ANY CORRECTIONS TO YOUR NAME AND ADDRESS HERE:

Name:
Address:
City:
State/Country:
Zip Code:

I WOULD LIKE TO HAVE MY MONEY RETURNED TO ME

- I agree that the amount of money shown above is the amount I currently have in the Union Planters Bank, N.A. -- MBC Purchaser Escrow Account that was not invested in the purchase of an interest in an insurance policy as of May 4, 2004.
- I have attached a photocopy of my driver's license (U.S. residents) or comparable government issued identification, or the face page of my passport (foreign residents).

I DISAGREE WITH THE AMOUNT OF MONEY TO BE RETURNED

- I disagree that the amount of money shown above is the amount I currently have in the Union Planters Bank, N.A. -- MBC Purchaser Escrow Account that was not invested in the purchase of an interest in an insurance policy as of May 4, 2004. I have attached an explanation of why I disagree that this is the correct amount.
- I have attached all of the documents I have showing the amount of money I believe that I should have in the Union Planters Bank, N.A. - MBC Purchaser Escrow Account.
- I have attached a photocopy of my driver's license (U.S. residents) or comparable government issued identification, or the face page of my passport (foreign residents).

LIMITED RELEASE

BY SIGNING AND RETURNING THE CLAIM FORM TO CLAIM YOUR MONEY, YOU WILL BE GIVING UP ALL CLAIMS YOU MAY HAVE AGAINST UNION PLANTERS BANK, N.A., MUTUAL BENEFITS CORP., VIATICAL BENEFACTORS, LLC, OR THE RECEIVER FOR MUTUAL BENEFITS CORP. AND VIATICAL BENEFACTORS, LLC, RELATING TO THE MONEY YOU CURRENTLY HAVE IN THE "UNION PLANTERS BANK, N.A. -- MBC PURCHASER ESCROW ACCOUNT" THAT WAS NOT USED TO INVEST IN AN INSURANCE POLICY AS OF MAY 4, 2004. YOU ARE NOT RELEASING ANY CLAIMS YOU MAY HAVE AGAINST MUTUAL BENEFITS CORP. OR ANY OTHER PERSON FOR ANY OF YOUR MONEY THAT WAS INVESTED IN AN INSURANCE POLICY.

This Claim Form was sworn to and signed before me:

Signature

Date

Notary

ALL CLAIM FORMS MUST BE POSTMARKED NO LATER THAN _____, 2005

SERVICE LIST OF RECEIVER

Case No.: 04-60573 CIV-Moreno

VIA ELECTRONIC MAIL		
<p>Alise Meredith Johnson, Esq. Linda Schmidt, Esq. Securities & Exchange Commission 801 Brickell Avenue, Suite 1800 Miami, FL 33131 Fax: (305) 536-4154 E-mail: johnsona@sec.gov schmidtls@sec.gov almonti@sec.gov <i>Counsel for Securities & Exchange Commission</i></p>	<p>Michael A. Hanzman, Esq. Kevin Love, Esq. Hanzman Criden Chaykin & Rolnick Commercebank Center 220 Alhambra Circle, Suite 400 Coral Gables, FL 33134 Fax: (305) 357-9050 E-mail: mhanzman@hanzmancriden.com klove@hanzmancriden.com <i>Counsel for Scheck Investments LP, et al.</i></p>	<p>Brian J. Stack, Esq. Stack Fernandez Anderson & Harris, P.A. 1200 Brickell Avenue, Suite 950 Miami, FL 33131-3255 Fax: (305) 371-0002 E-mail: bstack@stackfernandez.com <i>Counsel for Traded Life Policies Ltd.</i></p>
<p>Laurel M. Isicoff, Esq. Kozyak Tropin & Throckmorton 2525 Ponce de Leon, Suite 900 Coral Gables, Florida 33134 Fax: (305) 372-3508 E-mail: lmi@kttlaw.com <i>Co-counsel for Receiver</i></p>	<p>Victor M. Diaz, Jr., Esq. Podhurst Orseck Josefsberg et al. City National Bank Building 25 West Flagler St., Suite 800 Miami, FL 33130 Fax: (305) 358-2382 E-mail: vdiaz@podhurst.com <i>Counsel for Scheck Investments LP, et al.</i></p>	<p>J. David Hopkins, Esq. Lord, Bissell & Brook LLP Suite 1900, The Proseceum 1170 Peachtree Street, N.E. Atlanta, Georgia 30309 Fax: (404) 872-5547 E-mail: dhopkins@lordbissell.com <i>Counsel for Traded Life Policies Ltd.</i></p>
<p>George Mahfood, Esq. Ferrell Schultz Carter & Fertel 201 South Biscayne Boulevard 34th Floor, Miami Center Miami, Florida 33131 Fax: (305) 371-5732 E-mail: gmahfood@ferrellschultz.com <i>Counsel for Joel Steinger, Leslie Steinger, Peter Lombardi, P/JL Consulting Co., Kensington Consulting Co.</i></p>	<p>Robert C. Gilbert, Esq. 220 Alhambra Circle, Suite 400 Coral Gables, FL 33134-5174 Fax: (305) 529-1612 E-mail: rgilblaw@aol.com <i>Special Counsel for Scheck Investments LP, et al.</i></p>	<p>Hilarie Bass, Esq. Jacqueline Becerra, Esq. Greenberg Traurig P.A. 1221 Brickell Avenue Miami, Florida 33131 Fax: (305) 579-0717 E-mail: becerraj@gtlaw.com bassh@gtlaw.com <i>Counsel for Union Planters Bank, N.A</i></p>
<p>Faith E. Gay, Esq. White & Case LLP 4900 Wachovia Financial Center 200 So. Biscayne Blvd. Miami, FL 33131-2352 Fax: (305) 358-5744 E-mail: fgay@whitecase.com <i>Counsel for Camden Consulting, Inc.</i></p>	<p>Edward M. Mullins, Esq. Daniella Friedman, Esq. Astigarraga Davis Mullins & Grossman, P.A. 701 Brickell Ave., 16th Floor Miami, FL 33131 Fax: (305) 372-8202 E-mail: emullins@astidavis.com dfriedman@astidavis.com <i>Co-counsel for Life Settlement Holding, A.G.</i></p>	<p>David Levine, Esq. Jeffrey Schneider, Esq. Tew Cardenas LLP The Four Seasons Tower, 15th Floor 1441 Brickell Avenue Miami, FL 33131 Fax: (305) 536-1116 E-mail: jcs@tewlaw.com dml@tewlaw.com <i>Counsel Patricia Cook, et al</i></p>
<p>J. Raul Cosio, Esq. Holland & Knight 701 Brickell Avenue, Suite 3000 Miami, FL 33131 Fax: (305) 789-7799 E-mail: raul.cosio@hklaw.com <i>Counsel for Northern Trust Bank of Florida</i></p>	<p>Jay Kim, Esq. Steel Hector & Davis 200 S. Biscayne Blvd, 41st Floor Miami, FL 33131 Fax: (305) 577-7001 E-mail: jay.kim@steelhector.com <i>Counsel for Transamerica Occidental Life</i></p>	<p>Mark S. Shapiro, Esq. Akerman Senterfitt 1 S.E. 3rd Avenue, 28th Floor Miami, FL 33131 Fax: (305) 374-5095 E-mail: mark.shapiro@akerman.com <i>Counsel for American General Life Ins. Co</i></p>
<p>Joseph P. D'Ambrosio, Esq. Miller, Kagan, Rodriguez and Silver, P.A. One Boca Place 2255 Glades Road, Suite 236W Boca Raton, FL 33431 Fax: (561) 989-8857 E-mail: dambrosiolaw@bellsouth.net <i>Counsel for Insurers</i></p>	<p>Christopher J. Klein Baur & Klein, P.A. 100 N. Biscayne Blvd. 21st Floor Miami, FL 33132 Fax: (305) 371-4380 E-mail: cklein@worldwidelaw.com <i>Co-counsel for Life Settlement Holding, A.G.</i></p>	<p>Amy S. Rubin, Esq. Michael J. Pike, Esq. Ruden, McClosky, Smith, Schuster & Russell 222 Lakeview Avenue, Suite 800 West Palm Beach, FL 33401 Fax: (561) 514-3447 E-mail: amy.rubin@ruden.com <i>Counsel for Primerica Life Insurance Co.</i></p>

<p>Charles H. Lichtman, Esq. Berger Singerman, Suite 1000 350 East Las Olas Blvd. Fort Lauderdale, FL 33301 Fax: (954) 523-2672 E-mail: clichtman@bergersingerman.com <i>Counsel for Mutual Benefits Japan Co.</i></p>	<p>Stanley H. Wakshlag, Esq. Akerman Senterfitt SunTrust International Center One S.E. 3rd Avenue, 28th Floor Miami, Florida 33131-1704 Fax: (305) 374-5095 E-mail: swakshlag@akerman.com brian.miller@akerman.com samantha.kavanaugh@akerman.com scott.cosgrove@akerman.com <i>Counsel for RBC Centura Bank</i></p>	<p>Debra M. Cohen Mandel, Weisman, Hemberg, Brodie & Griffin, P.A. 2101 Corporate Boulevard, Suite 300 Boca Raton, FL 33431 Fax: (561) 989-0304 E-mail: dcohen@mwkpalaw.com <i>Counsel for American Express Tax & Business Services, Inc.</i></p>
<p>J. Randolph Liebler, Esq. Liebler, Gonzalez & Poruoundo, P.A. 44 West Flagler Street, 25th Floor Miami, Florida 33130 Fax: (305) 379-9626 E-mail: jrl@lgplaw.com <i>Counsel for Bank of America</i></p>	<p>Rick Critchlow, Esq. Harry R. Schafer, Esq. Kenny Nachwalter, PA 201 South Biscayne Blvd. 1100 Miami Center Miami, Florida 33131 Fax: (305) 372-1861 Email: rcritchlow@kennynachwalter.com hschafer@kennynachwalter.com <i>Counsel for Citibank</i></p>	

VIA MAIL		
<p>Jon A. Sale, Esq. Ben Kuehne, Esq. Sale & Kuehne, P.A. 100 S.E. 2nd Street BankAmerica Tower, Suite 3550 Miami, FL 33131-2154 Fax: (305) 789-5987 E-mail: ben.kuehne@lawyers.com jon.sale@lawyers.com <i>Counsel for Peter Lombardi & PJJ Consulting</i></p>	<p>Bruce A. Zimet Esq. 100 S.E.3rd Avenue, Suite 2612 Ft. Lauderdale, FL 33394 Fax: (954) 760-4421 E-mail: bazimetlaw@aol.com <i>Counsel for Leslie Steinger</i></p>	<p>William L. Petros, Esq. Petros & Elegant 4090 Laguna Street, 2nd Floor Coral Gables, FL 33146 Fax:(305) 446-2799 E-mail: wlpetros@aol.com <i>Counsel for William Mills</i></p>
<p>Richard Ben-Veniste, Esq. Mayer Brown Rowe & Maw 1909 K. Street, N.W. Washington, DC 20006 Fax: (202) 263-5333 E-mail: rben-veniste@mayerbrownrowe.com <i>Counsel for Joel Steinger & Kensington Consulting</i></p>	<p>Miguel Diaz de la Portilla, Esq. Duane Morris, LLP 200 So. Biscayne Blvd. , Suite 3400 Miami, FL 33131 Fax: (305) 960-2201 E-mail: mdportilla@duanemorris.com Counsel for Dr. Christine Walsh, et al. (the "Investors Group")</p>	