

UNITED STATES DISTRICT COURT FOR THE  
SOUTHERN DISTRICT OF FLORIDA  
Miami Division

Case Number: 04-60573-CIV-MORENO

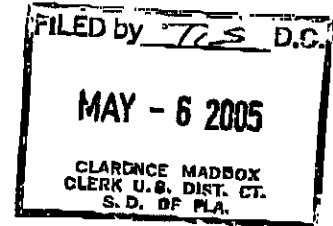
SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

vs.

MUTUAL BENEFITS CORP., JOEL STEINGER  
a/k/a JOEL STEINER, LESLIE STEINGER a/k/a  
LESLIE STEINER, and PETER LOMBARDI,  
VIATICAL BENEFACTORS, LLC, VIATICAL  
SERVICES, INC., KENSINGTON  
MANAGEMENT, INC., RAINY CONSULTING  
CORP., TWIN GROVES INVESTMENTS, INC.,  
P.J.L. CONSULTING, INC., SKS  
CONSULTING, INC., and CAMDEN  
CONSULTING, INC.,

Defendant.



**ORDER REGARDING DISBURSEMENT OF PRE-CLOSING ESCROW FUNDS**

The Court has previously ordered that the pre-closing investment funds not used to purchase interest in insurance policies be returned to the original investors. The Court requested proposals on how those funds should be returned and received various proposals from the parties. The Court has considered those proposals, the issues raised by those proposals, and the arguments made at the hearing on the issue. The Court has considered the pertinent portions of the record, and is otherwise fully advised in the premises. Accordingly, it is

**ADJUDGED** that Union Planters Bank, N.A.(now a part of Regions Financial Corp.) shall best use its resources and work with the Receiver to administer the return of money to the investors. Union Planters Bank, N.A. may choose to use an outside source to assist it in performing these administrative duties, as it normally would be free to do in returning investors' monies and

determining the correct address to which to send notices. The Court does not decide at this time who will bear the costs of disbursement. But, as described below, the interest accumulated will be set aside and the Court will determine in the future who is entitled to costs and attorney's fees.

Twenty days from to the date of this Order, Union Planters Bank, N.A. shall send a copy of the Initial Distribution Form to all investors. A copy of the Distribution Form is attached to this Order. Union Planters Bank, N.A. may modify the mailing address and the bar codes at the top of the Form as it deems necessary, but otherwise the Form must remain substantially the same. The Form need not be limited to one page. Every 30 days following the mailing of the Initial Distribution Form, Union Planters Bank, N.A. shall file a report informing this Court of the number of investors who have received their funds, the number of investors who have not claimed their funds, and the amount of funds left to be disbursed. Every 30 days following the Initial Distribution Form, Union Planters Bank, N.A. shall send a subsequent Distribution Form to investors who have not claimed their money. Each subsequent Distribution Form shall be numbered consecutively to indicate the number of notices which have been sent to each investor (for example "Second Distribution Form"). Upon motion by Union Planters Bank, N.A., the Court will decide when final notice is to be provided to the investors, but the Court will not entertain such motion until at least three mailings have been performed and three reports filed. Thus, at this time, the Form does not contain a postmark deadline. Once the process is near completion, the Court will decide how the interest shall be distributed and how to treat unclaimed or undistributed funds, if any.

If the Receiver intends to file a separate action claiming a right to any of the monies held by Union Planters Bank, N.A., the Receiver should provide Union Planters Bank, N.A. and the Court with a list of those investors to whom it objects to having money disbursed. If Union Planters Bank, N.A. receives such indication from the Receiver, Union Planters Bank, N.A. shall not disburse any

money in those accounts. The Receiver shall have 30 days from the date such notice is provided to Union Planters Bank, N.A. to file an action claiming a right to those monies. If no such action is filed within 30 days of the Receiver's notice of intent to file an action, Union Planters Bank, N.A. shall distribute the money as if no such notice had been given.

The language of the Disbursement Form informs the investors that if they believe that the amount to be received is incorrect, they may send an objection to the Receiver. The Receiver shall inform the Court of the number of such objections so that the Court can decide whether a special master is needed at that time.

The Court finds that assurances are unnecessary insofar as an asset freeze is already in place. If any Defendant subject to the asset freeze has a right to, or comes into possession of, an asset, such asset is frozen at the time the right accrues or possession takes place.

The Court finds that the remaining banks have a relatively small number of investors and accounts and that the remaining banks and the Receiver can work together to distribute the funds held by those banks.<sup>1</sup> If the banks or Receiver need the Court to decide the legal status of such accounts, a separate action must be filed seeking such declaratory relief.

DONE AND ORDERED in Chambers at Miami, Florida, this 6<sup>th</sup> day of May, 2005.

  
\_\_\_\_\_  
FEDERICO A. MORENO  
UNITED STATES DISTRICT JUDGE

Copies provided as per the May 5, 2005 Master Service List.

---

<sup>1</sup>The Court has already approved stipulations to return \$6.4 million pre-closing funds to Trade Life Policies Limited, as well as \$14.7 million to Mutual Benefits Japan, Ltd.

**Union Planters Bank, N.A.**  
**Address**

**INITIAL DISBURSEMENT FORM**

**Investor Identification:**

Form Number: \_\_\_\_\_

Is your name and address correct as indicated on the envelope mailed to you?  Yes  No  
If your name and address is not correct, please list the correct name and address when mailing the required photo identification, as mentioned below.

Our records indicate that you previously deposited money with Union Planters Bank, N.A. to be invested in life insurance policies with Mutual Benefits Corporation. The Court has determined that documents reflecting such investments constitute securities under federal securities laws, which require certain filings and disclosures. An injunction was issued and a Receiver appointed. However, the Court has ordered that pre-closing funds held by Union Planters Bank before final closing on the investments should be returned to investors and not be turned over to the Receiver. The amount below reflects only that money you may have deposited in Union Planters Bank prior to May 4, 2004 and which was not invested in an insurance policy. In other words, you may have invested other money, but this Form does not address those other investments or deposits.

AMOUNT OF PRINCIPAL TO BE DISBURSED: \_\_\_\_\_

Do you believe that this is the correct amount of money owed to you that was not invested in the purchase of an interest in an insurance policy?  Yes  No

If you do not believe that the amount listed is the correct amount owed to you, you may write a brief statement indicating the amount you believe you are owed and provide an explanation of why you feel you are owed that amount. Attach any documents which help support that explanation and attach the statement and documents to this Form. The Court appointed Receiver will contact you regarding the disputed amount.

**Limited Release**

**By signing and returning this Disbursement Form, you waive the right to any claims against Union Planters Bank, N.A., Mutual Benefits Corp., Viatical Benefactors, LLC, or the Receiver for return of the specific money you currently have in the Union Planters Bank, N.A. that was not used to invest in the purchase of an insurance policy as of May 4, 2004. In other words, there is no double recovery. By signing this Form you do not release any claims you may have, which are related to money actually invested in an insurance policy before May 4, 2004.**

You must attach a copy of some form of government issued photo-identification (passport, driver's license, etc.) to this Form before disbursement will be made and mail it to the address listed at the top of this form.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date