

NOTICE TO INVESTORS & INTERESTED PARTIES OF RECEIVER'S MOTION TO AUTHORIZE PROCEDURES FOR RE-DESIGNATION OF BENEFICIAL INTERESTS IN INSURANCE POLICIES

As you know, on May 3, 2004 the SEC filed a complaint against Mutual Benefits Corporation ("MBC"), Viatical Services Inc. ("VSI") and Viatical Benefactors, LLC ("VBLLC"). In connection with that Complaint the federal judge overseeing the SEC case, Judge Moreno, appointed Roberto Martínez as Receiver of MBC, VSI and VBLLC. Mr. Martínez is also the Receiver of Anthony Livoti and Anthony Livoti, P.A. but only in their capacity as named trustee with respect to the MBC policies. The Receiver was charged with the responsibility of overseeing the administration of over 7,000 policies, including the payment of premiums and the collection of death benefits. However, funds for premium payments will soon be exhausted, and the Receiver does not have enough money to continue paying the premiums on all policies until the policies mature.

On September 14, 2005, Judge Moreno entered an *Order on Disposition of Policies and Proceeds* (the "Disposition Order") directing the Receiver to give investors a choice between (a) selling their interest in a policy, (b) keeping the interest and paying the cost of administering the policy, including, in most instances, the payment of premiums, or (c) surrendering their interest in the policy. A copy of the Disposition Order is posted on the Receiver's website at www.mbcreceiver.com. If you do not have access to a computer, you may obtain a copy of the Disposition Order by requesting a copy from the Receiver at MBC, 43 South Pompano Parkway, PMB #112, Pompano Beach, Florida 33069.

Most policies have several investors (in some cases over 100 investors) who have an interest in that particular policy. The majority (measured by investment amount) of those investors making an election determine whether to sell, keep, or surrender a policy. As to each policy, only those investors who voted determined what happens to the policy.

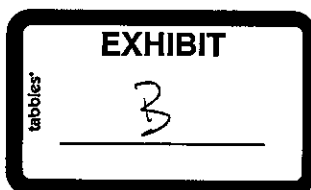
Pursuant to the Disposition Order, the Receiver sent to each investor a Notice to Investors describing the disposition process, together with a Preference Form giving the investor the opportunity to indicate their preference for retaining or selling each policy in which they had invested. As a result of the voting, approximately 3,037 policies with a face value of approximately \$1,054,421,059.67 were designated to be kept ("Keep Policies"), and approximately 3,138 policies with a face value of approximately \$383,850,782.72 were designated to be sold ("Sell Policies").

With respect to Keep Policies, the Notice to Investors explained that investors holding interests in those policies were required to pay an administrative fee to VSI for the cost of servicing the policy, and also to pay their share of any premiums due to keep the policy in effect. The failure to timely pay VSI administrative fees or premium payments will result in forfeiture of an investor's policy interest. Such forfeited interests must then be reallocated among the remaining investors, and responsibility for premium payments is also reallocated.

With respect to Sell Policies, the existing ownership and beneficial interests in such policies must be removed so that a purchaser will have the ability to designate beneficiaries for the policies it has purchased.

Accordingly, the Receiver has filed a *Motion to Authorize Procedures for Re-Designation of Beneficial Interests in Insurance Policies* ("Policy Motion"), which requested that the Court enter an order directing that the beneficial interests in all policies administered by the Receiver be changed to the Receiver, or his designee, as Policy Owner / Absolute Assignee and Nominal Beneficiary. On February __, 2007, the Court entered an Order granting the Policy Motion (the "Policy Order"), and authorizing the Receiver to serve this Notice. A copy of the Policy Motion and Policy Order are posted on the Receiver's website at www.mbcreceiver.com. If you do not have access to a computer, you may obtain copies by requesting them from the Receiver at MBC, 43 South Pompano Parkway, PMB #112, Pompano Beach, Florida 33069.

Pursuant to the Policy Motion and Policy Order, the Receiver is designated as Policy Owner / Absolute Assignee and Nominal Beneficiary with respect to all policies administered by the receivership. As Nominal Beneficiary, the Receiver will be responsible for maintaining current and accurate records of the beneficial interests in all policies, consistent with the terms of the Disposition Order. The Receiver will be strictly bound to only make changes to the ultimate beneficiaries as directed in the Disposition Order or as otherwise ordered by the Court, specifically:



- With respect to "Sell Policies," upon the approval of a sale of a policy, to designate the purchaser or its designee as owner of the policy with the full right to designate and/or revoke beneficiaries, including with respect to any policy having an irrevocable beneficiary or investor of MBC currently designated as Policy Owner / Absolute Assignee on the insurer records, whether or not such irrevocable beneficiary or Policy Owner / Absolute Assignee has consented to such change;
- With respect to "Keep Policies," upon an investor's failure to timely pay administrative or premium obligations and the consequent forfeiture of the investor's interest in said policy and reallocation of interests in the policy or ultimate sale of the policy, including with respect to any policy having an irrevocable beneficiary or investor of MBC currently designated as Policy Owner / Absolute Assignee on the insurer records, whether or not such beneficiary or Policy Owner / Absolute Assignee has consented to such change;
- With respect to "Keep Policies" for which an investor has participated in the investor-to-investor sale process , including with respect to any policy having an irrevocable beneficiary, whether or not such beneficiary consented to such change;
- With respect to change of beneficiary requests by existing investors, pursuant to policies to be established by VSI as servicer, including with respect to any policy having an irrevocable beneficiary, whether or not such beneficiary consented to such change.

The Policy Motion and Policy Order further provide that all insurers that have issued policies administered by the Receivership are authorized and directed to comply with the designation of the Receiver or his designee as Policy Owner / Absolute Assignee and Nominal Beneficiary without necessity of further instruction or authorization and are authorized and directed to rely on the Policy Order as authority to designate the Receiver as Policy Owner / Absolute Assignee and Nominal Beneficiary without necessity of signatures or consents from existing Policy Owners / Absolute Assignees and beneficiaries, whether recorded on the insurers' records as revocable or irrevocable beneficiaries. Alternatively, the Receiver may provide written instructions to insurers to re-designate Policy Owners / Absolute Assignees and beneficiaries consistent with the disposition process directed under the Disposition Order, and all insurers are directed to honor and recognize such designations without necessity of signatures or consents from existing Policy Owners / Absolute Assignees and beneficiaries. Additionally, all insurers are authorized and directed to make payment of all Policy proceeds, including death claim proceeds, to the Receiver or such party as the Receiver designates following the earlier of the date the Court enters the Policy Order or the Receiver's submission of any requested change to an insurer.

The Receiver believes the relief provided for in the Policy Motion and Policy Order is essential to facilitating the disposition process directed by the Court in order to (i) enable the Receiver to sell "Sell Policies" to prospective purchasers and (ii) ensure that death benefits on matured "Keep Policies" are paid to the proper party, and that the responsibility for payment of premium and other obligations for such policies is appropriately allocated.

Any person who has objections to the terms of the Policy Motion and Policy Order, and who did not previously have notice of the Policy Motion, must raise such objections by filing an objection with the Court on or before February 28, 2007.

If you do not object to the relief provided in the Policy Motion and Policy Order as described in this Notice (and as described in greater detail in the Policy Motion and Policy Order themselves), you do not need to take any further action in response to this Notice.