

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 04-60573-CIV-MORENO/SIMONTON

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

MUTUAL BENEFITS CORPORATION, *et al.*,

Defendants,

VIATICAL BENEFACTORS, LLC, *et al.*,

Relief Defendants.

**RECEIVER'S MOTION FOR AUTHORIZATION TO ENTER
INTO SETTLEMENT AGREEMENT WITH STEVEN K. STEINER,
SKS CONSULTING, INC. AND CAMDEN CONSULTING CORP.**

Roberto Martínez, Esq., as Court-appointed Receiver of Mutual Benefits Corp. ("MBC"); Viatical Benefactors, LLC ("VBLLC"); Viatical Services, Inc. ("VSI"); and Anthony Livoti, Jr. individually and Anthony Livoti, Jr. P.A., solely in their capacity as trustee (collectively, the "Receivership Entities"), requests authority from this Court to enter into the attached settlement agreement with Steven K. Steiner, SKS Consulting, Inc., and Camden Consulting Corp. The Receiver states as grounds:

1. On May 4, 2004, this Court entered an Order Appointing Receiver (the "Receivership Order") in this case. The Receivership Order appointed Roberto Martínez, Esq., of the law firm Colson Hicks Eidson, as Receiver.

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2. Paragraph 2 of the Receivership Order directs the Receiver to:

Investigate the manner in which the affairs of [the Receivership Entities] were conducted and institute such actions and legal proceedings, for the benefit and on behalf of [the Receivership Entities] and their investors and other creditors, as the Receiver deems necessary . . . against any transfers of monies or other proceeds directly or indirectly traceable from investors in [the Receivership Entities]; provided such actions may include, but not be limited to, . . . disgorgement of profits, recovery and/or avoidance of fraudulent transfers under Florida Statute § 726.101, et seq. or otherwise

3. In addition, Paragraph 7 of the Receivership Order provides that the Receiver may “settle legal actions . . . in which MBC, VBLLC and VSI or the Receiver is a party, commenced either prior to or subsequent to this Order, with authorization of this Court.”

4. Steven K. Steiner was the Vice President of MBC. SKS Consulting Corp. (“SKS”) and Camden Consulting Corp. (“Camden”) were “consulting companies” controlled in whole or in part by Steiner through which he received payments from MBC. The Receiver has filed a lawsuit against Steiner, SKS and Camden in the case of *Roberto Martinez, as Receiver v. Joel Steinger, et al.*, Case No. 05-61471-Civ-Moreno. The Receiver also filed a lawsuit against Steven Steiner individually, in the case of *Roberto Martinez, as Receiver v. Steven K. Steiner*, Case No. 05-60276-Civ-Moreno. The latter case sought to recover a loan in the amount of \$1,160,000 made from MBC to Steiner.

5. The financial terms of this settlement largely track the proposed settlement that Steiner, SKS and Camden have reached with the SEC in this matter. The principal terms of the proposed settlement agreement are as follows: (a) Steiner, SKS and Camden agree to pay the Receiver \$3,925,000, with \$750,000 to be paid within 10 days of the entry of Final Judgment in the SEC action, and the balance to be paid within one year with interest

accruing on the balance until paid, (b) Steiner, SKS and Camden have submitted detailed financial statements regarding their existing assets (unsigned versions are attached and will be supplemented with signed, sworn versions), (c) Steiner, SKS and Camden agree that, if any material undisclosed asset is later discovered, it is subject to forfeiture to the Receiver, with certain limitations depending on the value of the asset; and (d) the Receiver dismisses with prejudice the two lawsuits pending against Steiner, SKS and Camden and releases Steiner, SKS and Camden for any matters relating to MBC and VBLLC.

6. The Receiver submits that the settlement agreement is fair and equitable and in the best interests of the Receivership Estate. The amount of the settlement is substantial in light of the amount of the assets that could be executed against for Steiner, SKS and Camden. As can be seen from the affidavits, Steiner, SKS and Camden have represented that they presently have \$1.9 million in liquid or relatively liquid assets (some of which may be subject to penalties for liquidation). Steiner thus will likely have to sell and/or mortgage real property in order to satisfy the settlement obligations (and a substantial portion of the real property is in the form of a Ft. Lauderdale residence for which Steiner would likely claim a homestead protection). In addition, the SEC has reached a settlement with Steiner, SKS and Camden on the same financial terms, so the Receiver's simultaneous settlement facilitates the resolution of the SEC's action.

WHEREFORE, the Receiver respectfully requests that the Court enter an Order authorizing the Receiver to enter into the attached settlement agreement.

Respectfully submitted,

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By: 
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CERTIFICATE OF SERVICE

WE HEREBY CERTIFY that a true and correct copy of the foregoing was sent via electronic mail to the parties on the attached Receiver's Service List in *SEC v. Mutual Benefits Corp. et al*, and also by U.S. mail to the parties on the attached Receiver's Service List in *Receiver v. Joel Steinger, et al.*, on this 14th day of July 2006.


Curtis B. Miner