

ESCROW AGREEMENT – American Express Tax and Business Services Inc.

This ESCROW AGREEMENT ("Agreement") is by and between Mutual Benefits Corp., with an address at 200 East Broward Boulevard, 10th Floor, Fort Lauderdale, Florida 33301 ("MBC"); and American Express Tax and Business Services Inc., with an address at 2745 West Cypress Creek Road, Fort Lauderdale, FL 33309 ("Escrow Agent" and collectively with MBC, the "Parties").

W I T N E S S E T H

WHEREAS, MBC is a licensed viatical settlement company principally engaged in the funding and purchasing of death benefits of certain life insurance policies ("Policies") insuring the life or lives of one or more individuals (individually and collectively, the "Viator"); and

WHEREAS, Escrow Agent desires to serve as an escrow agent in connection with the purchase by MBC of Policies on the lives of Viators; sale of such Policies to, and holding deposits from, purchasers; the payment of premiums on Policies; and the payments of death benefits as is more fully set forth in this Agreement; and

WHEREAS, both MBC and Escrow Agent agree that the sole relationship between them arising under this Agreement is an escrow arrangement; and

WHEREAS, MBC and/or Brinkley, McNerney, Morgan, Solomon & Tatum, LLP ("BMMS&T") shall provide administrative support to Escrow Agent in submitting certain information, documents, notices and instructions.

WHEREAS, Anthony M. Livoti, Jr., P.A. ("LIVOTI") currently serves as trustee responsible for the premiums escrowed by MBC for policies it purchases and will provide administrative support to the Escrow Agent in connection with the Premium Escrow Account and Beneficiary Trustee Escrow Account submitting certain information, notices and instructions; and

WHEREAS, MBC hereby agrees to indemnify and hold harmless the Escrow Agent for any acts and conduct made by Escrow Agent in reliance upon the administrative support, information, documents, notices and instructions received from LIVOTI and/or other trustee designated in writing by MBC ("TRUSTEE"), MBC and BMMS&T.

NOW THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

I. APPOINTMENT

MBC hereby appoints American Express Tax and Business Services Inc. as the Escrow Agent for the purposes set forth in this Agreement, and Escrow Agent hereby accepts appointment under the terms and conditions set forth in this Agreement.

II. ESCROW ACCOUNTS

A. Establishment of Escrow Accounts:

1. **Escrow Account.** Upon the execution of this Agreement, Escrow Agent shall establish and maintain an escrow account for the benefit of MBC named "American Express Tax and Business Services Inc.-MBC Purchase Escrow Account" (the "Purchase Escrow Account"). From time to time, MBC shall cause to be deposited with or assigned to Escrow Agent funds to be held in said escrow account, all funds to be used as described in Section III.B below:

2. **Premium Escrow Account.** Upon the execution of this Agreement, Escrow Agent shall also establish and maintain one or more additional escrow accounts, as requested by MBC, for the benefit of TRUSTEE. The first such account shall be named "American Express Tax and Business Services Inc.- Premium Escrow Account" and the name of any additional accounts shall be mutually agreed to by the Parties (individually and collectively, the "Premium Escrow Account"). From time to time, funds shall be deposited with the Escrow Agent for premiums for Policies purchased by MBC on behalf of purchasers.

3. **Beneficiary Trustee Escrow Account.** Upon the execution of this Agreement, Escrow Agent shall also establish and maintain a third escrow account for the benefit of purchasers named "American Express Tax and Business Services Inc.-Beneficiary Escrow Account" (the "Beneficiary Trustee Escrow Account"). From time to time, funds shall be received by the Escrow Agent upon the maturation of Policies for which Escrow Agent is beneficiary on behalf of purchasers and, at the direction of TRUSTEE, promptly disbursed to purchasers. The Beneficiary Trustee Escrow Account shall not be interest bearing unless otherwise agreed to in writing between MBC or TRUSTEE and Escrow Agent.

B. **Investment of Funds in Purchase Escrow Account:** During the term of this Escrow Agreement, the cash balance of the Purchase Escrow Account shall be invested and reinvested by the Escrow Agent at a bank mutually agreed upon by the Parties in a Money Market Account, or in a similar mutually approved fund or such other liquid investment account as MBC may from time to time designate in writing to Escrow Agent and which account is reasonably acceptable to Escrow Agent. The Escrow Agent, in its capacity as escrow agent hereunder, shall have no liability for any loss sustained as a result of any investments made pursuant to this Agreement or the instructions of MBC, as a result of any liquidation of any investment prior to its maturity or for the failure of MBC to give the Escrow Agent timely instructions to invest or reinvest any monies in the Escrow Account or any earnings thereon. It is

hereby understood that any instructions delivered by MBC and received by Escrow Agent prior to 2:00 p.m. on any business day will be processed on the day received. Instructions delivered by MBC and received by Escrow Agent after 2:00 p.m. will be processed on the immediately succeeding business day.

C. **Investment of Funds in Premium Escrow Account:** During the term of this Escrow Agreement, the cash balance of the Premium Escrow Account shall be invested and reinvested by the Escrow Agent in a Money Market Account, or in a similar mutually approved fund or such other liquid investment account as TRUSTEE may from time to time designate in writing to Escrow Agent and which account is reasonably acceptable to Escrow Agent. Such designation shall specify maturity of such investment which maturity shall be on the business day prior to the due date of any payment. In the absence of written instructions, the cash balances of the Premium Escrow Account shall be invested in an institutional triple AAA rated money market fund. The Escrow Agent, in its capacity as escrow agent hereunder, shall have no liability for any loss sustained as a result of any investments made pursuant to this Agreement or the instructions of TRUSTEE, as a result of any liquidation of any investment prior to its maturity or for the failure of TRUSTEE to give the Escrow Agent timely instructions to invest or reinvest any monies in the Premium Escrow Account or any earnings thereon. Earnings on the Premium Escrow Account shall be designated for the Premium Reserve Sub-Account, as that term is defined in Section III(C)(2) below. It is hereby understood that any instructions delivered by TRUSTEE and received by Escrow Agent prior to 2:00 p.m. on any business day will be processed on the day received. Instructions delivered by TRUSTEE and received by Escrow Agent after 2:00 p.m. will be processed on the immediately succeeding business day.

D. **Financial Reporting:** Escrow Agent shall provide MBC and BMMS&T with access to the account at a bank mutually agreed upon by the Parties to view daily account activity, including wire receipts and deposits, and a monthly financial activity report for the Purchase Escrow Account showing all account transactions. Escrow Agent will also provide TRUSTEE with a monthly financial activity report of the Premium Escrow Account showing all account transactions. TRUSTEE shall provide the Escrow Agent with a timely written notice of the date on which the premium for each policy is due.

E. **Taxes:** Escrow Agent shall not be liable or responsible for the payment of any taxes on the earnings for the Purchase Escrow Account, the Premium Escrow Account or the Beneficiary Trustee Escrow Account.

F. **Interest:** All interest earned on the cash balances held in the Purchase Escrow Account shall accrue to the benefit of MBC's purchasers. Interest earnings shall be paid from time to time by the Escrow Agent as per MBC's written instructions. All interest earned on the cash balances held on the Premium Escrow Account shall remain on deposit therein as part of the premium reserve available to pay premiums.

III. DUTIES OF ESCROW AGENT

A. Receipt of Viator Closing Documents, Review of Closing Documentation and Confirmation of Certain Information.

1. From time to time, with respect to facilitating each purchase by MBC of life insurance policy death benefits, Escrow Agent shall perform the following services:

- (a) As required by applicable regulations, from time to time, receive and hold in escrow the original viatical settlement contract, escrow agreement, insurance company change of ownership and change of beneficiary forms and any other documents executed by the Viator to effectuate the sale of the Viator's interest in his/her life insurance policy (the foregoing documents are hereinafter collectively referred to as the "Closing Documents");
- (b) From time to time, confirm deposits remitted by MBC in the amount due to the Viator pursuant to the viatical settlement contract and Funding Instructions. Upon written confirmation of the deposit for the acquisition of a Viator's life insurance policy by MBC, the Escrow Agent shall release to MBC the Closing Documents so that the sale of the life insurance policy may be effected. Upon receipt by Escrow Agent of a written request from MBC or BMMS&T prior to 2:00 p.m., Eastern Time, the Escrow Agent shall Federal Express the Closing Documents to MBC. For requests received after 2:00 p.m., Eastern time, the Escrow Agent will Federal Express the Closing Documents the next business day; and
- (c) Review the written acknowledgment from the issuing insurance company evidencing the acceptance on its books and records of the transfer or assignment of the ownership of the life insurance policy and the change of beneficiary(ies).

2. The Escrow Agent may be designated and recorded as the beneficiary of record on behalf of purchasers for the life insurance policy death benefits purchased by MBC and agrees to execute all insurance company forms or documents necessary to transfer and record Escrow Agent as the beneficiary of life insurance policies purchased by MBC as designated.

3. If Escrow Agent has any questions or doubts as to any life insurance policy documentation it receives or Escrow Agent cannot confirm any of the foregoing information regarding the Policies, it will ask MBC or BMMS&T to make any final determinations. Prior to Escrow Agent receiving a written determination from MBC or BMMS&T, Escrow Agent shall incur no liability in omitting to take any action and shall have no obligation to accept such Policy or take any other action with respect thereto. Upon receipt of written instructions from MBC or BMMS&T, Escrow Agent shall be fully protected and shall incur no liability in following such

instructions.

4. Escrow Agent shall have received an escrow agreement in the general form of Attachment "A", attached hereto and incorporated by reference, by and between the Viator, MBC and the Escrow Agent (the "MBC Escrow Agreement"). MBC hereby authorizes and directs Escrow Agent to execute the MBC Escrow Agreement in its capacity as Escrow Agent hereunder.

5. MBC or TRUSTEE shall provide Escrow Agent with call-in access to verify sub-accounting information for the Purchase Escrow Account and Premium Escrow Account and Escrow Agent shall, as Escrow Agent deems required, undertake accounting services to verify such sub-accounting information.

B. **Disbursement of Purchase Escrow Account Funds.** Upon satisfaction of all of the conditions set forth in Section III(A)(1) of this Agreement, and receipt by Escrow Agent of the Funding Instructions and the documentation described in section III(A)(1)(c); Escrow Agent shall make disbursements from the Escrow Account as set forth on a funding instruction form in the form of Attachment "B" hereto (which is incorporated herein) ("Funding Instruction") to be provided to Escrow Agent by BMMS&T for each policy purchased by MBC. Disbursements may include but are not limited to the following:

1. **Viator.** Payment to a Viator as set forth in the Funding Instruction shall be paid within three (3) business days or within such other time period as required by MBC following the receipt by the Escrow Agent of the written acknowledgment from the issuing insurance company of the transfer or assignment of ownership and the change of beneficiary. A "Business Day" is any day other than a Saturday, Sunday, legal holiday or a day on which banking institutions in New York are closed. All Viator payments shall be made by check as directed by the Funding Instruction.

2. **Premiums.** Premiums for each Policy shall be transferred to the Premium Escrow Account as set forth on the Funding Instruction. The Escrow Agent shall have no responsibility to verify the sufficiency of the premium deposit.

3. All other payments on a particular transaction shall be made in accordance with the Funding Instruction.

C. **Maintenance of Premium Escrow Account and Payment of Premiums.** Escrow Agent shall maintain the Premium Escrow Account, and to the extent that the Escrow Agent has received the appropriate Funding Instruction to fund the Premium Escrow Account, the Escrow Agent shall pay premiums on each of the Policies from the principal balances of the Premium Escrow Account in accordance with such Funding Instruction, as may be adjusted from time to time pursuant to written instructions of TRUSTEE as follows:

1. Escrow Agent shall pay the premiums on each Policy at such times and in such amounts as instructed in writing by TRUSTEE. It is agreed that TRUSTEE: (i) shall furnish the Escrow Agent with the name and address of each payee and any documentation that may be required to accompany the check or wire, if any; and (ii) may furnish the Escrow Agent with standing instructions relative to such payments. In the case of standing instructions, the Escrow Agent shall continue to pay premiums subject to availability of funds in the Premium Escrow Account until instructed in writing by TRUSTEE to cease making said payments.

2. In the event that funds on deposit in the Premium Escrow Account for a given Policy are less than the premium payment due on such policy, the Escrow Agent shall promptly notify TRUSTEE of such insufficiency. TRUSTEE shall then have the option to: (i) cause funds representing the insufficiency to be deposited in the Premium Escrow Account and upon receipt of available funds by Escrow Agent, Escrow Agent shall then make such premium payments; or (ii) instruct Escrow Agent to utilize funds on deposit in the Premium Reserve Sub-Account. The "Premium Reserve Sub-Account" as used herein is a sub-account of the Premium Escrow Account containing funds not reserved for premium payments on specific Policies.

3. If a Viator dies prior to the date contemplated by the estimated life expectancy, then any remaining balance of escrowed funds held for the related Policy shall remain on deposit and be designated for the Premium Reserve Sub-Account for usage pursuant to paragraph C(2) above. If a Viator goes on waiver of disability premium prior to the date contemplated by the estimated life expectancy, escrowed premiums for the related Policy shall be designated for the Premium Reserve Sub-Account.

4. Escrow Agent shall make no payments from the Premium Escrow Account except as expressly set forth in this Agreement.

D. Filing of Claims for the Benefit of Buyers; Disbursement of Funds in Beneficiary Trustee Escrow Account.

1. When TRUSTEE, MBC or BMMS&T has advised Escrow Agent that a Viator has died, Escrow Agent shall execute a claim as beneficiary on behalf of purchasers and mail the claim for the death benefits to the appropriate insurance company using the documentation prepared by TRUSTEE and delivered to the Escrow Agent for this purpose, and when the Escrow Agent receives payment of such claim, Escrow Agent shall deposit such payment in the Beneficiary Trustee Escrow Account and promptly pay, within three business days, the individuals set forth on the case file disbursement instructions provided by TRUSTEE at the addresses and amounts shown thereon.

2. Escrow Agent shall have no duties under this Section if TRUSTEE has not prepared and delivered to it the aforementioned documentation.

E. Payment of Interest to Purchasers. All funds deposited by MBC pursuant to

paragraph II(A)(1) of this Agreement shall accrue a fixed rate of interest at a mutually agreed bank. Upon the completion of the disbursement of escrowed funds as set forth in paragraph III(B) of this Agreement, MBC or BMMS&T shall provide Escrow Agent with a request for the disbursement of accrued interest due to MBC's viatical purchasers. It is understood and agreed between the parties hereto that the accrued interest in the Purchase Escrow Account accrues to the benefit of MBC's viatical purchasers. Escrow Agent shall provide the interest check to MBC or BMMS&T within two business days of receipt of its request. MBC or BMMS&T will thereafter be responsible for the disbursement to MBC's purchasers their respective pro rata share of the interest check. Escrow Agent shall have no duties under this section if neither MBC nor BMMS&T have prepared and delivered to the Escrow Agent the aforementioned documentation.

IV. FEES. MBC agrees to:

A. Pay the Escrow Agent the fees as per the attached fee schedule. See Attachment "C", attached hereto and incorporated by reference.

B. Pay or reimburse the Escrow Agent monthly all such other reasonable out-of-pocket expenses incurred or made by Escrow Agent in the immediately preceding months, in connection with the performance of this Agreement.

V. MISCELLANEOUS.

A. Termination.

1. Escrow Agent Termination. The Escrow Agent may be terminated upon 90 days prior written notice by MBC to Escrow Agent, and the appointment of a substitute escrow agent (Substitute Escrow Agent").

2. Agreement Termination. This Agreement shall terminate on the date that all Escrow Accounts are terminated or transferred to the Substitute Escrow Agent.

3. Substitute Escrow Agent. On the termination of this Agreement or on resignation of Escrow Agent, MBC may, at its option, appoint a Substitute Escrow Agent on terms and conditions acceptable to MBC, to accept a transfer of the Escrow Accounts and act as escrow agent thereunder.

B. Resignation of Duties. The Escrow Agent may resign and be discharged from its duties or obligations hereunder by giving notice in writing, via certified mail, return receipt requested, of such resignation specifying a date when such resignation shall take effect. This resignation date is not to be less than 90 days after the notice in writing has been received by MBC and TRUSTEE via certified mail.

C. **Duties:** The Escrow Agent undertakes to perform only such duties as are expressly set forth herein.

D. **Validity:** The Escrow Agent may rely and shall be protected in acting or refraining from acting upon any written notices, instructions, certificates, instruments, opinions, letters or other written documents or requests furnished to Escrow Agent hereunder and reasonably believed by Escrow Agent to be genuine and to have been signed or presented by the proper party or parties.

E. **Liability/Counsel:** The Escrow Agent shall not be liable for any action taken or omitted by it in good faith unless a court of competent jurisdiction finally determines that the Escrow Agent's willful misconduct or gross negligence was the primary cause of any loss. In the administration of the Escrow Accounts, the Escrow Agent may execute any of its powers and perform its duties under this Agreement directly or through agents and attorneys. The Escrow Agent shall not be liable for the acts or omissions of such agents or attorneys, provided such agents or attorneys have been appointed with due care and act in good faith and in a reasonable and prudent manner, and within the scope of the agency relationship. The Escrow Agent may consult with counsel, accountants and other skilled persons of its own choice (including counsel and accountants for MBC) and shall have full and complete authorization and protection and shall incur no liability for any action taken or omitted by it hereunder in good faith and in accordance with the opinion or advice of such counsel, accountants and other skilled persons.

F. **Indemnification:** MBC shall indemnify the Escrow Agent for, and hold Escrow Agent harmless against any loss, liability or expense (including reasonable fees and expenses of in-house or outside counsel) arising out of or in connection with (i) Escrow Agent's preparation, execution, delivery, amendment and performance of this Agreement and any other agreement entered into in connection with this Agreement, except to the extent that such loss, liability or expense is due to the gross negligence or willful misconduct of the Escrow Agent, as finally determined by a court of competent jurisdiction, and (ii) Escrow Agent's following of any instructions or other directions from MBC, TRUSTEE or BMMS&T. Anything in this Agreement to the contrary notwithstanding, in no event shall the Escrow Agent be liable for special, indirect, punitive, incidental or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action. MBC acknowledges that the foregoing indemnities, as well as its obligations under Section IV shall survive the resignation or removal of the Escrow Agent and the termination of this Agreement.

G. **Disclosure:** MBC shall provide the Escrow Agent with its Tax Identification Number (TIN) as assigned by the Internal Revenue Service. The TIN for MBC is 65-0528700 as of the date of this Agreement. The TIN for LIVOTI is 65-0296429 as of the date of this Agreement. All interest or income earned under the MBC Escrow Account and Premium Escrow Account shall be allocated to MBC's and TRUSTEE's TINs, respectively, and reported by the recipient to the Internal Revenue Service as having been so allocated and paid.

H. Provisions: The duties and responsibilities of the Escrow Agent hereunder shall be determined solely by the express provisions of the Escrow Agreement and no other or further duties or responsibilities shall be implied. The Escrow Agent shall not have any liability under, nor duty to inquire into the terms and provisions of any agreement or instructions, other than as outlined in this Agreement. Without limiting the generality of the foregoing, the Escrow Agent shall:

1. have no duties or obligations other than those specifically set forth herein or as may subsequently be agreed in writing by the parties hereto and shall use the same degree of care and skill as is reasonably expected of financial institutions acting in comparable capacities;

2. will be regarded as making no representations and having no responsibilities (except as expressly set forth herein) as to the validity, sufficiency, value, genuineness, ownership or transferability of the Policies, and will not be required to and will not make any representations as to the validity, value or genuineness of the Policies;

3. shall not be liable for any error in judgment or for any act done or step taken or omitted by it, in good faith, or for any mistake of fact or law, or for anything that it may do or refrain from doing in connection therewith, except in the case of grossly negligent performance or omission and except in the event that Escrow Agent fails to exercise the same degree of care and skill as is reasonable expected of a financial institution acting in a comparable capacity as an escrow agent;

I. Notices: All notices, directions, consents, instructions or communications hereunder shall be in writing and shall be deemed to be duly given if sent by facsimile or registered or certified mail, return receipt requested, as follows:

If to Escrow Agent: American Express Tax and Business Services Inc.
2745 West Cypress Creek Road
Fort Lauderdale, FL 33309
Attention: MBC Escrow Agreement
Fax No.: (954) 974-0300

If to MBC: Mutual Benefits Corp.
200 East Broward Boulevard, 10th Floor
Fort Lauderdale, Florida 33301
Telephone: (954) 525-8885

If to LIVOTI: Anthony M. Livoti, Jr., P.A.
731 N.E. Third Avenue
Fort Lauderdale, Florida 33304
Telephone: (954) 463-3777

CONFIDENTIAL

If to MBC or LIVOTI:
A copy to:

Brinkley, McNerney, Morgan, Solomon &
Tatum, LLP
Attn: Michael J. McNerney, Esq.
200 East Las Olas Boulevard, 19th Floor
Fort Lauderdale, Florida 33301
Telephone: (954) 522-2200

or at such other address as any of the above may have furnished to the other party in writing by registered or certified mail, return receipt requested and any such notice or communication given in the manner specified in this Section V(I) shall be deemed to have been given as of the date so received. The parties set forth above shall provide each other with a separate written contact list of their respective personnel who maybe contacted by telephone or other means with respect to the performance of this Agreement. It is understood and agreed that the contact lists maybe revised from time to time, as necessary by the above referenced parties. In the event that the Escrow Agent, in its sole discretion, shall determine that an emergency exists, the Escrow Agent may use such other reasonable means of communications, as the Escrow Agent deems advisable.

J. Funds Transfer: In the event Funding Instructions are given (other than in writing at the time of execution of the Agreement), whether in writing, by fax or otherwise, the Escrow Agent is authorized, but not obligated, to seek confirmation of such instructions by telephone call-back to the person or persons designated pursuant to the written contact list described in Paragraph V(I), and the Escrow Agent may reasonably rely, and shall be protected in relying, upon the confirmations of anyone purporting to be the persons or persons so designated. The persons and telephone numbers for callbacks may be changed only in writing actually received and acknowledged by the Escrow Agent. The parties to this Agreement acknowledge that such security procedure is commercially reasonable.

K. Identification of Source. It is understood that the Escrow Agent and the beneficiary's bank in any funds transfer may rely solely upon any account numbers or similar identifying numbers provided by MBC or TRUSTEE to identify (i) the beneficiary, (ii) the beneficiary's bank, or (iii) an intermediary bank. The Escrow Agent shall have no liability for applying any of the Escrow Funds for any payment order it executes using any such identifying number, even where its use may result in a person other than the beneficiary being paid, or the transfer of funds to a bank other than the beneficiary's bank, or an intermediary bank designated.

L. Modifications: The provisions of this Escrow Agreement may be waived, altered, amended or supplemented, in whole or in part, only by a writing executed and delivered by each of the parties.

M. Assignments: Neither this Escrow Agreement nor any right or interest hereunder may be assigned in whole or in part by any party without the prior consent of the other party

except that MBC may assign its rights and interests under this Agreement to any parent, subsidiary or affiliated entity.

N. **Counterparts:** This Escrow Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

O. **Liability:** The Escrow Agent shall not incur any liability for following the instructions herein contained or expressly provided for, or written instructions given by MBC, BMMS&T, TRUSTEE or by such employees or other representatives of MBC, BMMS&T or TRUSTEE as may hereafter be designated in writing.

P. **Conflicts of Direction:** In the event that the Escrow Agent shall be uncertain as to its duties or rights hereunder or shall receive instructions, claims or demands from MBC or TRUSTEE which, in its opinion, conflict with any of the provisions of this Agreement, it shall be fully protected and entitled to refrain from taking any action and its sole obligation shall be to keep safely all property held by it until it shall be directed otherwise in writing by all persons having an interest in the property or by a final order or judgment of a court of competent jurisdiction.

Q. **Applicable Law.** This Agreement shall be construed and enforced in accordance with, and governed by, the laws of Florida, without giving effect to the provisions thereof relating to conflicts of law.

R. **Disputes.** The Escrow Agent shall be under no duty to institute or defend any proceeding unless Escrow Agent has been furnished with satisfactory indemnity and the subject of such proceeding is part of its duties hereunder. In addition to the foregoing, in the event of any dispute between the parties to this Escrow Agreement, or between any of them and any other person, resulting in adverse claims or demands being made upon any of the Escrow Accounts, or in the event that the Escrow Agent, in good faith, is in doubt as to what action it should take hereunder, the Escrow Agent may, at its option, file a suit as interpleader in a court of appropriate jurisdiction, or refuse to comply with any claims or demands on it, or refuse to take any other action hereunder, so long as such dispute shall continue or such doubt shall exist. MBC shall pay all reasonable legal fees and costs related to Escrow Agent filing any suit as interpleader. The Escrow Agent shall be entitled to continue so to refrain from acting until (i) the rights of all parties have been fully and finally adjudicated by a court of competent jurisdiction or (ii) all differences and doubt shall have been resolved by agreement among all of the interested persons, and the Escrow Agent shall have been notified thereof in writing signed by all such persons. The rights of the Escrow Agent under this Section are cumulative of all other rights which it may have by law or otherwise.

S. **Merger, Conversion or Consolidation of Escrow Agent:** Any entity into which the Escrow Agent in its individual capacity may be merged or converted or with which it may be

CONFIDENTIAL

consolidated, or any entity resulting from any merger, conversion or consolidation to which the Escrow Agent in its individual capacity shall be a party, or any corporation to which substantially all the corporate trust business of the Escrow Agent in its individual capacity may be transferred, shall be the Escrow Agent under this Agreement with the agreement of the parties.

T. Force Majeure: In the event that any party to this Agreement is unable to perform its obligations under the terms of this Agreement because of acts of God, strikes, equipment or transmission failure or damages reasonably beyond its control, or other cause reasonably beyond its control, such party shall not be liable for damages to the other party for any unforeseeable damages resulting from such failure to perform or otherwise from such causes. Performance under this Agreement shall resume when the affected party is able to perform substantially that party's duties.

U. Entire Agreement: This Agreement, all attachments and the attached Escrow Agreement constitutes the entire agreement between MBC and Escrow Agent, and there are no terms expressed or implied other than the expressed terms of this Agreement or the Agreement.

CONFIDENTIAL

V. **Effective Date:** This Agreement shall be effective as of July 15, 2002 or such earlier date as Escrow Agent notifies MBC in writing that it is ready to assume the responsibilities provided herein. Escrow Agent shall use reasonable efforts from the date this Agreement is executed to timely prepare to assume the responsibilities provided herein.

IN WITNESS WHEREOF, the parties hereto have executed this Escrow Agreement on the date first above written.

MUTUAL BENEFITS CORP.

By: *Peter Jombardi*

Dated: 6/7/02

AMERICAN EXPRESS TAX AND
BUSINESS SERVICES
INCORPORATED (Solely in its capacity
as Escrow Agent)

By: *[Signature]*

Title: Managing Director

Dated: 6/7/02

~~CONFIDENTIAL~~

MUTUAL BENEFITS CORP.

FLORIDA ESCROW AGREEMENT

This Escrow Agreement ("Agreement") is made and entered into this ___ day of _____, 200___, by and among _____ ("Insured"), Mutual Benefits Corp., a Florida corporation ("Mutual Benefits"), and [_____] ("Escrow Agent"). All of the above are hereinafter referred to as the "Parties".

WITNESSETH

WHEREAS, the Insured has agreed in accordance with the terms of a certain Viatical Settlement Contract dated _____, 200___, between Mutual Benefits and Insured to sell that certain policy number _____ issued by _____ (the "Company"), insuring the life of _____, together with all claims, options, privileges, rights, dividends, disabilities, and other benefits pertaining thereto and all of Insured's rights, title, and interest thereto, and all sums now or hereinafter due and payable thereunder (said Policy, rights, and benefits as hereinabove described are collectively hereinafter referred to as the ("Policy")); and

WHEREAS, the funding of the contract proceeds for the purchase of the Policy (the "contract proceeds") by Mutual Benefits to the Insured is expressly contingent and conditioned upon the Company (Insurance Company) indicating its acceptance of the sale and transfer and Change of Ownership and Beneficiary of the Policy to Mutual Benefits by acknowledging in writing the assignment and change of beneficiary, in form and substance satisfactory to Mutual Benefits ("acknowledgment"); and

WHEREAS, the Insured and Mutual Benefits have executed all documents and instruments which include the executed Viatical Settlement Contract and Change of Ownership and Beneficiary, which shall be included and made a part of this agreement, necessary to close this transaction (the "Closing Documents"); and

WHEREAS, the Insured and Mutual Benefits desire to close the transaction into Escrow whereby Insured delivers the Closing Documents to Escrow Agent and Mutual Benefits delivers the contract proceeds to Escrow Agent to be held in Escrow and disbursed strictly in accordance with the terms and provisions of the Escrow Agreement. Upon receipt of the Closing Documents, Mutual Benefits will immediately deposit the contract proceeds with the Escrow Agent. Such escrowed

ATTACHMENT "A"

02/05/02

AE 00035

funds will be deposited with a Florida or federally chartered financial institution where the funds will be held. Upon deposit of the contract proceeds, the Escrow Agent will deliver to Mutual Benefits the duly executed Closing Documents.

NOW, THEREFORE, for and in consideration of the promises and mutual obligations contained herein and for other goods and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Upon the Escrow Agent's receipt of the Closing Documents from the Insured, Mutual Benefits shall immediately then cause to be delivered to the Escrow Agent funds in the amount of the contract proceeds. The Escrow Agent shall hold the funds representing the contract proceeds in accordance with the terms of this contract.

2. Upon receipt of the contract proceeds, the Escrow Agent shall release to Mutual Benefits all Closing Documents necessary to complete the transfer of the insurance policy.

3. Upon receipt of the Closing Documents, Mutual Benefits shall forward same to the insurance carrier which issued the policy, and shall request that such insurance carrier forward to Escrow Agent its acceptance, approval, and acknowledgment of the transfer of the policy and change of beneficiary(ies).

4. Upon receipt by the Escrow Agent of written confirmation that the Insurance Company has accepted, recognized, and noted on its books and records the transfer of the policy and change of the beneficiary(ies), Escrow Agent will transfer or forward the contract proceeds to the Insured within three (3) business days. Failure to transfer the contract proceeds within three (3) business days pursuant to the conditions outlined above renders the Viatical Settlement Contract, the assignment of the Insured's ownership interests, and the transfer of funds voidable.

5. In the event Escrow Agent does not receive an acceptance of assignment from the insurance carrier within thirty (30) days after the date of this Agreement, the Escrow Agent shall notify Mutual Benefits, which shall give written notice of such fact to the Insured. Thereafter, Mutual Benefits and the Insured shall contact the insurance carrier and attempt to make arrangements to obtain an acceptance of the assignment of the policy from the insurance carrier. In the event such acceptance cannot be obtained within an additional period of time ten (10) days, then Mutual Benefits and the Insured shall so notify the Escrow Agent. The Escrow Agent shall immediately return the Closing Documents to the Insured, and the contract proceeds to Mutual Benefits.

6. With respect to the Escrow Agent's duties and rights as Escrow Agent, it is agreed as follows:

a. The Escrow Agent undertakes to perform only such duties as are expressly set forth herein.

b. In performing its duties hereunder, Escrow Agent shall not incur any liability to Mutual Benefits or to the Insured for any damages, losses or expenses which either party may

02/05/02

sustain or incur, unless the same is a direct result of the gross negligence or intentional misconduct of Escrow Agent. Escrow Agent shall be protected in any action taken or omitted in good faith with respect to the duties and responsibilities of Escrow Agent hereunder. Escrow Agent shall be entitled to rely on any document(s), which Escrow Agent reasonably believes satisfy the terms and conditions of this agreement. Mutual Benefits and the Insured each hereby agree to indemnify and hold harmless Escrow Agent from and against all losses, claims, damages, liabilities and expenses which it may sustain or incur hereunder, including, without limitation, reasonable attorneys fees, which may be imposed upon Escrow Agent or incurred by Escrow Agent in connection with the performance of its duties hereunder. The Insured understands that [_____], Escrow Agent, is not representing either party in this transaction, is not rendering any services to either party, and has no responsibility with regard to this transaction other than to comply with the terms of this Escrow Agreement.

c. The Escrow Agent may act in reliance upon any writing or instrument or signature, including Fax, which it in good faith believes to be genuine, may assume the validity and accuracy of any statement or assertion contained in such writing or instrument, and may assume that any person purporting to give any writing, notice, advice, or instructions in connection with the provisions hereof has been duly authorized to do so. The Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner, and execution, or validity of any instrument deposited pursuant to this Agreement, nor as to the identity, authority, or right or any person executing the same.

d. If the insurance company refuses to change the ownership or beneficiary rights to the Purchaser, Mutual Benefits may request that the Escrow Agent return the Closing Documents to the Insured, and the contract proceeds to Mutual Benefits.

7. If a dispute arises between Insured and Mutual Benefits concerning the interpretation of this Agreement, or about the rights and obligations or the propriety of any action contemplated by the Escrow Agent hereunder, the Escrow Agent may, at its sole discretion, file an action for interpleader in any court of competent jurisdiction to resolve such dispute. The Parties hereto expressly agree the Circuit Court of the County in which the Escrow Agent has its principal place of business shall have jurisdiction over any interpleader action and that venue for such action is proper in Broward County, Florida. The Escrow Agent shall be indemnified for all costs, including reasonable attorneys' fees and costs, in connection with any interpleader action and shall be fully protected in suspending all or part of its activities under the Agreement until a final judgment or settlement in the interpleader action is received.

8. All notices and communications hereunder shall be in writing and shall be deemed to be duly given and received if sent by registered or certified mail, return receipt requested, postage prepaid, to each of the parties at the following addresses set forth below:

To Escrow Agent:

CONFIDENTIAL

[_____]
Address: _____

Telephone Number: _____

To:

Mutual Benefits Corp.
200 East Broward Blvd., 10th Floor
Fort Lauderdale, FL 33301

To Insured:

Name:

Print:

Address:

City/State/Zip

Phone: ()

9. The rights created by this Agreement shall inure to the benefit of the obligations created hereby shall be binding upon the heirs, executors, administrators, successors, and assigns of the Parties.

10. This Agreement shall terminate and the Escrow Agent shall be discharged of all responsibilities hereunder at such time as the Escrow Agent shall have fulfilled its duties under paragraph 4 above, or upon entry of a final judgment in the interpleader action provided for in paragraph 7 above.

11. In the event this Agreement is made the subject of litigation, the prevailing party shall be entitled to reasonable attorneys' fees and costs from the other party. The parties also stipulate and agree that venue shall be in the Circuit Court of Broward County, Florida.

IN WITNESS WHEREOF, the parties have executed and delivered this Escrow Agreement the day and year above written.

Insured:

By: _____

<<owner>>

Address: _____

Telephone: (_____) _____

Mutual Benefits:

MUTUAL BENEFITS CORP.
200 East Broward Blvd., 10th Floor
Fort Lauderdale FL 33301
(954) 525-8885

By: _____

PETER LOMBARDI, President

Escrow Agent:

Telephone: (_____) _____

By: _____

CONFIDENTIAL

MUTUAL BENEFITS CORP.
FUNDING INSTRUCTION

TO AMERICAN EXPRESS
TAX AND BUSINESS SERVICES
INCORPORATED
as Escrow Agent

c/o _____

DATE: _____

LIFE INSURANCE COMPANY: _____

POLICY NUMBER: _____

INSURED A.P. NUMBER: _____

AMERICAN EXPRESS TAX AND BUSINESS SERVICES INCORPORATED IS HEREBY
REQUESTED TO MAKE THE FOLLOWING DISBURSEMENTS:

VIATOR/LIFE SETTLOR: \$ _____

Wire (Wire transfer memo attached) Check

LIFE INSURANCE COMPANY: \$ _____
(Loan Payoff)

BROKER FOR VIATOR/
LIFE SETTLOR: \$ _____

OTHER: \$ _____

BMMS&T: \$ _____
(Legal Fees)

ANTHONY M. LIVOTI, JR., P.A.: \$ _____
(Trustee's Fee)

VIATICAL SERVICES, INC. \$ _____
(Servicing Agency Fee)

VIATIAL SERVICES, INC. \$ _____
(Policy Premium Reserve)

MUTUAL BENEFITS CORP.: \$ _____

CONFIDENTIAL

ATTACHMENT C

Fee Schedule:

Escrow Agent services will be performed in accordance with the formal escrow agreement attached. There will no other services by Escrow Agent other than that specified in the escrow agreement, or amendments thereto.

Fees will be as follows:

| | |
|---------------------|---------------------------|
| Set-up Fee | At Standard Billing Rates |
| Monthly Escrow Fee | \$ 6,000 |
| Monthly Trustee Fee | \$ 10,000 |

All out-of-pocket expenses, such as bank fees, copying, long distance telephone, third party expenses, etc., are to be billed on a monthly basis.

Fees are due and payable on the first of each month. Late payments are subject to a 1% per month late fee and may result in termination of services until the account is fully paid. (Escrow Agent has the right to withdrawal its fees form MBC's portion of the escrow releases.)

In the event that a dispute arises at any time between Escrow Agent and MBC that cannot be resolved through discussion or mediation, MBC agree to subject to binding arbitration under the commercial arbitration rules of the American Arbitration Association. Neither MBC nor Escrow Agent may claim or receive any amount as punitive, exemplary, or consequential damages. The arbitrator shall award the winning party in the dispute its reasonable costs, expenses, and attorney fees. The decision of the arbitrator shall be binding on both Escrow Agent and MBC.

Any use of the Escrow Agent's name in MBC prepared documents and/or literature must be approved by Escrow Agent in advance.

Our agreement is to commence July 15, 2002.

200 Amendment 11/12/02

EXHIBIT "C"

ESCROW AGREEMENT – Union Planters Bank, N.A.

This **ESCROW AGREEMENT** ("Agreement") is by and between Mutual Benefits Corp., with an address at 200 East Broward Blvd., 10th Floor, Fort Lauderdale, FL 33301 ("MBC"); and Union Planters, N.A. with an address at 2233 North Commerce Parkway, Suite 3, Weston, Florida 33326 ("Escrow Agent" and collectively with MBC, the "Parties").

WITNESSETH

WHEREAS, MBC is a licensed viatical settlement company principally engaged in the funding and purchasing of death benefits of certain life insurance policies ("Policies") insuring the life or lives of one or more individuals (individually and collectively, the "Insured"); and

WHEREAS, Escrow Agent desires to serve as an escrow agent in connection with the purchase by MBC of Policies on the lives of Insureds; sale of such Policies to, and holding deposits from, purchasers; the payment of premiums on Policies; and the payments of death benefits as is more fully set forth in this Agreement; and

WHEREAS, both MBC and Escrow Agent agree that the sole relationship between them arising under this Agreement is an escrow arrangement; and

WHEREAS, MBC and/or a law firm designated by MBC ("LAW FIRM") shall provide administrative support to Escrow Agent in submitting certain information, documents, notices and instructions.

WHEREAS, Anthony M. Livoti, Jr., P.A. (and any successor trustee designated by MBC, "TRUSTEE") currently serves as trustee responsible for the premiums escrowed by MBC for policies it purchases and will provide administrative support to the Escrow Agent in connection with the Premium Escrow Account and Beneficiary Escrow Account submitting certain information, notices and instructions; and

WHEREAS, MBC hereby agrees to indemnify and hold harmless the Escrow Agent for any acts and conduct made by Escrow Agent in reliance upon the administrative support, information, documents, notices and instructions received from TRUSTEE and/or other trustee designated in writing by MBC and LAW FIRM.

NOW THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

I. APPOINTMENT

MBC hereby appoints Union Planters Bank, N.A. as the Escrow Agent for the purposes set forth in this Agreement, and Escrow Agent hereby accepts appointment under the terms and conditions set forth in this Agreement.

II. ESCROW ACCOUNTS

A. Establishment of Escrow Accounts:

1. **Escrow Account.** Upon the execution of this Agreement, Escrow Agent shall establish and maintain one or more additional escrow accounts for the benefit of MBC or MBC's designee. The first such account shall be named "Union Planters Bank, N.A.-MBC Purchase Escrow Account" (the "Purchase Escrow Account"). From time to time, MBC shall cause to be deposited with or assigned to Escrow Agent funds to be held in said escrow account, all funds to be used as described in Section III.B below.

2. **Premium Escrow Account.** Upon the execution of this Agreement, Escrow Agent shall also establish and maintain one or more additional escrow accounts, as requested by MBC, for the benefit of TRUSTEE. The first such account shall be named "Union Planters Bank, N.A.- Premium Escrow Account" and the name of any additional accounts shall be mutually agreed to by the Parties (individually and collectively, the "Premium Escrow Account"). From time to time, funds shall be deposited with the Escrow Agent for premiums for Policies purchased by MBC on behalf of purchasers.

3. **Beneficiary Escrow Account.** Upon the execution of this Agreement, Escrow Agent shall also establish and maintain a third escrow account for the benefit of purchasers named "Union Planters Bank, N.A.-Beneficiary Escrow Account" (the "Beneficiary Escrow Account"). From time to time, funds shall be received by the Escrow Agent upon the maturation of Policies for which Escrow Agent is beneficiary on behalf of purchasers and, at the direction of TRUSTEE, promptly disbursed to purchasers. The Beneficiary Escrow Account shall not be interest bearing unless otherwise agreed to in writing between MBC or TRUSTEE and Escrow Agent.

4. **Creditors' Claims.** None of the escrow accounts established pursuant to the Agreement shall be subject to the claims of creditors, excluding a purchaser's claim to purchaser's money in the Purchase Escrow Account, of the viatical issuer, its affiliates or promoters.

B. Investment of Funds in Purchase Escrow Account: During the term of this Escrow Agreement, the cash balance of the Purchase Escrow Account shall be invested and reinvested by the Escrow Agent in a Money Market Account, including Union Planters Bank money market funds, its own proprietary funds and other money market funds which may pay the escrow agent for administrative services, which shall be previously approved in advance from time to time, in writing, by MBC. The Escrow Agent, in its capacity as escrow agent hereunder, shall have no liability for any loss sustained as a result of any investments made pursuant to this Agreement or the instructions of MBC, as a result of any liquidation of any investment prior to its maturity or for the failure of MBC to give the Escrow Agent timely instructions to invest or reinvest any monies in the Escrow Account or any earnings thereon. It is hereby understood that any instructions delivered by MBC and received by Escrow Agent prior to 11:00 a.m. on any business day will be processed that business day. Any instruction delivered after 11:00 a.m. will be processed on the immediately succeeding business day.

C. Investment of Funds in Premium Escrow Account: During the term of this Escrow Agreement, the cash balance of the Premium Escrow Account shall be invested and reinvested by the Escrow Agent in a Money Market Account, including Union Planters Bank money market funds, its own proprietary funds and other money market funds which may pay the escrow agent for administrative services, which shall be previously approved in advance from time to time, in writing, by MBC. Such designation shall specify maturity of such investment which maturity shall be on the business day prior to the due date of any payment. The Escrow Agent, in its capacity as escrow agent hereunder, shall have no liability for any loss sustained as a result of any investments made pursuant to this Agreement or the instructions of TRUSTEE, as a result of any liquidation of any investment prior to its maturity or for the failure of TRUSTEE to give the Escrow Agent timely instructions to invest or reinvest any monies in the Premium Escrow Account or any earnings thereon. Earnings on the Premium Escrow Account shall be designated for the Premium Reserve Sub-Account, as that term is defined in Section III(C)(2) below. It is hereby understood that any instructions delivered by TRUSTEE and received by Escrow Agent prior to 11:00 a.m. on any business day will be processed that day. Any instruction delivered after 11:00 a.m. will be processed on the immediately succeeding business day.

D. Financial Reporting: Escrow Agent shall provide MBC and LAW FIRM with access to the account at a bank mutually agreed upon by the Parties to view daily account activity, including wire receipts and deposits, and a monthly financial activity report for the Purchase Escrow Account showing all account transactions. Escrow Agent will also provide TRUSTEE with a monthly financial activity report of the Premium Escrow Account showing all account transactions. TRUSTEE shall provide the Escrow Agent with a timely written notice of the date on which the premium for each policy is due.

E. Taxes: Escrow Agent shall not be liable or responsible for the payment of any taxes on the earnings for the Purchase Escrow Account, the Premium Escrow Account or the Beneficiary Escrow Account.

F. Interest: All interest earned on the cash balances held in the Purchase Escrow Account shall accrue to the benefit of MBC's purchasers. Interest earnings shall be paid from time to time by the Escrow Agent as per MBC's written instructions. All interest earned on the cash balances held on the Premium Escrow Account shall remain on deposit therein as part of the premium reserve available to pay premiums.

III. DUTIES OF ESCROW AGENT

A. Receipt of Insured Closing Documents, Review of Closing Documentation and Confirmation of Certain Information.

1. From time to time, with respect to facilitating each purchase by MBC of life insurance policy death benefits, Escrow Agent shall perform the following services:

- (a) As required by applicable regulations, receive and hold in escrow the original settlement contract, escrow agreement, insurance

company change of ownership and change of beneficiary forms and any other documents executed by the Insured to effectuate the sale of the Insured's interest in his/her life insurance policy (the foregoing documents are hereinafter collectively referred to as the "Closing Documents");

- (b) From time to time, confirm deposits remitted by MBC in the amount due to the Insured pursuant to the viatical settlement contract and Funding Instructions. Upon written confirmation of the deposit for the acquisition of an Insured's life insurance policy by MBC, the Escrow Agent shall release to MBC the Closing Documents so that the sale of the life insurance policy may be effected. Upon receipt by Escrow Agent of a written request from MBC or LAW FIRM prior to 2:00 p.m., Eastern Time, the Escrow Agent shall execute the escrow agreement and Federal Express or hand deliver the Closing Documents to MBC. For requests received after 2:00 p.m., Eastern time, the Escrow Agent will Federal Express or hand deliver the Closing Documents the next business day; and
- (c) Review the written acknowledgment from the issuing insurance company evidencing the acceptance on its books and records of the transfer or assignment of the ownership of the life insurance policy and the change of beneficiary(ies).

2. The Escrow Agent may be designated and recorded as the beneficiary of record on behalf of purchasers for the life insurance policy death benefits purchased by MBC and agrees to execute all insurance company forms or documents necessary to transfer and record Escrow Agent as the beneficiary of life insurance policies purchased by MBC as designated.

3. If Escrow Agent has any questions or doubts as to any life insurance policy documentation it receives or Escrow Agent cannot confirm any of the foregoing information regarding the Policies, it will ask MBC or LAW FIRM to make any final determinations. Prior to Escrow Agent receiving a written determination from MBC or LAW FIRM, Escrow Agent shall incur no liability in omitting to take any action and shall have no obligation to accept such Policy or take any other action with respect thereto. Upon receipt of written instructions from MBC or LAW FIRM, Escrow Agent shall be fully protected and shall incur no liability in following such instructions.

4. Escrow Agent shall have received an escrow agreement in the general form of Attachment "A", attached hereto and incorporated by reference, by and between the Insured, MBC and the Escrow Agent (the "MBC Escrow Agreement"). MBC hereby authorizes and directs Escrow Agent to execute the MBC Escrow Agreement in its capacity as Escrow Agent hereunder.

5. MBC or TRUSTEE shall provide Escrow Agent with call-in access to verify sub-accounting information for the Purchase Escrow Account and Premium Escrow Account and Escrow Agent shall, as Escrow Agent deems required, undertake accounting services to verify such sub-accounting information.

B. Disbursement of Purchase Escrow Account Funds. Upon satisfaction of all of the conditions set forth in Section III(A)(1) of this Agreement, and receipt by Escrow Agent of the Funding Instructions and the documentation described in section III(A)(1)(c); Escrow Agent shall make disbursements from the Escrow Account as set forth on a funding instruction form in the form of Attachment "B" hereto (which is incorporated herein) ("Funding Instruction") to be provided to Escrow Agent by MBC or LAW FIRM for each policy purchased by MBC. MBC will notify Escrow Agent when information becomes available to expedite disbursements. Disbursements may include but are not limited to the following:

1. **Insured.** Payment to an Insured as set forth in the Funding Instruction shall be paid within three (3) business days (or less than three (3) business days if required by state law) following the receipt by the Escrow Agent of the written acknowledgment from the issuing insurance company of the transfer or assignment of ownership and the change of beneficiary. A "Business Day" is any day other than a Saturday, Sunday, legal holiday or a day on which banking institutions in New York are closed. All Insured payments shall be made by check or as directed by the Funding Instruction.

2. **Premiums.** Premiums for each Policy shall be transferred to the Premium Escrow Account as set forth on the Funding Instruction. The Escrow Agent shall have no responsibility to verify the sufficiency of the premium deposit.

3. All other payments on a particular transaction shall be made in accordance with the Funding Instruction. Purchasers' funds on deposit in the Purchase Escrow Account shall be transferred into Policies, pursuant to this Agreement, within ninety (90) days of receipt of those funds.

C. Maintenance of Premium Escrow Account and Payment of Premiums. Escrow Agent shall maintain the Premium Escrow Account, and to the extent that the Escrow Agent has received the appropriate Funding Instruction to fund the Premium Escrow Account, the Escrow Agent shall pay premiums on each of the Policies from the principal balances of the Premium Escrow Account in accordance with such Funding Instruction, as may be adjusted from time to time pursuant to written instructions of TRUSTEE as follows:

1. Escrow Agent shall pay the premiums on each Policy at such times and in such amounts as instructed in writing by TRUSTEE. It is agreed that TRUSTEE: (i) shall furnish the Escrow Agent with the name and address of each payee and any documentation that may be required to accompany the check or wire, if any; and (ii) may furnish the Escrow Agent with standing instructions relative to such payments. In the case of standing instructions, the Escrow Agent shall continue to pay premiums subject to availability of funds in the Premium Escrow Account until instructed in writing by TRUSTEE to cease making said payments.

2. In the event that funds on deposit in the Premium Escrow Account for a given Policy are less than the premium payment due on such policy, the Escrow Agent shall promptly notify TRUSTEE of such insufficiency. TRUSTEE shall then have the option to: (i) cause funds representing the insufficiency to be deposited in the Premium Escrow Account and upon receipt of available funds by Escrow Agent, Escrow Agent shall then make such premium payments; or (ii) instruct Escrow Agent to utilize funds on deposit in the Premium Reserve Sub-Account. The "Premium Reserve Sub-Account" as used herein is a sub-account of the Premium Escrow Account containing funds not reserved for premium payments on specific Policies.

3. If an Insured dies prior to the date contemplated by the estimated life expectancy, then any remaining balance of escrowed funds held for the related Policy shall remain on deposit and be designated for the Premium Reserve Sub-Account for usage pursuant to paragraph C(2) above. If an Insured goes on waiver of disability premium prior to the date contemplated by the estimated life expectancy, escrowed premiums for the related Policy shall be designated for the Premium Reserve Sub-Account.

4. Escrow Agent shall make no payments from the Premium Escrow Account except as expressly set forth in this Agreement.

D. Filing of Claims for the Benefit of Buyers; Disbursement of Funds in Beneficiary Escrow Account.

1. When TRUSTEE, MBC or LAW FIRM has advised Escrow Agent that a Insured has died, Escrow Agent shall execute a claim as beneficiary on behalf of purchasers and mail the claim for the death benefits to the appropriate insurance company using the documentation prepared by MBC or TRUSTEE and delivered to the Escrow Agent for this purpose, and when the Escrow Agent receives payment of such claim, Escrow Agent shall deposit such payment in the Beneficiary Escrow Account and promptly pay (and no later than thirty (30) days of receipt by Escrow Agent of cleared funds), upon clearance of the funds, the individuals set forth on the case file disbursement instructions provided by TRUSTEE at the addresses and amounts shown thereon.

2. Escrow Agent shall have no duties under this Section if TRUSTEE has not prepared and delivered to it the aforementioned documentation.

E. Payment of Interest to Purchasers. All funds deposited by MBC pursuant to paragraph II(A)(1) of this Agreement shall accrue interest. Upon the completion of the disbursement of escrowed funds as set forth in paragraph III(B) of this Agreement, MBC or LAW FIRM shall provide Escrow Agent with a request for the disbursement of accrued interest due to MBC's viatical purchasers. It is understood and agreed between the parties hereto that the accrued interest in the Purchase Escrow Account accrues to the benefit of MBC's viatical purchasers. Escrow Agent shall issue 1099 Forms electronically, when appropriate, to MBC's viatical purchasers. Escrow Agent shall provide the interest check to MBC or LAW FIRM within three business days of receipt of its request. MBC or LAW FIRM will thereafter be responsible for the disbursement to MBC's purchasers their respective pro rata share of the interest check. Escrow Agent shall have no duties under this section if neither MBC nor LAW FIRM have prepared and delivered to the Escrow Agent the aforementioned documentation.

F. **Notification to Purchaser.** If there is any failure by Escrow Agent to fulfill one or more of its obligations or commitments under the Agreement and such failure continues for sixty (60) days without being cured or waived, then Escrow Agent shall provide a report to the affected purchaser no more than thirty (30) days following the end of that sixty (60) day period, disclosing the steps that Escrow Agent is taking to remedy such condition.

IV. **FEES.** MBC agrees to:

A. Pay the Escrow Agent monthly fees as per the fee schedule attached hereto and incorporated by reference.

B. Pay or reimburse the Escrow Agent monthly all such other reasonable out-of-pocket expenses incurred or made by Escrow Agent in the immediately preceding months, in connection with the performance of this Agreement.

V. **MISCELLANEOUS.**

A. **Termination.**

1. **Escrow Agent Termination.** The Escrow Agent may be terminated upon 120 days prior written notice by MBC to Escrow Agent, and the appointment of a substitute escrow agent ("Substitute Escrow Agent").

2. **Agreement Termination.** This Agreement shall terminate on the date that all Escrow Accounts are terminated or transferred to the Substitute Escrow Agent.

3. **Substitute Escrow Agent.** On the termination of this Agreement or on resignation of Escrow Agent, MBC may, at its option, appoint a Substitute Escrow Agent on terms and conditions acceptable to MBC, to accept a transfer of the Escrow Accounts and act as escrow agent thereunder. If Escrow Agent voluntarily withdraws from serving in that capacity (by notification to MBC or by petitioning a court to appoint a successor) or is terminated by MBC, then MBC, as the viatical issuer, shall within ninety (90) days of such termination designate a successor escrow agent to succeed Escrow Agent. The withdrawing or resigning Escrow Agent shall continue to perform its duties as Escrow Agent until the successor escrow agent is designated by MBC or by the court.

B. **Resignation of Duties.** The Escrow Agent may resign and be discharged from its duties or obligations hereunder by giving notice in writing, via certified mail, return receipt requested, of such resignation specifying a date when such resignation shall take effect. This resignation date is not to be less than 120 days after the notice in writing has been received by MBC and TRUSTEE via certified mail.

C. **Duties:** The Escrow Agent undertakes to perform only such duties as are expressly set forth herein.

D. Validity: The Escrow Agent may rely and shall be protected in acting or refraining from acting upon any written notices, instructions, certificates, instruments, opinions, letters or other written documents or requests furnished to Escrow Agent hereunder and reasonably believed by Escrow Agent to be genuine and to have been signed or presented by the proper party or parties.

E. Liability/Counsel: The Escrow Agent shall not be liable for any action taken or omitted by it in good faith unless a court of competent jurisdiction finally determines that the Escrow Agent's willful misconduct or gross negligence was the primary cause of any loss. In the administration of the Escrow Accounts, the Escrow Agent may execute any of its powers and perform its duties under this Agreement directly or through agents and attorneys. The Escrow Agent shall not be liable for the acts or omissions of such agents or attorneys, provided such agents or attorneys have been appointed with due care and act in good faith and in a reasonable and prudent manner, and within the scope of the agency relationship. The Escrow Agent may consult with counsel, accountants and other skilled persons of its own choice (including counsel and accountants for MBC) and shall have full and complete authorization and protection and shall incur no liability for any action taken or omitted by it hereunder in good faith and in accordance with the opinion or advice of such counsel, accountants and other skilled persons.

F. Indemnification: MBC shall indemnify the Escrow Agent for, and hold Escrow Agent harmless against any loss, liability or expense (including reasonable attorney's fees and expenses of in-house or outside counsel) arising out of or in connection with (i) Escrow Agent's preparation execution, delivery, amendment and performance of this Agreement, escrow agreements entered into with sellers of Policies, and any other agreement entered into in connection with this Agreement, except to the extent that such loss, liability or expense is due to the gross negligence or willful misconduct of the Escrow Agent, as finally determined by a court of competent jurisdiction, and (ii) Escrow Agent's following of any instructions or other directions from MBC, TRUSTEE or LAW FIRM. Anything in this Agreement to the contrary notwithstanding, in no event shall the Escrow Agent be liable for special, indirect, punitive, incidental or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action. MBC acknowledges that the foregoing indemnities, as well as its obligations under Section IV shall survive the resignation or removal of the Escrow Agent and the termination of this Agreement.

G. Disclosure: MBC shall provide the Escrow Agent with its Tax Identification Number (TIN) as issued by the Internal Revenue Service. The TIN for MBC is 65-0528700 as of the date of this Agreement. The TIN for the first TRUSTEE is 65-0296429 as of the date of this Agreement. All interest or income earned under the MBC Escrow Account shall be attributed to MBC's TIN and all interest or income earned under the Premium Escrow Account or Beneficiary Escrow Account shall be attributed to the TRUSTEE's TIN respectively, for Internal Revenue Service reporting purposes.

H. Provisions: The duties and responsibilities of the Escrow Agent hereunder shall be determined solely by the express provisions of the Escrow Agreement and no other or further duties or responsibilities shall be implied. The Escrow Agent shall not have any liability under, nor duty to inquire into the terms and provisions of any agreement or instructions, other than as

outlined in this Agreement. Without limiting the generality of the foregoing, the Escrow Agent shall:

1. have no duties or obligations other than those specifically set forth herein or as may subsequently be agreed in writing by the parties hereto and shall use the same degree of care and skill as is reasonably expected of financial institutions acting in comparable capacities;

2. will be regarded as making no representations and having no responsibilities (except as expressly set forth herein) as to the validity, sufficiency, value, genuineness, ownership or transferability of the Policies, and will not be required to and will not make any representations as to the validity, value or genuineness of the Policies;

3. shall not be liable for any error in judgment or for any act done or step taken or omitted by it, in good faith, or for any mistake of fact or law, or for anything that it may do or refrain from doing in connection therewith, except in the case of grossly negligent performance or omission and except in the event that Escrow Agent fails to exercise the same degree of care and skill as is reasonable expected of a financial institution acting in a comparable capacity as an escrow agent;

I. **Notices:** All notices, directions, consents, instructions or communications hereunder shall be in writing and shall be deemed to be duly given if sent by facsimile or registered or certified mail, return receipt requested, as follows:

If to Escrow Agent: Union Planters Bank, N.A.
2233 North Commerce Parkway, Suite 3
Weston, Florida 33326
Attention: MBC Escrow Agreement
Fax No.: (954) 349-6643

If to MBC: Mutual Benefits Corp.
200 East Broward Blvd., 10th Floor,
Fort Lauderdale, FL 33301
Telephone: (800) 896-7990

If to first TRUSTEE: Anthony M. Livoti, Jr., P.A.
721 N.E. Third Avenue
Fort Lauderdale, FL 33304
Telephone: (954) 463-3777

or at such other address as any of the above may have furnished to the other party in writing by registered or certified mail, return receipt requested and any such notice or communication given in the manner specified in this Section V(I) shall be deemed to have been given as of the date so received. The parties set forth above shall provide each other with a separate written contact list of their respective personnel who maybe contacted by telephone or other means with respect to the performance of this Agreement. It is understood and agreed that the contact lists maybe revised from time to time, as necessary by the above referenced parties. In the event that the Escrow Agent, in its sole discretion, shall determine that an emergency exists, the Escrow Agent may use such other reasonable means of communications, as the Escrow Agent deems advisable.

J. Funds Transfer: In the event Funding Instructions are given (other than in writing at the time of execution of the Agreement), whether in writing, by fax or otherwise, the Escrow Agent is authorized, but not obligated, to seek confirmation of such instructions by telephone call-back to the person or persons designated pursuant to the written contact list described in Paragraph V(I), and the Escrow Agent may reasonably rely, and shall be protected in relying, upon the confirmations of anyone purporting to be the persons or persons so designated. The persons and telephone numbers for callbacks may be changed only in writing actually received and acknowledged by the Escrow Agent. The parties to this Agreement acknowledge that such security procedure is commercially reasonable.

K. Identification of Source. It is understood that the Escrow Agent and the beneficiary's bank in any funds transfer may rely solely upon any account numbers or similar identifying numbers provided by MBC or TRUSTEE to identify (i) the beneficiary, (ii) the beneficiary's bank, or (iii) an intermediary bank. The Escrow Agent shall have no liability for applying any of the Escrow Funds for any payment order it executes using any such identifying number, even where its use may result in a person other than the beneficiary being paid, or the transfer of funds to a bank other than the beneficiary's bank, or an intermediary bank designated.

L. Modifications: The provisions of this Escrow Agreement may be waived, altered, amended or supplemented, in whole or in part, only by a writing executed and delivered by each of the parties.

M. Assignments: Neither this Escrow Agreement nor any right or interest hereunder may be assigned in whole or in part by any party without the prior consent of the other party except that MBC may assign its rights and interests under this Agreement to any parent, subsidiary or affiliated entity.

N. Counterparts: This Escrow Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

O. Liability: The Escrow Agent shall not incur any liability for following the instructions herein contained or expressly provided for, or written instructions given by MBC,

LAW FIRM, TRUSTEE or by such employees or other representatives of MBC, LAW FIRM or TRUSTEE as may hereafter be designated in writing.

P. Conflicts of Direction: In the event that the Escrow Agent shall be uncertain as to its duties or rights hereunder or shall receive instructions, claims or demands from MBC or TRUSTEE which, in its opinion, conflict with any of the provisions of this Agreement, it shall be fully protected and entitled to refrain from taking any action and its sole obligation shall be to keep safely all property held by it until it shall be directed otherwise in writing by all persons having an interest in the property or by a final order or judgment of a court of competent jurisdiction.

Q. Applicable Law. This Agreement shall be construed and enforced in accordance with, and governed by, the laws of Florida, without giving effect to the provisions thereof relating to conflicts of law.

R. Disputes. The Escrow Agent shall be under no duty to institute or defend any proceeding unless Escrow Agent has been furnished with satisfactory indemnity and the subject of such proceeding is part of its duties hereunder. In addition to the foregoing, in the event of any dispute between the parties to this Escrow Agreement, or between any of them and any other person, resulting in adverse claims or demands being made upon any of the Escrow Accounts, or in the event that the Escrow Agent, in good faith, is in doubt as to what action it should take hereunder, the Escrow Agent may, at its option, file a suit as interpleader in a court of appropriate jurisdiction, or refuse to comply with any claims or demands on it, or refuse to take any other action hereunder, so long as such dispute shall continue or such doubt shall exist. MBC shall pay all reasonable legal fees and costs related to Escrow Agent filing any suit as interpleader. The Escrow Agent shall be entitled to continue so to refrain from acting until (i) the rights of all parties have been fully and finally adjudicated by a court of competent jurisdiction or (ii) all differences and doubt shall have been resolved by agreement among all of the interested persons, and the Escrow Agent shall have been notified thereof in writing signed by all such persons. The rights of the Escrow Agent under this Section are cumulative of all other rights which it may have by law or otherwise.

S. Merger, Conversion or Consolidation of Escrow Agent: Any entity into which the Escrow Agent in its individual capacity may be merged or converted or with which it may be consolidated, or any entity resulting from any merger, conversion or consolidation to which the Escrow Agent in its individual capacity shall be a party, or any corporation to which substantially all the corporate trust business of the Escrow Agent in its individual capacity may be transferred, shall be the Escrow Agent under this Agreement subject to provisions V. A. 1. and B. and the agreement of the parties.

T. Force Majeure: In the event that any party to this Agreement is unable to perform its obligations under the terms of this Agreement because of acts of God, strikes, equipment or transmission failure or damages reasonably beyond its control, or other cause reasonably beyond its control, such party shall not be liable for damages to the other party for any unforeseeable damages resulting from such failure to perform or otherwise from such causes.

Performance under this Agreement shall resume when the affected party is able to perform substantially that party's duties.

U. **Entire Agreement:** This Agreement, all attachments and the attached Escrow Agreement constitutes the entire agreement between MBC and Escrow Agent, and there are no terms expressed or implied other than the expressed terms of this Agreement or the Agreement.

V. **Effective Date:** This Agreement shall be effective as of 4/15, 200~~2~~³ or such earlier date as Escrow Agent notifies MBC in writing that it is ready to assume the responsibilities provided herein. Escrow Agent shall use reasonable efforts from the date this Agreement is executed to timely prepare to assume the responsibilities provided herein.

IN WITNESS WHEREOF, the parties hereto have executed this Escrow Agreement on the date first above written.

MUTUAL BENEFITS CORP.

By: *Peter Lombardi*

Title: *President*

Dated: *4/2/03*

UNION PLANTERS BANK, N.A.

By: *Robert J. Simler*

Title: *Vice President*

Dated: *4-2-03*

ESCROW AGREEMENT – Union Planters Bank, N.A.

100 Galleria Parkway for

This ESCROW AGREEMENT ("Agreement") is by and between Viatical Benefactors, LLC, with an address at 3350 ~~Riverwood~~ Parkway, Suite 1900, Atlanta, Georgia 30339 ("VB"); and Union Planters, N.A. with an address at 2233 North Commerce Parkway, Suite 3, Weston, Florida 33326 ("Escrow Agent" and collectively with VB, the "Parties").

WITNESSETH

WHEREAS, VB is a licensed viatical settlement company principally engaged in the purchasing of death benefits of certain life insurance policies ("Policies") insuring the life or lives of one or more individuals (individually and collectively, the "Insured"); and

WHEREAS, Escrow Agent desires to serve as an escrow agent in connection with the purchase by VB of Policies on the lives of Insureds as is more fully set forth in this Agreement; and

WHEREAS, both VB and Escrow Agent agree that the sole relationship between them arising under this Agreement is an escrow arrangement; and

WHEREAS, VB and/or a law firm designated by VB ("LAW FIRM") shall provide administrative support to Escrow Agent in submitting certain information, documents, notices and instructions; and

WHEREAS, VB hereby agrees to indemnify and hold harmless the Escrow Agent for any acts and conduct made by Escrow Agent in reliance upon the administrative support, information, documents, notices and instructions received from VB and LAW FIRM.

NOW THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

I. APPOINTMENT

VB hereby appoints Union Planters Bank, N.A. as the Escrow Agent for the purposes set forth in this Agreement, and Escrow Agent hereby accepts appointment under the terms and conditions set forth in this Agreement.

II. ESCROW ACCOUNTS

A. Establishment of Escrow Account:

1. Escrow Account. Upon the execution of this Agreement, Escrow Agent shall establish and maintain an escrow account for the benefit of VB or VB's designee named "Union Planters Bank, N.A.-Viatical Benefactors, LLC Purchase Escrow Account" (the

"Purchase Escrow Account"). From time to time, VB shall cause to be deposited with or assigned to Escrow Agent funds to be held in said escrow account, all funds to be used as described in Section III.B below.

B. Financial Reporting: Escrow Agent shall provide VB and LAW FIRM with access to the account at a bank mutually agreed upon by the Parties to view daily account activity, including wire receipts and deposits, and a monthly financial activity report for the Purchase Escrow Account showing all account transactions.

C. Taxes: Escrow Agent shall not be liable or responsible for the payment of any taxes on the earnings for the Purchase Escrow Account.

III. DUTIES OF ESCROW AGENT

A. Receipt of Insured Closing Documents, Review of Closing Documentation and Confirmation of Certain Information.

1. From time to time, with respect to facilitating each purchase by VB of life insurance policy death benefits, Escrow Agent shall perform the following services:

- (a) As required by applicable regulations, receive and hold in escrow the original settlement contract, escrow agreement, insurance company change of ownership and change of beneficiary forms and any other documents executed by the Insured to effectuate the sale of the Insured's interest in his/her life insurance policy (the foregoing documents are hereinafter collectively referred to as the "Closing Documents");
- (b) From time to time, confirm deposits remitted by VB in the amount due to the Insured pursuant to the viatical settlement contract and Funding Instructions. Upon written confirmation of the deposit for the acquisition of an Insured's life insurance policy by VB, the Escrow Agent shall release to VB the Closing Documents so that the sale of the life insurance policy may be effected. Upon receipt by Escrow Agent of a written request from VB or LAW FIRM prior to 2:00 p.m., Eastern Time, the Escrow Agent shall execute the escrow agreement and Federal Express or hand deliver the Closing Documents to VB. For requests received after 2:00 p.m., Eastern time, the Escrow Agent will Federal Express or hand deliver the Closing Documents the next business day; and
- (c) Review the written acknowledgment from the issuing insurance company evidencing the acceptance on its books and records of the transfer or assignment of the ownership of the life insurance policy and the change of beneficiary(ies).

2. If Escrow Agent has any questions or doubts as to any life insurance policy documentation it receives or Escrow Agent cannot confirm any of the foregoing information regarding the Policies, it will ask VB or LAW FIRM to make any final determinations. Prior to Escrow Agent receiving a written determination from VB or LAW FIRM, Escrow Agent shall incur no liability in omitting to take any action and shall have no obligation to accept such Policy or take any other action with respect thereto. Upon receipt of written instructions from VB or LAW FIRM, Escrow Agent shall be fully protected and shall incur no liability in following such instructions.

3. Escrow Agent shall have received an escrow agreement in the general form of Attachment "A", attached hereto and incorporated by reference, by and between the Insured, VB and the Escrow Agent (the "VB Escrow Agreement"). VB hereby authorizes and directs Escrow Agent to execute the VB Escrow Agreement in its capacity as Escrow Agent hereunder.

B. Disbursement of Purchase Escrow Account Funds. Upon satisfaction of all of the conditions set forth in Section III(A)(1) of this Agreement, and receipt by Escrow Agent of the Funding Instructions and the documentation described in section III(A)(1)(c); Escrow Agent shall make disbursements from the Escrow Account as set forth on a funding instruction form in the form of Attachment "B" hereto (which is incorporated herein) ("Funding Instruction") to be provided to Escrow Agent by VB, VB's designee or LAW FIRM for each policy purchased by VB. VB will notify Escrow Agent when information becomes available to expedite disbursements. Disbursements may include but are not limited to the following:

1. **Insured.** Payment to an Insured as set forth in the Funding Instruction shall be paid within three (3) business days (or less than three (3) business days if required by state law) following the receipt by the Escrow Agent of the written acknowledgment from the issuing insurance company of the transfer or assignment of ownership and the change of beneficiary. A "Business Day" is any day other than a Saturday, Sunday, legal holiday or a day on which banking institutions in New York are closed. All Insured payments shall be made by check or as directed by the Funding Instruction.

2. All other payments on a particular transaction shall be made in accordance with the Funding Instruction.

IV. MISCELLANEOUS.

A. Termination.

1. **Escrow Agent Termination.** The Escrow Agent may be terminated upon 120 days prior written notice by VB to Escrow Agent, and the appointment of a substitute escrow agent ("Substitute Escrow Agent").

2. **Agreement Termination.** This Agreement shall terminate on the date that all Escrow Accounts are terminated or transferred to the Substitute Escrow Agent.

3. **Substitute Escrow Agent.** On the termination of this Agreement or on resignation of Escrow Agent, VB may, at its option, appoint a Substitute Escrow Agent on terms and conditions acceptable to VB, to accept a transfer of the Escrow Accounts and act as escrow agent thereunder. If Escrow Agent voluntarily withdraws from serving in that capacity (by notification to VB or by petitioning a court to appoint a successor) or is terminated by VB, then VB, as the viatical issuer, shall within ninety (90) days of such termination designate a successor escrow agent to succeed Escrow Agent. The withdrawing or resigning Escrow Agent shall continue to perform its duties as Escrow Agent until the successor escrow agent is designated by VB or by the court.

B. Resignation of Duties. The Escrow Agent may resign and be discharged from its duties or obligations hereunder by giving notice in writing, via certified mail, return receipt requested, of such resignation specifying a date when such resignation shall take effect. This resignation date is not to be less than 120 days after the notice in writing has been received by VB via certified mail.

C. Duties: The Escrow Agent undertakes to perform only such duties as are expressly set forth herein.

D. Validity: The Escrow Agent may rely and shall be protected in acting or refraining from acting upon any written notices, instructions, certificates, instruments, opinions, letters or other written documents or requests furnished to Escrow Agent hereunder and reasonably believed by Escrow Agent to be genuine and to have been signed or presented by the proper party or parties.

E. Liability/Counsel: The Escrow Agent shall not be liable for any action taken or omitted by it in good faith unless a court of competent jurisdiction finally determines that the Escrow Agent's willful misconduct or gross negligence was the primary cause of any loss. In the administration of the Escrow Account, the Escrow Agent may execute any of its powers and perform its duties under this Agreement directly or through agents and attorneys. The Escrow Agent shall not be liable for the acts or omissions of such agents or attorneys, provided such agents or attorneys have been appointed with due care and act in good faith and in a reasonable and prudent manner, and within the scope of the agency relationship. The Escrow Agent may consult with counsel, accountants and other skilled persons of its own choice (including counsel and accountants for VB) and shall have full and complete authorization and protection and shall incur no liability for any action taken or omitted by it hereunder in good faith and in accordance with the opinion or advice of such counsel, accountants and other skilled persons.

F. Indemnification: VB shall indemnify the Escrow Agent for, and hold Escrow Agent harmless against any loss, liability or expense (including reasonable attorney's fees and expenses of in-house or outside counsel) arising out of or in connection with (i) Escrow Agent's preparation execution, delivery, amendment and performance of this Agreement, escrow agreements entered into with sellers of Policies, and any other agreement entered into in connection with this Agreement, except to the extent that such loss, liability or expense is due to the gross negligence or willful misconduct of the Escrow Agent, as finally determined by a court of competent jurisdiction, and (ii) Escrow Agent's following of any instructions or other directions from VB or LAW FIRM. Anything in this Agreement to the contrary

notwithstanding, in no event shall the Escrow Agent be liable for special, indirect, punitive, incidental or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action. VB acknowledges that the foregoing indemnities, as well as its obligations under Section IV shall survive the resignation or removal of the Escrow Agent and the termination of this Agreement.

G. Disclosure: VB shall provide the Escrow Agent with its Tax Identification Number (TIN) as issued by the Internal Revenue Service. The TIN for VB is 65-0528700 as of the date of this Agreement. All interest or income earned under the Purchase Escrow Account shall be attributed to VB's TIN for Internal Revenue Service reporting purposes.

H. Provisions: The duties and responsibilities of the Escrow Agent hereunder shall be determined solely by the express provisions of the Escrow Agreement and no other or further duties or responsibilities shall be implied. The Escrow Agent shall not have any liability under, nor duty to inquire into the terms and provisions of any agreement or instructions, other than as outlined in this Agreement. Without limiting the generality of the foregoing, the Escrow Agent shall:

1. have no duties or obligations other than those specifically set forth herein or as may subsequently be agreed in writing by the parties hereto and shall use the same degree of care and skill as is reasonably expected of financial institutions acting in comparable capacities;

2. will be regarded as making no representations and having no responsibilities (except as expressly set forth herein) as to the validity, sufficiency, value, genuineness, ownership or transferability of the Policies, and will not be required to and will not make any representations as to the validity, value or genuineness of the Policies;

3. shall not be liable for any error in judgment or for any act done or step taken or omitted by it, in good faith, or for any mistake of fact or law, or for anything that it may do or refrain from doing in connection therewith, except in the case of grossly negligent performance or omission and except in the event that Escrow Agent fails to exercise the same degree of care and skill as is reasonable expected of a financial institution acting in a comparable capacity as an escrow agent;

I. Notices: All notices, directions, consents, instructions or communications hereunder shall be in writing and shall be deemed to be duly given if sent by facsimile or registered or certified mail, return receipt requested, as follows:

If to Escrow Agent:

Union Planters Bank, N.A.
2233 North Commerce Parkway, Suite 3
Weston, Florida 33326
Attention: VB Escrow Agreement
Fax No.: (954) 349-6643

If to VB:

Viatical Benefactors, LLC
3350 Riverwood Parkway, Suite 1900,

Atlanta, Georgia 30339
Telephone: (888) 404-4484

or at such other address as any of the above may have furnished to the other party in writing by registered or certified mail, return receipt requested and any such notice or communication given in the manner specified in this Section V(I) shall be deemed to have been given as of the date so received. The parties set forth above shall provide each other with a separate written contact list of their respective personnel who maybe contacted by telephone or other means with respect to the performance of this Agreement. It is understood and agreed that the contact lists maybe revised from time to time, as necessary by the above referenced parties. In the event that the Escrow Agent, in its sole discretion, shall determine that an emergency exists, the Escrow Agent may use such other reasonable means of communications, as the Escrow Agent deems advisable.

J. Funds Transfer: In the event Funding Instructions are given (other than in writing at the time of execution of the Agreement), whether in writing, by fax or otherwise, the Escrow Agent is authorized, but not obligated, to seek confirmation of such instructions by telephone call-back to the person or persons designated pursuant to the written contact list described in Paragraph V(I), and the Escrow Agent may reasonably rely, and shall be protected in relying, upon the confirmations of anyone purporting to be the persons or persons so designated. The persons and telephone numbers for callbacks may be changed only in writing actually received and acknowledged by the Escrow Agent. The parties to this Agreement acknowledge that such security procedure is commercially reasonable.

K. Identification of Source. It is understood that the Escrow Agent and the beneficiary's bank in any funds transfer may rely solely upon any account numbers or similar identifying numbers provided by VB to identify (i) the beneficiary, (ii) the beneficiary's bank, or (iii) an intermediary bank. The Escrow Agent shall have no liability for applying any of the Escrow Funds for any payment order it executes using any such identifying number, even where its use may result in a person other than the beneficiary being paid, or the transfer of funds to a bank other than the beneficiary's bank, or an intermediary bank designated.

L. Modifications: The provisions of this Escrow Agreement may be waived, altered, amended or supplemented, in whole or in part, only by a writing executed and delivered by each of the parties.

M. Assignments: Neither this Escrow Agreement nor any right or interest hereunder may be assigned in whole or in part by any party without the prior consent of the other party except that VB may assign its rights and interests under this Agreement to any parent, subsidiary or affiliated entity.

N. Counterparts: This Escrow Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

O. **Liability:** The Escrow Agent shall not incur any liability for following the instructions herein contained or expressly provided for, or written instructions given by VB, LAW FIRM, or by such employees or other representatives of VB or LAW FIRM as may hereafter be designated in writing.

P. **Conflicts of Direction:** In the event that the Escrow Agent shall be uncertain as to its duties or rights hereunder or shall receive instructions, claims or demands from VB which, in its opinion, conflict with any of the provisions of this Agreement, it shall be fully protected and entitled to refrain from taking any action and its sole obligation shall be to keep safely all property held by it until it shall be directed otherwise in writing by all persons having an interest in the property or by a final order or judgment of a court of competent jurisdiction.

Q. **Applicable Law.** This Agreement shall be construed and enforced in accordance with, and governed by, the laws of Florida, without giving effect to the provisions thereof relating to conflicts of law.

R. **Disputes.** The Escrow Agent shall be under no duty to institute or defend any proceeding unless Escrow Agent has been furnished with satisfactory indemnity and the subject of such proceeding is part of its duties hereunder. In addition to the foregoing, in the event of any dispute between the parties to this Escrow Agreement, or between any of them and any other person, resulting in adverse claims or demands being made upon any of the Escrow Accounts, or in the event that the Escrow Agent, in good faith, is in doubt as to what action it should take hereunder, the Escrow Agent may, at its option, file a suit as interpleader in a court of appropriate jurisdiction, or refuse to comply with any claims or demands on it, or refuse to take any other action hereunder, so long as such dispute shall continue or such doubt shall exist. VB shall pay all reasonable legal fees and costs related to Escrow Agent filing any suit as interpleader. The Escrow Agent shall be entitled to continue so to refrain from acting until (i) the rights of all parties have been fully and finally adjudicated by a court of competent jurisdiction or (ii) all differences and doubt shall have been resolved by agreement among all of the interested persons, and the Escrow Agent shall have been notified thereof in writing signed by all such persons. The rights of the Escrow Agent under this Section are cumulative of all other rights which it may have by law or otherwise.

S. **Merger, Conversion or Consolidation of Escrow Agent:** Any entity into which the Escrow Agent in its individual capacity may be merged or converted or with which it may be consolidated, or any entity resulting from any merger, conversion or consolidation to which the Escrow Agent in its individual capacity shall be a party, or any corporation to which substantially all the corporate trust business of the Escrow Agent in its individual capacity may be transferred, shall be the Escrow Agent under this Agreement subject to provisions IV. A. and B. and the agreement of the parties.

T. **Force Majeure:** In the event that any party to this Agreement is unable to perform its obligations under the terms of this Agreement because of acts of God, strikes, equipment or transmission failure or damages reasonably beyond its control, or other cause reasonably beyond its control, such party shall not be liable for damages to the other party for any unforeseeable damages resulting from such failure to perform or otherwise from such causes.

Performance under this Agreement shall resume when the affected party is able to perform substantially that party's duties.

U. **Entire Agreement:** This Agreement, all attachments and the attached Escrow Agreement constitutes the entire agreement between VB and Escrow Agent, and there are no terms expressed or implied other than the expressed terms of this Agreement or the Agreement.

V. **Effective Date:** This Agreement shall be effective as of _____, 2003 or such earlier date as Escrow Agent notifies VB in writing that it is ready to assume the responsibilities provided herein. Escrow Agent shall use reasonable efforts from the date this Agreement is executed to timely prepare to assume the responsibilities provided herein.

IN WITNESS WHEREOF, the parties hereto have executed this Escrow Agreement on the date first above written.

VIATICAL BENEFACTORS, LLC

By: Richard M. Zuckerman
Title: Managing Partner / President
Dated: 6/2/03

UNION PLANTERS BANK, N.A.

By: Patricia J. Jordan
Title: Vice President
Dated: 6/3/03

This ESCROW AGREEMENT ("Agreement") is by and between Mutual Benefits Corp., with an address at 200 East Broward Boulevard, 10th Floor, Fort Lauderdale, Florida 33301 ("MBC"); and Citibank, N.A., with an address at 111 Wall Street, New York, New York 10005 ("Escrow Agent").

WITNESSETH

WHEREAS, MBC is a licensed viatical settlement company principally engaged in the funding and purchasing of death benefits of certain life insurance policies ("Policies") insuring the life or lives of one or more individuals (individually and collectively, the "Viator"); and

WHEREAS, Escrow Agent desires to serve as an escrow agent in connection with the purchase by MBC of Policies and the payments of death benefits as is more fully set forth in this Agreement; and

WHEREAS, both MBC and Escrow Agent agree that the sole relationship between them arising under this Agreement is an escrow arrangement; and

WHEREAS, BMMS&T shall provide administrative support to Escrow Agent in submitting certain information, documents, notices and instructions.

WHEREAS, Anthony M. Livoti, Jr., P.A. ("LIVOTT") currently serves as trustee responsible for the premiums escrowed by MBC for policies it purchases and will provide administrative support to the Escrow Agent in connection with the Premium Escrow Account submitting certain information, notices and instructions; and

WHEREAS, MBC hereby agrees to indemnify and hold harmless the Escrow Agent for any acts and conduct made by Escrow Agent in reliance upon the administrative support, information, documents, notices and instructions received from MBC, BMMS&T, and LIVOTT.

NOW THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

I. APPOINTMENT

MBC hereby appoints Citibank, N.A. as the Escrow Agent for the purposes set forth in this Agreement, and Escrow Agent hereby accepts appointment under the terms and conditions set forth in this Agreement.

II. ESCROW ACCOUNTS

A. Establishment of Escrow Accounts:

1. **Escrow Account.** Upon the execution of this Agreement, Escrow Agent shall establish and maintain an escrow account for the benefit of MBC named "Citibank-MBC Purchaser Escrow Account". From time to time, MBC shall cause to be deposited with or assigned to Escrow Agent funds to be held in said escrow account, all funds to be used for the purchase of life insurance policy death benefits.

2. **Premium Escrow Account.** Upon the execution of this Agreement, Escrow Agent shall also establish and maintain a second escrow account for the benefit of Anthony M. Livoti, Jr., P.A. as Trustee named "Citibank-Livoti Premium Escrow Account" (the "Premium Escrow Account"). From time to time, funds shall be deposited with the Escrow Agent for premiums for Policies purchased by MBC.

B. **Investment of Funds in Purchaser Escrow Account:** During the term of this Escrow Agreement, the cash balance of the Escrow Account shall be invested and reinvested by the Escrow Agent in a Money Market Account, or in a similar Citibank approved fund or such other liquid investment account as MBC may from time to time designate in writing to Escrow Agent and which account is reasonably acceptable to Escrow Agent. Such designation shall specify maturity of such investment which maturity shall be on the business day prior to the due date of any payment. In the absence of written instructions, the cash balances of the Escrow Account shall be invested in an institutional double or triple A rated instrument with a fixed rate for a fixed term of at least 90 days. The Escrow Agent, in its capacity as escrow agent hereunder, shall have no liability for any loss sustained as a result of any investments made pursuant to this Agreement or the instructions of MBC, as a result of any liquidation of any investment prior to its maturity or for the failure of MBC to give the Escrow Agent timely instructions to invest or reinvest any monies in the Escrow Account or any earnings thereon. It is hereby understood that any instructions delivered by MBC and received by Escrow Agent prior to 2:00 p.m. on any business day will be processed on the day received. Instructions delivered by MBC and received by Escrow Agent after 2:00 p.m. will be processed on the immediately succeeding business day.

C. **Investment of Funds in Premium Escrow Account:** During the term of this Escrow Agreement, the cash balance of the Premium Escrow Account shall be invested and reinvested by the Escrow Agent in a Money Market Account, or in a similar Citibank approved fund or such other liquid investment account as LIVOTI may from time to time designate in writing to Escrow Agent and which account is reasonably acceptable to Escrow Agent. Such designation shall specify maturity of such investment which maturity shall be on the business day prior to the due date of any payment. In the absence of written instructions, the cash balances of the Premium Escrow Account shall be invested in an institutional triple A rated money market fund. The Escrow Agent, in its capacity as escrow agent hereunder, shall have no liability for any loss sustained as a result of any investments made pursuant to this Agreement or the instructions

of LIVOTI, as a result of any liquidation of any investment prior to its maturity or for the failure of LIVOTI to give the Escrow Agent timely instructions to invest or reinvest any monies in the

Premium Escrow Account or any earnings thereon. It is hereby understood that any instructions delivered by LIVOTI and received by Escrow Agent prior to 2:00 p.m. on any business day will be processed on the day received. Instructions delivered by LIVOTI and received by Escrow Agent after 2:00 p.m. will be processed on the immediately succeeding business day.

D. Financial Reporting: Escrow Agent shall provide MBC and BMMS&T with access to Citibank's Citidirect reporting system in order to view daily account activity, including wire receipts and deposits, and a monthly financial activity report for the MBC Purchaser Escrow Account showing all account transactions. Escrow Agent will also provide LIVOTI with a monthly financial activity report of the Premium Escrow Account showing all account transactions. LIVOTI shall provide the Escrow Agent with a written notice of the date on which the premium for each policy is due.

E. Taxes: Escrow Agent shall not be liable or responsible for the payment of any taxes on the earnings for either the MBC Escrow Account or the LIVOTI Premium Escrow Account.

F. Interest: All interest earned on the cash balances held in the MBC Purchaser Escrow Account shall accrue to the benefit of MBC's purchasers. Interest earnings shall be paid from time to time by the Escrow Agent as per MBC's written instructions. All interest earned on the cash balances held on the LIVOTI Premium Escrow Account shall remain on deposit therein as part of a premium reserve system.

III. DUTIES OF ESCROW AGENT

A. Receipt of Viator Closing Documents, Review of Closing Documentation and Confirmation of Certain Information.

1. From time to time, with respect to facilitating each purchase by MBC of life insurance policy death benefits, Escrow Agent shall perform the following services:

- (a) Receive and hold in escrow the original viatical settlement contract, escrow agreement, insurance company change of ownership and change of beneficiary forms and any other documents executed by the Viator to effectuate the sale of the Viator's interest in his/her life insurance policy (the foregoing documents are hereinafter collectively referred to as the "Closing Documents");
- (b) Confirm deposits remitted by MBC in the amount due to the Viator pursuant to the viatical settlement contract and Funding Instructions. Upon written confirmation of the deposit for the acquisition of a Viator's

life insurance policy by MBC, the Escrow Agent shall release to MBC the Closing Documents so that the sale of the life insurance policy may be effected. Upon receipt by Escrow Agent of a written request from MBC or BMMS&T prior to 2:00 p.m., Eastern Time, the Escrow Agent shall Federal Express the Closing Documents to MBC. For requests received after 2:00 p.m., Eastern time, the Escrow Agent will Federal Express the Closing Documents the next business day; and

- (c) Receive and review the written acknowledgment from the issuing insurance company evidencing the acceptance on its books and records of the transfer or assignment of the ownership of the life insurance policy and the change of beneficiary(ies).

2. The Escrow Agent may be designated and recorded as the beneficiary of record for the life insurance policy death benefits purchased by MBC and agrees to execute all insurance company forms or documents necessary to transfer and record Escrow Agent as the beneficiary of life insurance policies purchased by MBC as designated.

3. If Escrow Agent has any questions or doubts as to any life insurance policy documentation it receives or Escrow Agent cannot confirm any of the foregoing information regarding the Policies, it will ask BMMS&T to make any final determinations. Prior to Escrow Agent receiving a written determination from BMMS&T, Escrow Agent shall incur no liability in omitting to take any action and shall have no obligation to accept such Policy or take any other action with respect thereto. Upon receipt of written instructions from BMMS&T, Escrow Agent shall be fully protected and shall incur no liability in following such instructions.

4. Escrow Agent shall have received an Escrow Agreement in the general form of Attachment "A", attached hereto and incorporated by reference, by and between the Viator, MBC and the Escrow Agent (the "MBC Escrow Agreement"). MBC hereby authorizes and directs Escrow Agent to execute the MBC Escrow Agreement in its capacity as Escrow Agent hereunder.

B. **Disbursement of Escrow Account Funds.** Upon satisfaction of all of the conditions set forth in Section III(A)(1) of this Agreement, and receipt by Escrow Agent of the Funding Instructions and the documentation described in section III(A)(1)(c); Escrow Agent shall make disbursements from the Escrow Account as set forth on a funding instruction form in the form of Attachment "B" hereto (which is incorporated herein) ("Funding Instruction") to be provided to Escrow Agent by BMMS&T for each policy purchased by MBC. Disbursements may include but are not limited to the following:

1. Viator. Payment to a Viator as set forth in the Funding Instruction shall be paid within three (3) business days or within such other time period as required by MBC following the receipt by the Escrow Agent of the written acknowledgment from the issuing insurance company of the transfer or assignment of ownership and the change of beneficiary. A "Business Day" is

any day other than a Saturday, Sunday, legal holiday or a day on which banking institutions in New York are closed. All Viator payments shall be made by bank check or wire transfer as directed by the Funding Instruction. Wire transfer information will be provided to Escrow Agent by either MBC or BMMS&T.

2. **Premiums.** Premiums for each Policy shall be transferred to the LIVOTI Premium Escrow Account as set forth on the Funding Instruction. The Escrow Agent shall have no responsibility to verify the sufficiency of the premium deposit.

3. All other payments on a particular transaction shall be made in accordance with the Funding Instruction.

C. Maintenance of Premium Escrow Account and Payment of Premiums.

Escrow Agent shall maintain the Premium Escrow Account, and to the extent that the Escrow Agent has received the appropriate Funding Instruction to fund the Premium Escrow Account, the Escrow Agent shall pay premiums on each of the Policies from the principal balances of the Premium Escrow Account in accordance with such Funding Instruction, as may be adjusted from time to time pursuant to written instructions of LIVOTI as follows:

1. Escrow Agent shall pay the premiums on each Policy at such times and in such amounts as instructed in writing by LIVOTI. It is agreed that LIVOTI: (i) shall furnish the Escrow Agent with the name and address of each payee and any documentation that may be required to accompany the check or wire, if any; and (ii) may furnish the Escrow Agent with standing instructions relative to such payments. In the case of standing instructions, the Escrow Agent shall continue to pay premiums subject to availability of funds in the Premium Escrow Account until instructed in writing by LIVOTI to cease making said payments.

2. In the event that funds on deposit in the Premium Escrow Account for a given Policy are less than the premium payment due on such policy, the Escrow Agent shall promptly notify LIVOTI of such insufficiency. LIVOTI shall then have the option to: (i) cause funds representing the insufficiency to be deposited in the Premium Escrow Account and upon receipt of available funds by Escrow Agent, Escrow Agent shall then make such premium payments; or (ii) instruct Escrow Agent to utilize other funds on deposit in the Premium Escrow Account.

3. If a Viator dies prior to the date contemplated by the estimated life expectancy, then any remaining balance of escrowed funds held for the related Policy shall remain on deposit for usage pursuant to paragraph C(2) above.

4. Escrow Agent shall make no payments from the LIVOTI Premium Escrow Account except as expressly set forth in this Agreement.

D. Filing of Claims for the Benefit of Buyers

1. When LIVOTI has advised Escrow Agent that a Viator has died, Escrow Agent shall execute a claim as beneficiary and mail the claim for the death benefits to the appropriate insurance company using the documentation prepared by LIVOTI and delivered to the Escrow Agent for this purpose, and when the Escrow Agent receives payment of such claim, Escrow Agent shall promptly pay, within three business days, the individuals set forth on the case file disbursement instructions provided by LIVOTI at the addresses and amounts shown thereon.

2. Escrow Agent shall have no duties under this Section if LIVOTI has not prepared and delivered to it the aforementioned documentation.

E. Payment of Interest to Purchasers

1. All funds deposited by MBC pursuant to paragraph II(A)(1) of this Agreement shall accrue interest at a fixed rate mutually agreed upon between the Escrow Agent and MBC from time to time. Upon the completion of the disbursement of escrowed funds as set forth in paragraph III(B) of this Agreement, BMMS&T shall provide Escrow Agent with a request for the disbursement of accrued interest due to MBC's viatical purchasers. It is understood and agreed between the parties hereto that the accrued interest in the MBC Escrow Account accrues to the benefit of MBC's viatical purchasers. Escrow Agent shall provide the interest check to BMMS&T within two business days of receipt of its request. BMMS&T will thereafter be responsible for the disbursement to MBC's purchasers their respective pro rata share of the interest check. Escrow Agent shall have no duties under this section if neither MBC nor BMMS&T have prepared and delivered to the Escrow Agent the aforementioned documentation.

IV. FEES. MBC agrees to:

A. Pay the Escrow Agent the fees as per the attached fee schedule. See Attachment "C", attached hereto and incorporated by reference.

B. Pay or reimburse the Escrow Agent monthly all such other reasonable out-of-pocket expenses incurred or made by Escrow Agent in the immediately preceding months, in connection with the performance of this Agreement.

V. MISCELLANEOUS.

A. Termination.

1. Escrow Agent Termination. The Escrow Agent may be terminated upon thirty (30) days prior written notice by MBC to Escrow Agent, and the appointment of a substitute escrow agent (Substitute Escrow Agent").

2. Agreement Termination. This Agreement shall terminate on the date that all Escrow Accounts are terminated or transferred to the Substitute Escrow Agent.

3. Substitute Escrow Agent. On the termination of this Agreement or on resignation of Escrow Agent, MBC may, at its option, appoint a Substitute Escrow Agent on terms and conditions acceptable to MBC, to accept a transfer of the Escrow Accounts and act as escrow agent thereunder.

B. Resignation of Duties. The Escrow Agent may resign and be discharged from its duties or obligations hereunder by giving notice in writing, via certified mail, return receipt requested, of such resignation specifying a date when such resignation shall take effect. This resignation date is not to be less than thirty (30) days after the notice in writing has been received by MBC and LIVOTI via certified mail.

C. Duties: The Escrow Agent undertakes to perform only such duties as are expressly set forth herein.

D. Validity: The Escrow Agent may rely and shall be protected in acting or refraining from acting upon any written notices, instructions, certificates, instruments, opinions, letters or other written documents or requests furnished to Escrow Agent hereunder and reasonably believed by Escrow Agent to be genuine and to have been signed or presented by the proper party or parties.

E. Liability/Counsel: The Escrow Agent shall not be liable for any action taken or omitted by it in good faith unless a court of competent jurisdiction finally determines that the Escrow Agent's willful misconduct or gross negligence was the primary cause of any loss. In the administration of the Escrow Accounts, the Escrow Agent may execute any of its powers and perform its duties under this Agreement directly or through agents and attorneys. The Escrow Agent shall not be liable for the acts or omissions of such agents or attorneys, provided such agents or attorneys have been appointed with due care and act in good faith and in a reasonable and prudent manner, and within the scope of the agency relationship. The Escrow Agent may consult with counsel, accountants and other skilled persons of its own choice (including counsel and accountants for MBC) and shall have full and complete authorization and protection and shall incur no liability for any action taken or omitted by it hereunder in good faith and in accordance with the opinion or advice of such counsel, accountants and other skilled persons.

F. Indemnification: MBC shall indemnify the Escrow Agent for, and hold Escrow Agent harmless against any loss, liability or expense (including reasonable fees and expenses of in-house or outside counsel) arising out of or in connection with (i) Escrow Agent's preparation, execution, delivery, amendment and performance of this Agreement and any other agreement entered into in connection with this Agreement, except to the extent that such loss, liability or expense is due to the gross negligence or willful misconduct of the Escrow Agent, as finally determined by a court of competent jurisdiction, and (ii) Escrow Agent's following of any instructions or other directions from MBC, LIVOTI or BMMS&T. Anything in this Agreement

to the contrary notwithstanding, in no event shall the Escrow Agent be liable for special, indirect, punitive, incidental or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action. MBC acknowledges that the foregoing indemnities, as well as its obligations under Section IV shall survive the resignation or removal of the Escrow Agent and the termination of this Agreement.

G. Disclosure: MBC shall provide the Escrow Agent with its Tax Identification Number (TIN) as assigned by the Internal Revenue Service. The TIN for MBC is 65-0528700 as of the date of this Agreement. All interest or income earned under the MBC Escrow Account and LIVOTI Premium Escrow Account shall be allocated and paid as provided herein and reported by the recipient to the Internal Revenue Service as having been so allocated and paid.

H. Provisions: The duties and responsibilities of the Escrow Agent hereunder shall be determined solely by the express provisions of the Escrow Agreement and no other or further duties or responsibilities shall be implied. The Escrow Agent shall not have any liability under, nor duty to inquire into the terms and provisions of any agreement or instructions, other than as outlined in this Agreement. Without limiting the generality of the foregoing, the Escrow Agent shall:

1. have no duties or obligations other than those specifically set forth herein or as may subsequently be agreed in writing by the parties hereto and shall use the same degree of care and skill as is reasonably expected of financial institutions acting in comparable capacities;

2. will be regarded as making no representations and having no responsibilities (except as expressly set forth herein) as to the validity, sufficiency, value, genuineness, ownership or transferability of the Policies, and will not be required to and will not make any representations as to the validity, value or genuineness of the Policies;

3. shall not be liable for any error in judgment or for any act done or step taken or omitted by it, in good faith, or for any mistake of fact or law, or for anything that it may do or refrain from doing in connection therewith, except in the case of grossly negligent performance or omission and except in the event that Escrow Agent fails to exercise the same degree of care and skill as is reasonable expected of a financial institution acting in a comparable capacity as an escrow agent;

I. Notices: All notices, directions, consents, instructions or communications hereunder shall be in writing and shall be deemed to be duly given if sent by facsimile or registered or certified mail, return receipt requested, as follows:

If to Escrow Agent:

Citibank, N.A.
Structured Finance Group
111 Wall Street
14th floor, Zone 3
New York, New York 10005
Attention: MBC Escrow Agreement
Telecopier No.: 212-657-4009

If to MBC:

Mutual Benefits Corp.
200 East Broward Boulevard, 10th Floor
Fort Lauderdale, Florida 33301
Attention:
Telephone: (954) 525-8885

If to LIVOTI:

Anthony M. Livoti, Jr., P.A.
731 N.E. Third Avenue
Fort Lauderdale, Florida 33304
Telephone: (954) 463-3777

If to MBC or LIVOTI:
A copy to:

Brinkley, McNerney, Morgan, Solomon &
Tatum, LLP
200 East Las Olas Boulevard, 19th Floor
Fort Lauderdale, Florida 33301
Attention:
Telephone: (954) 522-2200

or at such other address as any of the above may have furnished to the other party in writing by registered or certified mail, return receipt requested and any such notice or communication given in the manner specified in this Section V(I) shall be deemed to have been given as of the date so received. The parties set forth above shall provide each other with a separate written contact list of their respective personnel who maybe contacted by telephone or other means with respect to the performance of this Agreement. It is understood and agreed that the contact lists maybe revised from time to time, as necessary by the above referenced parties. In the event that the Escrow Agent, in its sole discretion, shall determine that an emergency exists, the Escrow Agent may use such other reasonable means of communications, as the Escrow Agent deems advisable.

J. **Funds Transfer:** In the event Funding Instructions are given (other than in writing at the time of execution of the Agreement), whether in writing, by telecopier or otherwise, the Escrow Agent is authorized, but not obligated, to seek confirmation of such instructions by telephone call-back to the person or persons designated pursuant to the written contact list described in Paragraph V(I), and the Escrow Agent may reasonably rely, and shall be protected in relying upon the confirmations of anyone purporting to be the persons or persons so designated. The persons and telephone numbers for callbacks may be changed only in writing

actually received and acknowledged by the Escrow Agent. The parties to this Agreement acknowledge that such security procedure is commercially reasonable.

K. Identification of Source. It is understood that the Escrow Agent and the beneficiary's bank in any funds transfer may rely solely upon any account numbers or similar identifying numbers provided by MBC or LIVOTI to identify (i) the beneficiary, (ii) the beneficiary's bank, or (iii) an intermediary bank. The Escrow Agent shall have no liability for applying any of the Escrow Funds for any payment order it executes using any such identifying number, even where its use may result in a person other than the beneficiary being paid, or the transfer of funds to a bank other than the beneficiary's bank, or an intermediary bank designated.

L. Modifications: The provisions of this Escrow Agreement may be waived, altered, amended or supplemented, in whole or in part, only by a writing executed and delivered by each of the parties.

M. Assignments: Neither this Escrow Agreement nor any right or interest hereunder may be assigned in whole or in part by any party without the prior consent of the other party except that MBC may assign its rights and interests under this Agreement to any parent, subsidiary or affiliated entity.

N. Counterparts: This Escrow Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

O. Liability: The Escrow Agent shall not incur any liability for following the instructions herein contained or expressly provided for, or written instructions given by MBC, BMMS&T, LIVOTI or by such employees or other representatives of MBC, BMMS&T or LIVOTI as may hereafter be designated in writing.

P. Conflicts of Direction: In the event that the Escrow Agent shall be uncertain as to its duties or rights hereunder or shall receive instructions, claims or demands from MBC or LIVOTI which, in its opinion, conflict with any of the provisions of this Agreement, it shall be fully protected and entitled to refrain from taking any action and its sole obligation shall be to keep safely all property held by it until it shall be directed otherwise in writing by all persons having an interest in the property or by a final order or judgment of a court of competent jurisdiction.

Q. Applicable Law. This Agreement shall be construed and enforced in accordance with, and governed by, the laws of Florida, without giving effect to the provisions thereof relating to conflicts of law.

R. Disputes. The Escrow Agent shall be under no duty to institute or defend any proceeding unless Escrow Agent has been furnished with satisfactory indemnity and the subject of such proceeding is part of its duties hereunder. In addition to the foregoing, in the event of

any dispute between the parties to this Escrow Agreement, or between any of them and any other person, resulting in adverse claims or demands being made upon any of the Escrow Accounts, or in the event that the Escrow Agent, in good faith, is in doubt as to what action it should take hereunder, the Escrow Agent may, at its option, file a suit as interpleader in a court of appropriate jurisdiction, or refuse to comply with any claims or demands on it, or refuse to take any other action hereunder, so long as such dispute shall continue or such doubt shall exist. The Escrow Agent shall be entitled to continue so to refrain from acting until (i) the rights of all parties have been fully and finally adjudicated by a court of competent jurisdiction or (ii) all differences and doubt shall have been resolved by agreement among all of the interested persons, and the Escrow Agent shall have been notified thereof in writing signed by all such persons. The rights of the Escrow Agent under this Section are cumulative of all other rights which it may have by law or otherwise.

S. **Merger, Conversion or Consolidation of Escrow Agent:** Any entity into which the Escrow Agent in its individual capacity may be merged or converted or with which it may be consolidated, or any entity resulting from any merger, conversion or consolidation to which the Escrow Agent in its individual capacity shall be a party, or any corporation to which substantially all the corporate trust business of the Escrow Agent in its individual capacity may be transferred, shall be the Escrow Agent under this Agreement without further act.

T. **Force Majeure:** In the event that any party to this Agreement is unable to perform its obligations under the terms of this Agreement because of acts of God, strikes, equipment or transmission failure or damages reasonably beyond its control, or other cause reasonably beyond its control, such party shall not be liable for damages to the other party for any unforeseeable damages resulting from such failure to perform or otherwise from such causes. Performance under this Agreement shall resume when the affected party is able to perform substantially that party's duties.

U. **Entire Agreement:** This Agreement, all attachments and the attached Escrow Agreement constitutes the entire agreement between MBC and Escrow Agent, and there are no terms expressed or implied other than the expressed terms of this Agreement or the Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Escrow Agreement on the date first above written.

MUTUAL BENEFITS CORP.

By: 

Dated: 12/26/01

CITIBANK, N.A. (Solely in its capacity as
Escrow Agent)

By: Jennifer Cupo

Title: Jennifer Cupo
Vice President

Dated: _____

Policies Paid Out of Mutual Benefits Corp. Operating Account

| TOTAL POLICIES | | | | |
|---|---------------|-------------------|---------------------------|-------------------------------|
| Owner | Number | Face Value | Escrow Balance | Annual Premium (1) |
| Insured | 10 | 586,400.00 | No Escrows | 7,852.54 |
| Investor | 12 | 1,252,911.00 | | 21,819.90 |
| Les Steinger | 21 | 1,623,000.00 | | 29,449.20 |
| Livoti | 4 | 254,000.00 | | 2,629.68 |
| LSA / VBF | 9 | 565,177.00 | | 4,346.60 |
| Mutual | 1,019 | 76,359,916.87 | | 830,747.19 |
| Mutual Active Policy Totals (Non-Reimbursement) | 1,075 | 80,641,404.87 | | 896,845.11 |
| Mutual Active Accounts - Group Reimbursement | 152 | 15,740,097.00 | | 55,484.00 |
| Mutual Total Active Policies | 1,227 | 96,381,501.87 | | 952,329.11 |

(2)

| AIDS POLICIES | | | | |
|---|---------------|-------------------|---------------------------|-------------------------------|
| Owner | Number | Face Value | Escrow Balance | Annual Premium (1) |
| Insured | 10 | 586,400.00 | No Escrows | 7,852.54 |
| Investor | 12 | 1,252,911.00 | | 21,819.90 |
| Les Steinger | 21 | 1,623,000.00 | | 29,449.20 |
| Livoti | 4 | 254,000.00 | | 2,629.68 |
| LSA / VBF | 9 | 565,177.00 | | 4,346.60 |
| Mutual | 1,010 | 74,716,936.87 | | 808,240.70 |
| Mutual Active Policy Totals (Non-Reimbursement) | 1,066 | 78,998,424.87 | | 874,338.62 |
| Mutual Active Accounts - Group Reimbursement | 152 | 15,740,097 | | |
| Mutual Total Active Policies | 1,218 | 94,738,521.87 | | 874,338.62 |

| NON-AIDS POLICIES | | | | |
|---|---------------|-------------------|---------------------------|-------------------------------|
| Owner | Number | Face Value | Escrow Balance | Annual Premium (1) |
| Insured | - | - | No Escrows | - |
| Investor | - | - | | - |
| Les Steinger | - | - | | - |
| Livoti | - | - | | - |
| LSA / VBF | - | - | | - |
| Mutual | 9 | 1,642,980.00 | | 22,506.49 |
| Mutual Active Policy Totals (Non-Reimbursement) | 9 | 1,642,980.00 | | 22,506.49 |
| Mutual Active Accounts - Group Reimbursement | - | - | | |
| Mutual Total Active Policies | 9 | 1,642,980.00 | | 22,506.49 |

(1) Annual Premiums reflected above do not reflect any reductions due to dividends or experience refunds paid on policies that are used to offset premium payments.

(2) Annual Premium for Policies Requiring Reimbursement to Employees / Employers is based on actual reimbursements paid in 2003.

Policies Paid Out of Livoti Accounts

| Owner | TOTAL POLICIES | | | |
|---|-----------------------|-----------------------|-----------------------|----------------------|
| | Number | Face Value | Escrow Balance (3) | Annual Premium |
| Dignity Partners | 3 | 319,000.00 | (8,069.04) | 1,142.75 |
| Insured | 22 | 1,477,855.08 | (27,699.29) | 5,377.45 |
| Investor | 142 | 10,480,497.00 | (175,165.86) | 128,348.44 |
| Livoti | 4,553 | 581,613,368.62 | 3,327,083.51 | 12,251,146.80 |
| Livoti Active Policy Totals (Non-Reimbursement) | 4,720 | 593,890,720.70 | 3,116,149.32 | 12,386,015.44 |
| Livoti Active Accounts (Group Reimbursement) | 409 | 53,152,432.00 | 625,753.54 | 95,847.00 (2) |
| Livoti Total Active Policies | 5,129 | 647,043,152.70 | 3,741,902.86 | 12,481,862.44 |
| Livoti Matured Policy Escrow Balances | | | 1,982,404.54 | |
| Livoti Totals | 5,129 | 647,043,152.70 | 5,724,307.40 | 12,481,862.44 |

| Owner | AIDS POLICIES | | | |
|---|----------------------|-----------------------|------------------------|---------------------|
| | Number | Face Value | Escrow Balance (3) | Annual Premium |
| Dignity Partners | 3 | 319,000.00 | (8,069.04) | 1,142.75 |
| Insured | 22 | 1,477,855.08 | (27,699.29) | 5,377.45 |
| Investor | 129 | 8,514,206.00 | (277,454.77) | 86,167.80 |
| Livoti | 4,264 | 355,772,919.62 | (10,750,823.08) | 3,828,222.43 |
| Livoti Active Policy Totals (Non-Reimbursement) | 4,418 | 366,083,980.70 | (11,064,046.18) | 3,920,910.43 |
| Livoti Active Accounts (Group Reimbursement) | 402 | 52,038,432.00 | 577,657.43 | |
| Livoti Total Active Policies | 4,820 | 418,122,412.70 | (10,486,388.76) | 3,920,910.43 |
| Livoti Matured Policy Escrow Balances | | | (311,029.09) | |
| Livoti Totals | 4,820 | 418,122,412.70 | (10,797,417.85) | 3,920,910.43 |

| Owner | NON-AIDS POLICIES | | | |
|---|--------------------------|-----------------------|-----------------------|---------------------|
| | Number | Face Value | Escrow Balance (3) | Annual Premium |
| Dignity Partners | - | - | - | - |
| Insured | - | - | - | - |
| Investor | 13 | 1,966,291.00 | 102,288.91 | 42,180.64 |
| Livoti | 289 | 225,840,449.00 | 14,077,906.59 | 8,422,924.37 |
| Livoti Active Policy Totals (Non-Reimbursement) | 302 | 227,806,740.00 | 14,180,195.50 | 8,465,105.01 |
| Livoti Active Accounts (Group Reimbursement) | 7 | 1,114,000.00 | 48,096.11 | |
| Livoti Total Active Policies | 309 | 228,920,740.00 | 14,228,291.61 | 8,465,105.01 |
| Livoti Matured Policy Escrow Balances | | | 2,293,433.63 | |
| Livoti Totals | 309 | 228,920,740.00 | 16,521,725.24 | 8,465,105.01 |

- (1) Annual Premiums reflected above do not reflect any reductions due to dividends or experience refunds paid on policies that are used to offset premium payments.
- (2) Annual Premium for Policies Requiring Reimbursement to Employees / Employers is based on actual reimbursements paid in 2003.
- (3) Escrow balances reflected above may not include all interest earned on escrow accounts and/or other contributions to escrow accounts that do not relate to specific policies. Work related to the reconciliation of these totals to actual bank balances is ongoing.

Policies Paid Out of UPBNA Accounts

| TOTAL POLICIES | | | | |
|--|---------------|-------------------|-------------------------------|---------------------------|
| Owner | Number | Face Value | Escrow Balance (3) | Annual Premium |
| Livoti | 376 | 575,295,864.10 | 79,027,443.70 | 16,563,748.74 |
| Investor | 4 | 1,000,000.00 | - | - |
| Mutual | 2 | 1,250,000.00 | 138,590.00 | 31,530.00 |
| VBLLC | 555 | 197,077,141.00 | 13,196,955.19 | 4,410,079.20 |
| UPBNA Active Policy Totals (Non-Reimbursement) | 937 | 774,623,005.10 | 92,362,988.89 | 21,005,357.94 |
| UPBNA Active Accounts (Group Reimbursement) | 22 | 3,058,960.00 | 79,238.47 | 6,618.00 (2) |
| UPBNA Total Active Policies | 959 | 777,681,965.10 | 92,442,227.36 | 21,011,975.94 |
| UPBNA Matured Policy Escrow Balances | | | 1,393,454.27 | |
| UPBNA Policies - In Process | 7 | 58,440,000.00 | - | 864,482.00 |
| UPBNA Totals | 966 | 836,121,965.10 | 93,835,681.63 | 21,876,457.94 |

| AIDS POLICIES | | | | |
|--|---------------|-------------------|-------------------------------|---------------------------|
| Owner | Number | Face Value | Escrow Balance (3) | Annual Premium |
| Livoti | 9 | 1,083,527.00 | 65,122.63 | 9,431.57 |
| Investor | - | - | - | - |
| Mutual | - | - | - | - |
| VBLLC | 444 | 50,625,152.00 | (90,482.20) | 561,703.94 |
| UPBNA Active Policy Totals (Non-Reimbursement) | 453 | 51,708,679.00 | (25,359.57) | 571,135.51 |
| UPBNA Active Accounts (Group Reimbursement) | 22 | 3,058,960.00 | 79,238.47 | |
| UPBNA Total Active Policies | 475 | 54,767,639.00 | 53,878.90 | 571,135.51 |
| UPBNA Matured Policy Escrow Balances | | | 33,923.32 | |
| UPBNA Policies - In Process | - | - | - | - |
| UPBNA Totals | 475 | 54,767,639.00 | 87,802.22 | 571,135.51 |

| NON-AIDS POLICIES | | | | |
|--|---------------|-------------------|-------------------------------|---------------------------|
| Owner | Number | Face Value | Escrow Balance (3) | Annual Premium |
| Livoti | 367 | 574,212,337.10 | 78,962,321.07 | 16,554,317.17 |
| Investor | 4 | 1,000,000.00 | - | - |
| Mutual | 2 | 1,250,000.00 | 138,590.00 | 31,530.00 |
| VBLLC | 111 | 146,451,989.00 | 13,287,437.39 | 3,848,375.26 |
| UPBNA Active Policy Totals (Non-Reimbursement) | 484 | 722,914,326.10 | 92,388,348.46 | 20,434,222.43 |
| UPBNA Active Accounts (Group Reimbursement) | - | - | - | |
| UPBNA Total Active Policies | 484 | 722,914,326.10 | 92,388,348.46 | 20,434,222.43 |
| UPBNA Matured Policy Escrow Balances | | | 1,359,530.95 | |
| UPBNA Policies - In Process | 7 | 58,440,000.00 | - | 864,482.00 |
| UPBNA Totals | 491 | 781,354,326.10 | 93,747,879.41 | 21,298,704.43 |

- (1) Annual Premiums reflected above do not reflect any reductions due to dividends or experience refunds paid on policies that are used to offset premium payments.
- (2) Annual Premium for Policies Requiring Reimbursement to Employees / Employers is based on actual reimbursements paid in 2003.
- (3) Escrow balances reflected above may not include all interest earned on escrow accounts and/or other contributions to escrow accounts that do not relate to specific policies. Work related to the reconciliation of these totals to actual bank balances is ongoing.

TRUST AGREEMENT

THIS TRUST AGREEMENT is entered into this _____ day of _____ 200____,
between _____ hereinafter referred to as the VIATICAL
SETTLEMENT PURCHASER (PURCHASER) and _____
hereinafter referred to as the TRUSTEE.

1. The PURCHASER acknowledges entering into a separate written Viatical Settlement Purchase Agreement with MUTUAL BENEFITS CORP. through which PURCHASER has agreed to buy all of or a portion of the death benefit in a life insurance policy(ies), and has elected to have a trustee perform certain services that MUTUAL BENEFITS CORP. does not provide.

2. The PURCHASER hereby agrees that the Trustee, or a viatical settlement company licensed by the state where the insured resides, will be recorded as the owner of the life insurance policy that the PURCHASER has agreed to buy all of or a portion of a death benefit of pursuant to the Viatical Settlement Purchase Agreement. The PURCHASER also acknowledges and agrees that the Viatical Settlement Purchase Agreement provides that in the event an insurance company limits the total number of beneficiaries to be recorded on a single life insurance policy that the owner of the life insurance policy, the TRUSTEE, a bank or an escrow agent may be designated and recorded as the beneficiary of record in the place of the PURCHASER and as such may receive payment of the death benefit from the insurance carrier on the PURCHASER's behalf and will disburse to the PURCHASER his/her share of the life insurance policy(ies) death benefit.

3. The PURCHASER acknowledges that certain post-closing activities must be performed in order to maintain the PURCHASER's interest in the policy(ies) death benefit. The PURCHASER agrees that the TRUSTEE, may contract with a servicing company to provide these post-closing services, including, but not limited to, timely notifying the TRUSTEE of premium due dates, maintaining current contact information on the insured, tracking the insured's status (alive or not alive), monitoring the status of disability claims by the insured(s), converting group life insurance policies to individual plans of insurance and filing claims for benefits and death

certificates with the insurance company(ies). The PURCHASER has been given the option of hiring a company to perform these services other than Viatical Services, Inc., but has declined.

4. The TRUSTEE, has entered into a contract with Viatical Services, Inc., to provide post-closing services. The TRUSTEE retains the right to engage other servicing companies in its sole discretion to provide post-closing services. Fees for post-closing services are paid at the time of closing and are provided at no charge to the PURCHASER.

5. The TRUSTEE has agreed to hold in escrow future premiums received at the time of closing for the projected life expectancy of any policy in an interest-bearing account(s). The accrued interest on the TRUSTEE'S account, unused premiums and other funds or property held by the trustee are not the property of the Purchaser, and the Purchaser has no right to any funds or property held by the TRUSTEE. Interest earned on the TRUSTEE'S account(s) and any unused premiums may be retained in the TRUSTEE's account as a reserve for payment of premium on any policy where the insured outlives the projected life expectancy or premiums increase as a result of policy conversion or rate increases. This reserve may be used by the TRUSTEE as needed, to the extent funds are available, to pay premiums for any policy(ies) the TRUSTEE owns.

6. Viatical Services, Inc., has agreed to establish a premium reserve account to pay premiums on a policy(ies) that it services that exceeds life expectancy, provided that the TRUSTEE has applied for disability premium waiver when available and has first exhausted all funds provided to the TRUSTEE for that policy, and exhausted all available reserves that have accumulated in his account as described in paragraph five.

7. Future premiums on a policy will be paid or satisfied by (1) application for disability premium waiver when applicable, (2) payment by the TRUSTEE from funds designated for the particular policy at the time of closing, (3) payment by the TRUSTEE from the reserve funds as described above, which have accumulated in the TRUSTEE's account, (4) Viatical Services, Inc., up to the amount of funds in its premium reserve account, or any other service company that provides premium coverage as part of its service, or (5) pro rata by the PURCHASER(S).

8. If, for any reason, the TRUSTEE cannot confirm that future premiums on any policy will be satisfied from the sources outlined in the first four options listed in paragraph seven above, then the TRUSTEE will notify the PURCHASER ninety (90) days before the next premium is due. Upon receipt of such notice, PURCHASER will provide the TRUSTEE with his/her pro rata share of the premium payment. If any PURCHASER fails to pay his/her pro rata share of the premium payment, then the other PURCHASER(s) on the policy shall have the right to pay the remaining balance due and shall thereafter have the right to recover the amount paid from the delinquent PURCHASER(s). The TRUSTEE shall also have the right, but not the obligation, to pay the pro rata share of any PURCHASER(s) failing to pay his/her pro rata share of the premium payment from his own funds. The TRUSTEE shall also have the right, but not the obligation, to file suit for the recovery of the amount(s) paid on behalf of the delinquent PURCHASER(s). In the event of any litigation arising from this paragraph, the prevailing party shall be entitled to recover attorney's fees and court costs.

9. The TRUSTEE, or his successor in trust, shall not be responsible for, or liable on account, of any conduct of performance or non-performance of any third party(ies), its agents or employees.

10. When the TRUSTEE is notified of the death of an insured, the TRUSTEE shall assist the PURCHASER in being paid the PURCHASER'S pro rata share of the death benefit payable under the life insurance policy(ies) in which the PURCHASER has acquired an interest. Once the PURCHASER is paid, the TRUSTEE's duties under this Agreement shall immediately cease and the TRUSTEE shall be thereafter forever relieved and fully discharged from any liability or responsibility in connection herewith.

11. The PURCHASER acknowledges that the TRUSTEE is not an employee of any of the parties to this transaction, but is only engaged to perform the post-closing services as described herein. The TRUSTEE is paid a fee for his services at the time of closing, as part of the acquisition cost of a policy.

12. The TRUSTEE shall have the right to resign as TRUSTEE, but shall provide the PURCHASER(S) with 90 days notice prior to the effective date of said resignation. After resigning, the TRUSTEE shall have no further duties or obligations to the PURCHASER, except to see that the policy is transferred to a successor TRUSTEE.

13. In the event that more than one party makes claim to a policy or beneficial interest of a policy, the TRUSTEE may interplead the policy or any funds therefrom into a court of competent jurisdiction. Thereafter, the TRUSTEE shall be released from any and all liability relating to or arising from the policy or the underlying transaction.

14. The PURCHASER shall indemnify the TRUSTEE, or any officers or employees of the TRUSTEE and hold the TRUSTEE harmless from and against any and all claims, actions, suits, proceedings, whether groundless or otherwise, and from and against any and all liability, loss, damage, cost and expense of every nature whatsoever, arising out of this Agreement or the transactions contemplated hereby, unless any such loss, liability, damage, cost or expense is directly caused by the gross negligence or willful misconduct of the TRUSTEE.

15. The Agreement shall be binding upon the PURCHASER's heirs, representatives, and/or assigns and the TRUSTEE's successors.

16. If any provision of this Agreement or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect any other provision which can be given effect without the invalid provision or application, and to this end the provisions hereof shall be severable.

17. This Agreement shall be governed and construed under the laws of the State of Florida. The jurisdiction of all actions arising out of this Agreement and/or relating to its validity shall be in the State of Florida and the parties stipulate and agree that venue for any such action shall be in Broward County, Florida.

18. All notices or correspondence shall be provided to the parties at the addresses below:

19. The PURCHASER agrees to notify, in writing, the TRUSTEE of any change in his/her address.

20. At the TRUSTEE'S request, the PURCHASER also agrees to timely execute any additional document(s) that may be necessary for the continued maintenance of a policy.

TRUSTEE:

NAME: _____
ADDRESS: _____

TRUSTEE SIGNATURE

**VIATICAL SETTLEMENT
PURCHASER(S)**

Signature

Print Name (First, Middle, Last)
(Circle one) Mr. Mrs. Ms.

Dated: _____

Address

City, State, Zip

Telephone Number

Facsimile Number

**VIATICAL SETTLEMENT
PURCHASER(S)**

Signature

Print Name (First, Middle, Last)
(Circle one) Mr. Mrs. Ms.

Dated: _____

Address

City, State, Zip

Telephone Number

Facsimile Number

AMENDED SERVICE AGREEMENT

THIS CONTRACT entered into this ____ day of _____, 1998, between VIATICAL SERVICES, INC., and ANTHONY M. LIVOTI, JR., P.A., upon the following terms and conditions:

WHEREAS, the Parties have entered into a previous Service Agreement(s) and now wish to amend all of those previous agreement(s) as set forth herein.

WHEREAS, ANTHONY M. LIVOTI, JR., P.A., is desirous of contracting for certain services concerning the tracking of terminally ill individuals who have sold their interest(s) in certain life insurance policies, and

WHEREAS, ANTHONY M. LIVOTI, JR., P.A., has entered into a Trust Agreement , a copy of which is attached as Exhibit "A", with the purchaser(s) of certain life insurance policies which, sets forth the obligations of ANTHONY M. LIVOTI, JR., ESQ., as TRUSTEE, and provides the TRUSTEE with the right to contract for the performance of certain post closing services which include, but are not limited to, tracking the Insured to ascertain the physical condition of the Insured, monitoring the status of disability claims by the Insured, converting group policies to individual plans of insurance, notifying the insurance company when the Insured dies, and notifying the TRUSTEE of the status of the premium payments, as well as any other changes in the status of the insurance policy/policies.

WHEREAS, VIATICAL SERVICES, INC., is a company with the resources to provide schedules for prompt and timely payment of policy premiums, tracking the whereabouts and

medical conditions of the insureds, monitoring disability claims and conversions of policies and assistance in obtaining death certificates and the filing of claims for benefits.

WHEREAS, ANTHONY M. LIVOTI, JR., ESQ., wants to insure that VIATICAL SERVICES, INC., has sufficient financial resources available to complete the services called for under this agreement for the term of the policies subject hereto and

WHEREAS, VIATICAL SERVICES, INC., has agreed to create sufficient financial reserves to provide the services called for herein during the term of all life insurance policies covered by this agreement;

NOW THEREFORE, in consideration of the mutual covenants as outlined above, plus the payments as outlined below, the parties agree as follows:

1. ANTHONY M. LIVOTI, JR., P.A., shall hire, engage and contract for the services of VIATICAL SERVICES, INC., for the sum of \$ 450.00 per policy.

2. VIATICAL SERVICES, INC., shall provide to ANTHONY M. LIVOTI, JR., P.A., the following services:

a. a premium payment schedule for each policy. The schedule shall include the name of the insurance company to be paid, the amount of payment, and whether the payment is monthly, quarterly, annually or has been waived. Such information shall be provided on a weekly basis;

b. a report showing the whereabouts, including address, and medical condition of the insured. This report shall be provided on a bi-monthly basis;

c. prepare for filing of all necessary documents with each insurance company including premium waivers, policy conversions, death certificates and those documents

necessary for the payment of the proceeds of the policy to the beneficiaries upon the death of the insured;

- d. prepare all notices to the TRUSTEE of the status of the premium payments as well as any changes in the status of the insurance policy;
- e. keep and maintain logs of the contacts with patients or other individuals, records of addresses and phone numbers of those contacts, result of the contacts, and any suggested action to be taken in order to provide accurate information about the insureds;
- f. prepare notices to the TRUSTEE as to monies needed to pay premiums as per the terms of the Trust Agreement. Said notices shall be provided to Anthony M. Livoti, Jr., one hundred twenty (120) days prior to the premium being due.
- g. make any premium payments for policies that exceed the life expectancy, provided that the TRUSTEE has applied for disability waiver when available and has first used all funds provided to the TRUSTEE for that policy, and has used all available funds in the premium reserve account referenced in the attached Trust Agreement.

3. Future premiums on a policy will be paid or satisfied by (1) application for disability waiver when applicable, (2) payment by the TRUSTEE from funds designated for the particular policy at the time of closing, (3) payment by the TRUSTEE from funds as described above which have accumulated in the premium reserve account, (4) Viatical Services, Inc., and (5) pro rata by the policy beneficiaries.

4. In consideration for undertaking the obligations set forth above in paragraph 2g, VIATICAL SERVICES, INC. hereby acknowledges receipt of a deposit in the amount of \$200,000.00 and additional \$100.00 per policy, paid at the time of closing by the Escrow Agent.

These funds are on deposit in an interest bearing account maintained by an attorney acceptable to both the TRUSTEE and VIATICAL SERVICES, INC. These funds are maintained by VIATICAL SERVICES, INC. for the payment of any future premiums in accordance with paragraph 3 above.

5. VIATICAL SERVICES, INC., shall maintain a money market account to hold all such funds as are necessary to meet the operating expenses of VIATICAL SERVICES, INC., for a period of two years. This account shall require two (2) signatures, one of which must be that of ANTHONY M. LIVOTI, JR., ESQ. VIATICAL SERVICES, INC., shall provide ANTHONY M. LIVOTI, JR., ESQ., copies of its monthly operating expense report and shall place into the escrow account all income which exceeds operating expenses, including all state and federal taxes, until such time as the escrow account has sufficient funds to pay two years' operating expenses of VIATICAL SERVICES, INC., calculated on a three month average of the most recent monthly expense report.

6. VIATICAL SERVICES, INC., shall keep and maintain Errors and Omissions Insurance coverage in the minimum amount of One Hundred Thousand (\$100,000.00 Dollars). The TRUSTEE, shall also be named as a co-beneficiary of the policy and VIATICAL SERVICES, INC. shall also provide a copy of the complete policy to him.

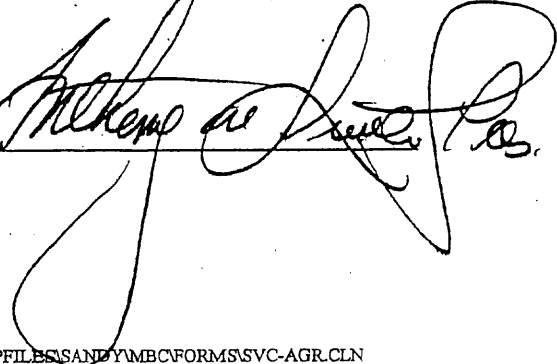
7. This Agreement may be terminated by ANTHONY M. LIVOTI, JR., P.A. upon thirty (30) days written notice to VIATICAL SERVICES, INC. VIATICAL SERVICES, INC. may terminate this Agreement on a go forward basis only upon ninety (90) days written notice delivered to the TRUSTEE. The addresses used for such notices are listed below:

ANTHONY M. LIVOTI, JR., P.A.
721 NE 3rd Avenue
Fort Lauderdale, FL 33304

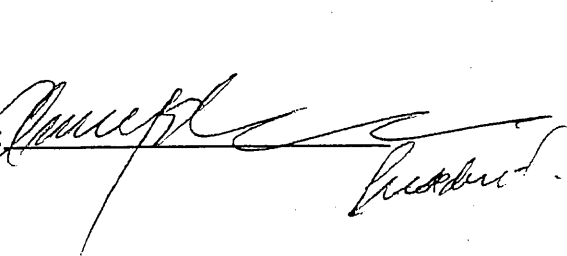
VIATICAL SERVICES, INC.
2755 E. Oakland Park Boulevard, #230
Fort Lauderdale, FL 33306

8. In the event that VIATICAL SERVICES, INC. elects to terminate this agreement, its obligations for all policies subject to this agreement shall become fixed upon the expiration of the ninety (90) day period set forth in paragraph 6 above. It is stipulated and agreed between the parties that upon termination, VIATICAL SERVICES, INC. shall continue to perform the services described in this agreement on all policies for which it has already been paid a servicing fee. Additionally, all funds maintained by VIATICAL SERVICE, INC. for the payment of future premiums and the funds maintained in the operating account shall remain on deposit and the use of those respective accounts shall continue to be governed by the terms of this agreement.

ANTHONY M. LIVOTI, JR., P.A.

By: 

VIATICAL SERVICES, INC.

By: 

G:\WPFILES\SANDY\MBC\FORMS\SVC-AGR.CLN

Per Each Closing:

| | |
|--------------------|------------------------|
| Escrow Legal Fees: | \$400.00 |
| Livoti Fees: | \$200.00 |
| VSI Fees: | \$2,500(+) - See Chart |
| VSI Premiums: | \$100.00 |

BRINKLEY, MCNERNEY, MORGAN, SOLOMON & TATUM, LLP
ATTORNEYS AT LAW
200 EAST LAS OLAS BLVD., SUITE 1800
FT. LAUDERDALE, FL 33301
P.O. BOX 522
FT. LAUDERDALE, FL 33302-0522
954-522-2200
954-522-9123

FACSIMILE TRANSMITTAL COVER SHEET

DATE: April 2, 2001

TO: AMEER KHAN

FAX NO: 564-7443

PHONE NO: 564-0509

FROM: STEPHEN L. ZIEGLER, ESQ.

NUMBER OF PAGES (including cover page): 2

COMMENTS: Per your request enclosed is the fee schedule.

YSI SCHEDULE OF FEES

| <u># OF PAGES</u> | <u>AMOUNT</u> |
|-------------------|---------------|
| 1 TO 10 | \$2,500.00 |
| 11 TO 20 | \$5,000.00 |
| 21 TO 30 | \$10,000.00 |
| 31 TO 40 | \$15,000.00 |
| OVER 40 | \$20,000.00 |

LAW OFFICES
OF
ANTHONY M. LIVOTI, JR., P.A.
ATTORNEYS AND COUNSELORS AT LAW
721 N E 3RD AVENUE
FORT LAUDERDALE, FLORIDA 33304
(954) 463-3777

ANTHONY M. LIVOTI, JR.
MEMBER OF FLORIDA, NEW YORK
& WASHINGTON DC BARS

ROBERT F. BISSONNETTE
MEMBER OF FLORIDA BAR

June 25, 1996

OF COUNSEL
DONALD E. OSWALD
MEMBER OF FLORIDA BAR
KENNETH D. TADUE
MEMBER OF FLORIDA
& TEXAS BARS

Mutual Benefits Corp.
2881 E. Oakland Park Blvd. #2
Ft. Laud. Fl. 33306

Re: Letter of Engagement

Gentlemen:

This letter will confirm our agreement wherein I will act as Trustee for certain life insurance policies at the rate of \$200.00 per policy plus \$150.00 per policy in order to engage the services of Viatical Services, Inc. I will act according to the Trust Agreement which will be executed by the beneficiaries, Mutual Benefits Corp. and myself. Attached hereto are copies of the Trust and Service Agreements.

Accordingly, at the time of closing of each policy the escrow agent will disburse on a weekly basis the \$200.00 fee per policy, and the \$150.00 fee per policy for the service contract and all premiums collected for future payment on said policies. All premium payments will be deposited into a Special Escrow Account.

Additionally, Mutual Benefits Corp. will guarantee a minimum payment to me as Trustee of \$5,000.00 per month and a maximum payment not to exceed \$10,000.00 per month. Mutual Benefits Corporation has agreed to pay a \$10,000.00 retainer which shall be credited to billings over a 12 month period. Mutual Benefits Corp. further agrees to maintain contact with the Trustee and to respond to inquiries by the Trustee within 48 hours. This agreement may be terminated by either party upon 90 days written notice.

In performing my duties as Trustee, I shall not incur any liability to Mutual Benefits Corporation for any damages, losses or expenses which either party may sustain or incur unless the same is the direct result of the gross negligence or intentional misconduct of the Trustee. Trustee shall be protected in any action taken or omitted in good faith with respect to the Trustee's duties and responsibilities. Mutual Benefits Corp. hereby agrees to indemnify and hold harmless Trustee from and against all losses, claims, damages, liabilities, and expenses which the Trustee may sustain or

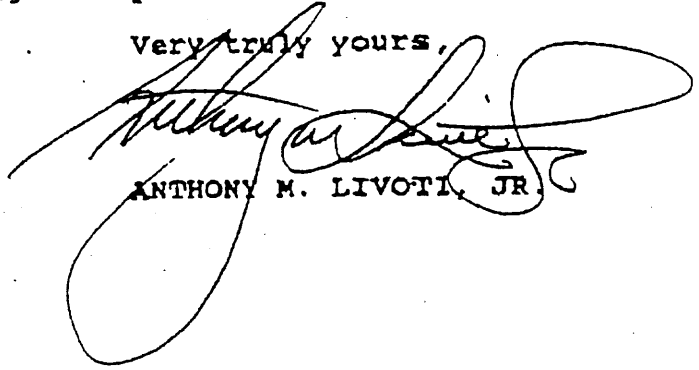
incur hereunder, including, without limitation, attorney fees, which may be imposed upon Trustee or incurred by Trustee in connection with the performance of Trustee's duties.

This agreement shall commence as of June 1, 1996.

In the event this letter does not reflect our understanding, please advise me immediately, otherwise, this letter will be considered as a binding contract between ourselves. Please sign a copy and return same to me.

Thank you for allowing me the opportunity to act as Trustee and I look forward to working with you.

Very truly yours,



ANTHONY M. LIVOTTI, JR.

AML:as

MUTUAL BENEFITS CORP.