

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO.: 04-60573-CIV-MORENO

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

MUTUAL BENEFITS CORP., et al.,

Defendants,

VIATICAL BENEFACTORS, LLC, et al.,

Relief Defendants.

**RECEVIER'S NOTICE OF INTENTION
TO DESTROY CERTAIN RECEIVERSHIP DOCUMENTS**

Roberto Martínez, Esq., as Court-appointed Receiver of Mutual Benefits Corp. ("MBC"); Viatical Benefactors, LLC; Viatical Services, Inc. ("VSI"); and Anthony Livoti, Jr. individually and Anthony Livoti, Jr. P.A., solely in their capacity as trustee, submits this filing to give the Court and all interested parties notice of the Receiver's intention to destroy certain Receivership documents that are not necessary for the continued limited activity of this Receivership beginning thirty (30) days after the filing of this Notice (*i.e.*, September 29, 2014).

Background

MBC has no ongoing operations at this point and no employees. The entity formerly known as VSI, which handled the servicing of the active insurance policies, has been sold through a Court-supervised process. It is now a privately-owned entity known as Litai Assets LLC (“Litai”) and continues to services the kept policies outside of the Receivership. The only remaining activity of the Receivership is to prepare for an anticipated third and final distribution of funds to the victim investors. Both Litai and the Receivership maintain an electronic database of information regarding all of MBC’s investors (past and present) that contains the information necessary to supervise any remaining questions about the prior distributions and to prepare for the third and final distribution.

The last of the criminal actions against MBC’s former principals has now concluded with the sentencing of Joel Steinger. As a result, the Receiver can see no reason to incur the continuing expense of storing MBC’s business records and other documents. Accordingly, in the absence of any bona fide objection to the destruction of the documents, the Receiver intends to begin their destruction thirty (30) days from the filing of this Notice.

The nature of the documents that will be destroyed are as follows:

MBC Business Records and Office Contents

When MBC was closed down and moved out of its premises, the contents (documents and other materials) of all of the offices and file cabinets were placed into boxes and labeled by the location from which they were taken. Due to the prohibitive cost, they were never digitally scanned or individually indexed. These documents and other materials fill over 1100 boxes and have been stored in one facility or another for nearly a decade now.

These documents are currently being stored in boxes in an off-site storage unit that is charging the Receivership a monthly storage fee. They were moved to the storage unit in late 2009. Since that time, no party to any civil, criminal or regulatory proceeding has asked to review any of the documents placed in storage. In light of the fact that the Receivership has no ongoing use for the documents, and that no interested party has expressed any interest in reviewing any of the documents in roughly 5 years, the Receiver submits that it makes sense to destroy the documents and eliminate the ongoing cost of maintaining them.

Investor Files & Insured Files

The Receivership also had a large volume (several large rolling racks) of “investor files” and “insured files” that were on the premises of Litai. The “investor files” are the hard-copy files that were maintained by MBC for each

of its investors. These files were also moved to a separate storage unit and have been in storage for approximately 2 years now. The digital databases maintained by Litai and the Receiver contain all of the information necessary to continue to supervise the distribution process, so the Receiver has no use for these hard copy files. Accordingly, the Receiver submits that it makes sense to destroy these documents and avoid the cost of maintaining them as well.

Conclusion

In sum, the Receiver sees no reason to continue to store this large volume of documents at this late date, particularly in light of the conclusion of the criminal actions. The Receiver intends to propose a third and final distribution to the victim investors with the funds that remain – along with certain funds that were obtained by the Government through criminal forfeiture proceedings. The funds being spent on storage costs are better used in going to the victims as restitution. Accordingly, the Receiver requests that any interested party with a bona fide reason for the continued preservation of any portion of the MBC records should make their reasons known to the Receiver promptly.

Respectfully Submitted,

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By: s/ Curtis Miner
CURTIS B. MINER
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CERTIFICATE OF ELECTRONIC FILING AND SERVICE

I HEREBY CERTIFY that, on August 29, 2014, I filed a true and correct copy of the foregoing document with the Clerk of the Court using the CM/ECF system, which will cause a Notice of Electronic Filing to be delivered by e-mail to all of record.

s/ Curtis B. Miner _____
Curtis B. Miner