



FILED

MAR 29 2005

**OFFICE OF
INSURANCE REGULATION**

Docketed by: _____

OFFICE OF INSURANCE REGULATION

**KEVIN M. McCARTY
COMMISSIONER**

IN THE MATTER OF:

CASE No.: 77358-04-CO

MUTUAL BENEFITS CORPORATION

CONSENT ORDER

THIS CAUSE came on for consideration as the result of an agreement between **MUTUAL BENEFITS CORPORATION** (hereinafter referred to as "MBC"), by and through its duly court-appointed Receiver, Roberto Martinez ("Receiver"), and the **OFFICE OF INSURANCE REGULATION** (hereinafter referred as the "OFFICE"). Following a review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the parties agree and the OFFICE hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter of, and parties to, this proceeding.
2. MBC was granted a license by the Department of Insurance (now the Office of Insurance Regulation) on May 13, 1997, to act as a viatical settlement provider pursuant to the provisions of Chapter 626, Part X, Florida Statutes.

3. The OFFICE conducted an examination of the business and affairs of MBC and thereafter issued, on May 3, 2004, an Emergency Cease and Desist Order suspending the license of MBC, effective immediately upon service of the order upon MBC.

4. The Securities Exchange Commission of the United States has instituted an action in United States District Court for the Southern District of Florida, Civil Action Number 04-60573 (hereinafter "the SEC Action"), and secured, on an *ex parte* basis, an Order Appointing Receiver dated May 4, 2004, which order granted the Receiver full and exclusive power, duty, and authority to administer and manage the business affairs, funds, assets, choses in action and any other property of MBC and several entities alleged to be related to it and to take whatever actions are necessary for the protection of investors.

5. The United States District Court for the Southern District of Florida (hereinafter "the Court"), has held further hearings, including an evidentiary hearing on the application of the SEC to enter a preliminary injunction against MBC. On November 10, 2004, Magistrate Garber recommended that the Motion for Preliminary Injunction be granted. On February 14, 2005, the Court adopted that recommendation.

6. Therefore, the OFFICE and MBC hereby agree and consent to the following terms and conditions:

- a. MBC agrees to withdraw its Motion for an Extension of time to file a Petition for Hearing related to the August 2, 2004 Administrative Complaint, filed by the OFFICE, seeking a final cease and desist order and a revocation order against MBC.

- b. MBC and the OFFICE agree that MBC's viatical provider license shall be revoked by issuance of this Consent Order.
- c. This Consent Order shall take effect immediately upon the execution of this Order.
- d. In the event that the Receivership in the SEC Action is dissolved and any restraining order issued by the U.S. District Court for the Southern District of Florida is modified to allow MBC to conduct its viatical settlement business or upon the Court issuing any other order allowing MBC to conduct its viatical settlement business, MBC would be free to apply for a license from the state of Florida.
- e. MBC, by and through the Receiver, agrees to immediately dismiss its appellate case, concerning the Emergency Cease and Desist Order, currently before the First District Court of Appeal, State of Florida, Case No. 1D04-2461. The Department agrees that dismissal of this appeal shall not prejudice the rights of MBC to apply for a license pursuant to subparagraph (d) above.

7. With respect to this Order, the OFFICE and MBC expressly waive a hearing, in this matter, and the making of Findings of Fact and Conclusions of Law by the OFFICE, and all further and other proceedings to which the parties may be entitled by law or rules of the OFFICE. MBC, by and through the Receiver, hereby knowingly and voluntarily waives all rights to challenge or to contest this Order, in any forum now available to it, including the right to any administrative proceeding, circuit or federal court action, or any appeal.

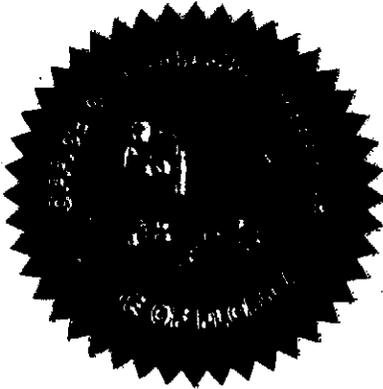
8. MBC agrees that the failure to adhere to one or more of the terms and conditions of this Order shall constitute a violation of a lawful order of the OFFICE, and shall subject MBC to such administrative action as the OFFICE may deem appropriate.

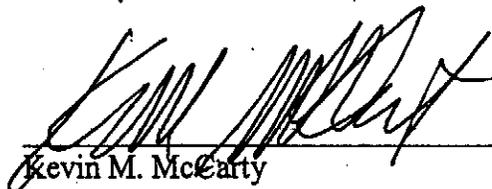
9. Each party to this action shall bear its own costs and attorney's fees.

THEREFORE, the agreement between MBC, by and through the Receiver, and the OFFICE, revoking MBC's license pursuant to the terms and conditions set forth above, is approved.

FURTHER, all terms and conditions above are hereby **ORDERED**.

DONE and ORDERED this 29th day of March, 2005





Kevin M. McCarty
COMMISSIONER
OFFICE OF INSURANCE REGULATION

By execution hereof, MUTUAL BENEFITS CORPORATION, by and through the Receiver, Roberto Martinez, consents to entry of this Consent Order, agree without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents, pursuant to Section 624.310, Florida Statutes, that he/she has the authority to bind MUTUAL BENEFITS CORPORATION to the terms and conditions of this Consent Order.

MUTUAL BENEFITS CORPORATION

By: *Roberto Martinez*
ROBERTO MARTÍNEZ
Print or Type Name

Title: RECEIVER FOR
MUTUAL BENEFITS COPORATION

Date: 3/17/05

In the state of Florida
In the County of Miami-Dade

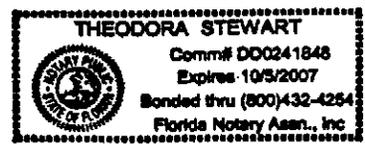
On this 17th day of March, 2005 before me, Roberto Martinez, personally appeared, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the person or the entity upon behalf which the person acted, executed the instrument.

Subscribed and sworn to before me this 17th day of March, 2005.

Signature *Theodora Stewart*
(Signature of Notary Public)

[NOTARIAL SEAL]

My commission Expires: 10/5/07



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