



were purchased prior to October 1, 2000 (the "Policies"); . . .

2. The Conservatorship Order gives the Conservator the direction and authority to:

- a. [T]ake custody, possession and control of the Conservatorship Assets as they are transferred to the Conservator;
- b. [M]anage all Conservatorship Assets pending further action by the Court including, but not limited to, the evaluation of the Policies, and to take necessary steps to protect the ABC Investors' interests including, but not limited to, the liquidation or sale of the Policies to institutional buyers and the assessment to ABC Investors of the future premium payments;
- c. Receive and collect any and all sums of money due or owing on the Policies to ABC or its agents;

\* \* \*

- e. Make such payments and disbursements as may be necessary and advisable for the preservation of the Conservatorship Assets and as may be necessary and advisable in discharging his duties as Conservator including, but not limited to, the timely payment of all premiums for Policies that have not yet matured;
- f. Monitor the viators of the Policies by tracking the location of the viators and periodically checking the health of the viators;
- g. Receive notice of the death of viators, file death claims on the viators, and collect the proceeds paid on the Policies as such mature;
- h. Disburse to each ABC Investor his proportionate share of the proceeds, after deducting premiums advanced, paid in matured Policies; . . .

\* \* \*

- m. Exercise those powers necessary to implement the Conservator's conclusions with regard to the disposition of the Conservatorship pursuant to the orders and directives of the Court.

3. Since being appointed, the Conservator has worked to effect the transfer of ownership

and beneficiary status on the Policies from ATCO to the Conservator, as directed by the Conservatorship Order.

4. During this process, the Conservator has discovered that approximately 63 viatical policies with a face value of \$6,987,477.00 (the "Irrevocable Policies") name certain ABC Investors as irrevocable beneficiaries of such policies (the "Irrevocable Beneficiary Investors"), instead of ATCO. The beneficiaries named on the Irrevocable Policies cannot be changed without the consent of the Irrevocable Beneficiary Investors. Further, although some insurance carriers have agreed to transfer the ownership (as opposed to the beneficiary) of certain Irrevocable Policies to the Conservator, other insurance carriers have refused to make such a transfer of ownership without the Irrevocable Beneficiary Investors' unanimous consent. A list of the Irrevocable Policies is attached hereto as Exhibit "A."

5. As the owner and beneficiary of the non-irrevocable policies the Conservator can manage and track the policies, collect and disburse policy maturities and recoup from the maturity proceeds funds advanced by the Conservatorship to pay premium shortfalls and expenses.

6. The Conservator cannot similarly manage the Irrevocable Policies, nor can he collect and disburse maturity proceeds or recoup premium advances from such policies, because proceeds from matured policies will be paid directly to the Irrevocable Beneficiary Investors. Further, if the Conservator does not own a particular Irrevocable Policy, he has no legal interest in it, and will not be able to track such policy. In such cases, the insurance company that issued the policy does not have any legal duty to disclose to the Conservator information regarding the policy, the status of premium payments, or other pertinent information.

7. As noted above, under the Conservatorship Order the Conservator was directed to

collect maturity proceeds on the Policies, and make disbursements to the investors after recouping funds advanced for the payment of premiums. Under the offer to purchase approved by the Court, the Conservator will be responsible for collecting maturity proceeds and transferring to the Court approved buyer its share of those proceeds.

8. Since the Irrevocable Policy maturities will be paid directly to the Irrevocable Beneficiary Investors by the insurance company, the Conservator will be unable to recoup advances, or control the distribution of the maturity proceeds on the Irrevocable Policies to the ABC Investors and the Court approved buyer. Further, since the buyer will not be able to share in the proceeds on the Irrevocable Policies, it will not agree to pay premiums on these policies.

9. The funds currently held by the Conservator are limited and the Conservator cannot continue to pay premium shortfalls and incur Conservatorship expenses on the Irrevocable Policies without being able to obtain reimbursement from maturity proceeds. Further, it would be inequitable to allow the ABC Investors matched to non-irrevocable policies to have advances withheld from maturities by the Conservator, while no such withholding can be made from the maturities on the Irrevocable Policies.

10. The offer to purchase recently approved by the Court contemplates that once the entire sale price on the viatical portfolio is paid by the buyer, title to the remaining Policies will be transferred to the buyer by the Conservator.

11. Because the Conservator cannot transfer the ownership and beneficiary status on the Irrevocable Policies to the buyer, the Irrevocable Policies are effectively excluded from the sale. In order for the Conservator to obtain the power to control the ownership and beneficiary status of an Irrevocable Policy, thus allowing the Irrevocable Policy to be included in the sale, the Irrevocable

Beneficiary Investors of each particular Irrevocable Policy would have to unanimously consent to assignment of ownership and beneficiary status to the Conservator. Anything less than unanimous consent from the Irrevocable Beneficiary Investors on a specific policy would prevent the Irrevocable Policy from being assigned to the Conservator, and, as such would need to be excluded from the sale.

12. The Conservator believes that there are only two viable options for the Conservatorship's handling of the Irrevocable Policies:

- a. The Irrevocable Beneficiary Investors of each Irrevocable Policy could unanimously consent to assign the beneficiary and ownership status to the Conservator so that the Irrevocable Policy could be included in the sale of Conservatorship Assets; or
- b. Those Irrevocable Policies whose Irrevocable Beneficiary Investors fail to unanimously consent to assign their beneficiary and ownership status to the Conservator could be abandoned by the Court and the Irrevocable Beneficiary Investors of such policy could assume the management of the Irrevocable Policy and pay any future premiums due.

13. The Conservator proposes that the Irrevocable Beneficiary Investors named on each Irrevocable Policy be provided with notice, sent by certified mail, return receipt requested, detailing the options regarding the handling of the respective Irrevocable Policies. Such notice would include information regarding the other Irrevocable Beneficiary Investors named on the respective policy, the insurance company that issued the policy, the premiums payable under the policy and premium due dates, and the original diagnosis for the viator.<sup>1</sup> A copy of the proposed Notice to Irrevocable Beneficiary Investors is attached hereto as Exhibit "B."

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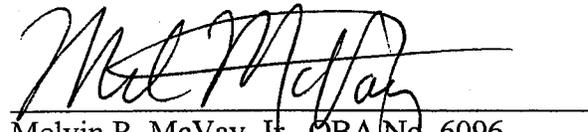
<sup>1</sup> No reliable current information is available relating to the medical condition of the viators.

14. The Conservator further proposes that the Irrevocable Beneficiary Investors be provided with an Irrevocable Beneficiary Investor Consent Form, a Change of Beneficiary Form, and a stamped, self-addressed return envelope to allow the Irrevocable Beneficiary Investors to consent to or reject the assignment of the ownership and/or beneficiary status of the Irrevocable Policies to the Conservator. A copy of the proposed Irrevocable Beneficiary Investor Consent Form is attached hereto as Exhibit "C."

15. The proposed Irrevocable Beneficiary Investor Consent Form would contain a notice to the Irrevocable Beneficiary Investors that unless consent to the assignment of the beneficiary and ownership status to the Conservator is unanimous with regard to that specific Irrevocable Policy, the Court will abandon the Irrevocable Policy to the Irrevocable Beneficiary Investors named therein.

WHEREFORE, Conservator Tom Moran respectfully asks the Court to issue to him instructions regarding the handling of Irrevocable Policies which are part of the Conservatorship Assets.

Respectfully submitted,



Melvin R. McVay, Jr., OBA No. 6096

Thomas P. Manning, OBA No. 16117

PHILLIPS McFALL McCAFFREY

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Oklahoma City, Oklahoma 73102

Telephone: (405) 235-4100

Facsimile: (405) 235-4133

ATTORNEYS FOR CONSERVATOR,

TOM MORAN

**CERTIFICATE OF MAILING**

The undersigned certifies that on the 18<sup>th</sup> day of February, 2003, a true and correct copy of the foregoing Application was sent postage prepaid by first-class mail, to:

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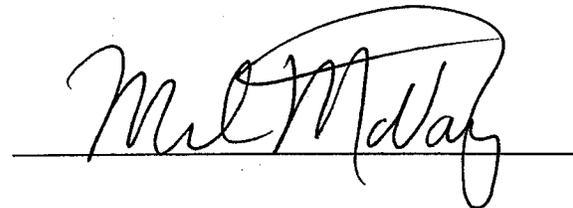
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Attorney for Infinity Capital Services, Inc.



Viator ID#	Total Number of Investors	Viator Last Name	Face Amount	Insurance Company	Policy #	Premium Mode	Annual Premium	Original Diagnosis
60	2	Dobbins	\$25,000.00	Slate Farm Life	LF12899323	Annual	\$ 316.50	AIDS
62	9	Morris	\$95,500.00	New York Life	41-639-013	Annual	\$ 1,225.44	AIDS, HODGKINS, HIV
63	5	Christian	\$48,000.00	Occidental Life Of NC	220770423M	Annual	\$ 1,118.04	AIDS
64	5	Arnold	\$57,000.00	Reliance Standard Life	RA0818310A	Annual	\$ 498.88	AIDS
67	25	Wynkoop	\$318,000.00	Prudential Life Insurance	67022189	Annual	\$ 4,959.48	AIDS
68	14	Bach	\$50,000.00	Lincoln Benefit Life	U0125764	Annual	\$ 550.00	AIDS
71	4	Hernandez	\$50,000.00	Allianz Life Insurance Co. of North America	10014935.41	Annual	\$ 753.00	AIDS
72	4	Hernandez	\$50,000.00	Citicorp/Allianz	T90-0193052	Annual	\$ 798.60	AIDS
77	26	Graham	\$214,000.00	Principal life Insurance Co.	4288624 2	Annual	\$ 2,724.92	AIDS
79	5	Hart	\$50,000.00	Bankers Security	VLB040286	Annual	\$ 964.00	AIDS
80	8	Hart	\$64,000.00	Protective Life	RI0000033A	Annual	\$ 1,312.76	AIDS
100	5	DiTore	\$49,000.00	Northwestern National Life	GL17982-5	Annual	\$ 510.92	AIDS
109	12	Chrisco	\$150,000.00	Connecticut General Life	511938	Annual	\$ 933.00	AIDS
113	8	Rand	\$50,000.00	Citicorp/Allianz	PCA301-0110019468	Annual	\$ 1,664.52	HIV

tabbles  
**EXHIBIT**  
**A**

115	11	Marrs	\$150,000.00	Primerica life Insurance		421431432	Annual	\$ 221.00	HIV
122	19	McKenzie	\$200,000.00	MetLife Insurance		937011096A	Annual	\$ 3,521.60	AIDS
124	15	Pugh	\$72,000.00	New York Life Insurance Co.		38211092	Annual	\$ 1,065.52	AIDS
127	49	Hess	\$400,000.00	Continental Assurance Insurance Companies		3263953	Annual	\$ 1,584.00	AIDS
128	8	Hess	\$100,000.00	Primerica Life		410545195	Annual	\$ 1,730.80	AIDS
129	9	Samaniego	\$37,482.00	Paragon Life Insurance		1409522	Annual	\$ 208.00	AIDS
134	12	Lipsih	\$100,000.00	New York Life Insurance		37487615	Annual		AIDS
137	7	Roberts	\$50,000.00	Southern Farm Bureau		1421875	Annual	\$ 481.75	AIDS,HIV
139	5	Freeman	\$38,554.00	Texas Life Insurance Co.		UL0724734	Annual	\$ 416.00	AIDS
144	8	Chase	\$25,000.00	Franklin Life Insurance Co.		5208151	Annual	\$ 238.50	AIDS
148	1	Roberts	\$25,000.00	Southern Farm Bureau		1641799	Annual	\$ 257.50	AIDS,HIV
157	5	Rickman	\$65,000.00	Cigna		GL13957	Annual		AIDS
158	13	Embler	\$50,000.00	Equitable Variable Life		37-605-209	Annual	\$ 670.59	AIDS
161	2	Dean	\$25,000.00	Prudential Insurance Co.		61396786	Annual		AIDS
164	4	Quinn	\$50,000.00	Hartford life and accident Ins. Co.		9599-001	Annual		AIDS
186	13	Hanna	\$100,000.00	United Services Life Insurance		1L01541130	Annual	\$ 254.00	AIDS

193	64	Akin	\$2,000,000.00	Prudential Life Insurance Co.	61018766	Annual	\$ 102,031.80	DEMINTH-IN NURSING HOME
200	4	Davis	\$30,000.00	Mutual of Omaha	5958474	Annual	\$ 528.92	HIV
205	12	Sprague	\$70,000.00	Universal Guaranty	HAIC153406	Annual		AIDS
221	6	Harvey	\$50,000.00	Allstate Life Insurance Company	792001744	Annual	\$ 128.50	AIDS
239	3	Quinn	\$40,000.00	Central Security Life	CJ0031422	Annual	\$ 517.50	AIDS
242	5	Sabatino	\$25,000.00	United Services/ReliaStar	00672623-5	Annual	\$ 325.00	AIDS
283	1	Gunnels	\$20,000.00	Life Insurance Co. of Virginia	2360594	Annual	\$ 779.04	CONGESTIV E HEART FAILURE
317	7	Robinson	\$75,000.00	Jackson National Life	22827840	Annual	\$ 816.12	AIDS
321	7	Robinson	\$75,000.00	Allianz Life Insurance	3229420	Annual	\$ 797.96	AIDS
324	12	Morris	\$80,000.00	Cigna	M101960	Annual	\$ 83.40	HIV
325	15	DeLao	\$100,000.00	MetLife	904-808274PR	Annual	\$ 498.00	HIV/AIDS
338	18	Lee	\$40,400.00	Cigna	7057963/24777 G	Annual	\$ 2,217.27	PROSTATE CANCER. METASTATIC DISEASE
359	1	Quinn	\$200,000.00	Life Investors Insurance Co.	JXP3686536	Annual	\$ 1,848.00	AIDS

375	12	Lyman	\$128,000.00	Prudential Insurance Co.	97000	Annual			AIDS/HIV
380	10	Leone	\$90,000.00	Jackson National Life	23171300	Annual	\$ 983.52		AIDS
390	1	Grainger	\$90,000.00	Life Insurance Co. of Virginia	T02611143	Annual	\$ 750.00		HEART, LIVER DISEASE, HEPATITIS
398	1	Brown	\$25,000.00	Columbia Universal Life Ins. Co.	492210	Annual	\$ 437.50		AIDS
507	1	Hanley	\$52,000.00	Northwestern National Life	0091277-8	Annual	\$ 1,131.72		AIDS
546	1	Oneto	\$100,000.00	American Centurion Life	842- LXP3515013	Annual	\$ 996.00		AIDS
597	1	Smith	\$88,698.00	Sunset Life Insurance	U0057002	Annual	\$ 5,355.84		AIDS
602	1	Gaston	\$60,000.00	New York Life Insurance Co.	G-16314	Annual	\$ 136.80		AIDS
618	1	Simpson	\$25,000.00	Capital Security	U00303417	Annual	\$ 360.00		AIDS
624	1	McFarland	\$100,000.00	John Hancock	FV003166214	Annual	\$ 921.00		AIDS
675	1	Hemby	\$28,987.00	Great Southern Life	159 29 99	Annual	\$ 120.00		AIDS
705	6	Scutt	\$150,000.00	Lincoln National	10-4243424	Annual	\$ 1,431.50		AIDS
742	5	George	\$45,000.00	Lincoln National	6100765800	Annual	\$ 234.00		AIDS

763	4	Moore	\$50,000.00	Commonwealth Life Insurance Co.	X03740671	Annual	\$ 104.00	AIDS
767	9	Stone	\$100,000.00	Security Connecticut Life	342364W	Annual	\$ 858.00	CORONARY ARTERY DISEASE
845	5	Bradford	\$57,800.00	Primerica Life Ins. Co.	4101339.22	Annual	\$ 193.52	HIV
890	5	Chevrette	\$25,000.00	State Life Insurance Co.	874155	Annual	\$ 322.00	AIDS
934	1	Butler	\$33,335.00	Colonial Life & Accident Insurance Co.	6009763360	Annual	\$ 156.00	AIDS
988	2	Jess	\$100,000.00	Life Investors Life Insurance Co.	PXL3734713	Annual	\$ 996.00	AIDS
5662	4	Dewberry	\$75,000.00	Stonebridge	25184	Annual	\$ 156.75	AIDS

Total \$6,987,756.00

## NOTICE TO IRREVOCABLE BENEFICIARY INVESTORS

**\*\*\* Please Read \*\*\***

### General Information to Irrevocable Beneficiary Investors

**Background.** You are one of approximately 5,400 persons (the "Investors") who signed Purchase Agreements pursuant to which Accelerated Benefits Corporation ("ABC") promised to pay you a specified amount upon maturity of one or more life insurance policies (the "Viaticals"). Although most of the Viaticals marketed to investors named ABC or its agent, American Title Company of Orlando ("ATCO") as the policy beneficiary, approximately 85 Viaticals exist in which certain Investors, including you, were named as irrevocable beneficiaries. The Conservator's records indicate that the Viatical in which you are listed as an investor ("Your Viatical Policy") names you and other Investors as the irrevocable beneficiaries of that particular policy.

As you may be aware, in marketing the Viaticals ABC made certain representations regarding the viators' estimated life expectancies and ABC's intention to escrow funds adequate to pay all premiums necessary to keep the Viaticals in force. However, because many of the viators have outlived ABC's estimate of their life expectancies, the funds that ABC escrowed have proven to be insufficient to continue to pay the Viatical premiums. Consequently, you and the other Investors have previously been asked to pay these premiums to prevent the Viaticals from lapsing. Many Investors have been unwilling or unable to pay their share of the premiums, leaving a shortfall. The resources held by the Conservator to pay these shortfalls are quickly being exhausted. If the premiums are not paid the Viaticals will lapse and you will lose your entire investment.

According to an independent actuarial report obtained by the Conservator, approximately 12% of the Viaticals will be unmaturing at the end of twenty years. This means that a significant possibility exists that you will need to continue paying premiums on Your Viatical Policy for more than twenty years in order to collect the maturity proceeds.

**The Conservatorship.** On February 7, 2002, the District Court of Oklahoma County, Oklahoma (the "District Court") entered an Order Appointing Conservator and Transferring Assets (the "Conservatorship Order") in Case No. CJ-99-2500-66. The Conservatorship Order directed ABC to transfer beneficial ownership of the Viaticals to a limited liability company (HTM Conservator, L.L.C.) formed by the Conservator. A copy of the Conservatorship Order was mailed to you on or about March 6, 2002, and is posted on the Oklahoma Department of Securities' website which can be found at:

[www.securities.state.ok.us/Enforcement/ABC/ABC\\_Conservator.htm](http://www.securities.state.ok.us/Enforcement/ABC/ABC_Conservator.htm)

The Conservatorship Order directs the Conservator to take all steps necessary to protect the Investors' interests, including paying policy premiums. However, the Conservator has determined that the Conservatorship Assets are insufficient to continue to pay the Viatical premium shortfalls for more than approximately four (4) to six (6) months.



**Your Investment.** You are named as an irrevocable beneficiary of a life settlement policy included in the Conservatorship assets. As you have previously been informed, the Conservator filed a Motion for Order Approving Sale of Conservatorship Assets which was granted by the Court on December 23, 2002. The Court has directed the Conservator to send to you and the other named irrevocable beneficiaries this Notice to Irrevocable Beneficiary Investor (the "Notice") and the enclosed Irrevocable Beneficiary Investor Consent Form ("Consent Form"). The purpose of the Notice and Consent Form is to explain to you the effect of the Court's Order Approving Sale of Conservatorship Assets on Your Viatical Policy and to allow you to consent to or reject the assignment of your beneficiary and/or ownership status to the Conservator.

Your Viatical Policy cannot be included in the Court-approved sale of the Viaticals because the Conservator does not hold a transferable interest in Your Viatical Policy. Under the Court-approved sale the buyer has agreed to pay all premiums necessary to keep the Viatical Policies in force in exchange for the right to receive a percentage share of the maturity proceeds until the total purchase price has been paid. In order to have Your Viatical Policy included in the Court-approved sale, you and all other irrevocable beneficiaries must consent to transfer of your beneficiary and/or ownership status to the Conservator. Neither you, nor the other irrevocable beneficiaries, are in any way obligated to consent to the assignment. **However, it is important that you understand that if you, or any other irrevocable beneficiary on Your Viatical Policy, refuses to consent to the assignment, the Court will order Your Viatical Policy abandoned to you and the other irrevocable beneficiaries. It will then be your responsibility to manage Your Viatical Policy and pay premiums when due, along with the other irrevocable beneficiaries, to prevent any lapse of Your Viatical Policy.**

Because you and other investors are named as irrevocable beneficiaries of Your Viatical Policy, the Conservator has no legal right to collect or distribute the maturity proceeds from Your Viatical Policy. Accordingly, the Conservator cannot continue to pay the premiums on or track the status of Your Viatical Policy because the Conservatorship does not have sufficient assets and cannot recoup advanced premiums from the proceeds of Your Viatical Policy.

Based on this situation, the Court has directed the Conservator to explain to you the following options regarding Your Viatical Policy.

### **Your Policy**

The Conservator's records show that \_\_\_\_\_ investors are named as irrevocable beneficiaries on Your Viatical Policy, policy no. \_\_\_\_\_ for viator no. \_\_\_\_\_. Attached to this Notice is a list of the investors named as irrevocable beneficiaries of your Viatical Policy, along with their contact information. \_\_\_\_\_ (Insurance Co.) issued Your Viatical Policy. The estimated total premiums for Your Viatical Policy are \$ \_\_\_\_\_ payable on a \_\_\_\_\_ basis. The next premium due date on Your Viatical Policy is \_\_\_\_\_. The original diagnosis for viator no. \_\_\_\_\_ was \_\_\_\_\_.

## Your Options

The Conservator believes there are only two viable options for the continued handling of Your Viatical Policy. These options are outlined below.

First, you and the other investors named as irrevocable beneficiaries of Your Viatical Policy may unanimously consent to assign your irrevocable beneficiary rights to the Conservator. If the irrevocable beneficiaries of Your Viatical Policy unanimously elect this option, Your Viatical Policy would be included in the Court-approved sale and the maturity proceeds of Your Viatical Policy and all the other Viaticals in the portfolio would thereafter be pooled. You and each of the investors claiming an interest in the proceeds of the Viaticals would receive a pro rata share of the proceeds from the sale. The distribution of the sale proceeds from the pooled policy maturities was explained in the Motion for Order Approving Sale of Conservatorship Assets and Notice to Investors that you previously received and is also outlined below.

Second, you or any other investor named as an irrevocable beneficiary of Your Viatical Policy may refuse to assign your irrevocable beneficiary rights to the Conservator. In this case the Conservator will abandon Your Viatical Policy to you and the other investors named as irrevocable beneficiaries, and the Court and the Conservator will relinquish to you all responsibility for collecting and paying premiums, tracking the viator and the policy, and collecting and disbursing maturity proceeds from the insurance company.

These options are explained in more detail below.

### *A. Including Your Viatical Policy in the Court-Approved Sale.*

Should you and all of the other investors named as irrevocable beneficiaries of Your Viatical Policy consent to assign the beneficiary status to the Conservator, Your Viatical Policy will be included in the Court-approved sale of the Conservatorship Assets. Thereafter, the proceeds payable at the maturity of Your Viatical Policy would be pooled with the maturities of all of the other Viaticals being sold and you would receive a pro rata distribution as discussed below.

Under this option, the Court-approved buyer would pay all policy premiums and tracking expenses for the Viaticals in the portfolio purchased. The purchase price from the Court-approved sale will be paid semi-annually from the pooled proceeds of any policies which mature during the period to Investors on a pro-rata basis. Because Your Viatical Policy would be part of the portfolio, once the sale is consummated you would be entitled to begin receiving a share of the semi-annual distributions, rather than having to wait for the death of the viator named in Your Viatical Policy.

To calculate your percentage share of any proceeds, divide the dollar amount you invested by the total amount invested by all Investors. For example, if your investment was \$50,000, you would compute your percentage as follows:  $\$50,000 \div \$107,514,742 = .00046052$ . (NOTE \*\* The total amount invested by all investor may vary depending upon the amount of

irrevocable policies included in the sale). You would then receive that percentage of any proceeds paid to the investors (i.e., If \$5,000,000 in maturities is paid to investors during a specific year, you would receive \$2,325.26 during that year, with the process being repeated for each subsequent year until the entire purchase price has been paid to the investors). The total purchase price is estimated to be \$59,000,000, but may be less depending on whether viatical policies with irrevocable beneficiaries are included, as well as other possible adjustments.

**B. *Abandonment of Your Viatical Policy.***

Unless you and **all** other investors named as irrevocable beneficiaries on Your Viatical Policy unanimously agree to assign your beneficiary status to the Conservator, the Court will order the abandonment of Your Viatical Policy held by the Conservatorship. Should this occur you and the other investors named as irrevocable beneficiaries on Your Viatical Policy will be responsible for contacting each other to coordinate the collection and payment of premiums, tracking the viator and the policy, and collecting maturity proceeds from the insurance company.

**Irrevocable Beneficiary Investor Consent Form**

Because the Court cannot sell Your Viatical Policy without the consent of you and the other investors named as the irrevocable beneficiaries of Your Viatical Policy, the Court has directed the Conservator to either obtain the consent from the irrevocable beneficiaries to assign their beneficiary status to the Conservator or to abandon the Viatical Policies. Accordingly, the Conservator encourages you to review this Notice and carefully consider your options.

Should you elect to have Your Viatical Policy abandoned by the Conservator, you and the other investors named as irrevocable beneficiaries on Your Viatical Policy will become totally responsible for collection and payment of premiums as they become due, tracking the viator and the policy, and collecting and distributing any maturity proceeds from the insurance company. **The failure of you and your fellow investors to timely pay premiums directly to the insurance company could result in the lapse of Your Viatical Policy and the total loss of your investment.**

**The Conservator cannot advise you regarding your decision to accept or reject this assignment.** You may wish to consult with your personal legal counsel or advisor before completing and returning the enclosed *Irrevocable Beneficiary Investor Consent Form*. The *Irrevocable Beneficiary Investor Consent Form* should be returned no later than \_\_\_\_\_, 2003. For your convenience, a self-addressed, stamped envelope is also enclosed.

**\*\*\* Important Please Note\*\*\***

**Failure to return the *Irrevocable Beneficiary Investor Consent Form* will result in Your Viatical Policy being abandoned by the Conservator to you and the other investors named as irrevocable beneficiaries on Your Viatical Policy.**

**IRREVOCABLE BENEFICIARY INVESTOR CONSENT FORM**

PLEASE PLACE **YOUR INITIALS** IN THE SPACE NEXT TO YOUR CHOICE. PLEASE CHOOSE ONLY ONE OPTION.

\_\_\_\_\_ I **consent** to assign my irrevocable beneficiary and/or ownership status in the Policy indicated below to Tom Moran, Conservator of Certain Assets of Accelerated Benefits Corporation (the "Conservator"). I authorize the insurance company listed below to assign my beneficiary and/or ownership status in the Policy to HTM Conservator, L.L.C. I have also completed the assignment of beneficiary form provided with this notice. I understand that to the extent all of the investors named as irrevocable beneficiaries of the Policy also consent to assign their beneficiary and/or ownership status to the Conservator, the Policy will become part of the Viatical portfolio subject to the Court-approved sale.

\_\_\_\_\_ I **reject** the assignment of my irrevocable beneficiary and/or ownership status in the Policy. I have read the Notice to Irrevocable Beneficiary Investors and understand that by rejecting the assignment of my irrevocable beneficiary and/or ownership status to the Conservator the Court will order the Policy abandoned to the Irrevocable Beneficiary Investors. **I understand that if the court orders the policy abandoned I will be responsible along with the other irrevocable beneficiaries on the policy for paying all premiums for the life of the policy directly to the insurance company, as well as tracking the policy and applying for any death benefits. I further understand that should I, or any other irrevocable beneficiary on the policy, fail to timely pay any premiums due that the policy may lapse and I may lose my entire investment.**

*After making your selection by initialing one of the options above, please sign, print your name and date where indicated below.*

I have read the Notice to Irrevocable Beneficiary Investors and I have rejected or authorized the assignment of my irrevocable beneficiary and/or ownership status in Policy No. \_\_\_\_\_, Insured: \_\_\_\_\_ (the "Policy"), to the Conservator, as indicated by my initials above.

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Irrevocable Beneficiary Investor

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
Phone Number

*After completing, please place the Irrevocable Beneficiary Investor Consent Form and Assignment of Beneficiary Form, if applicable, in the pre-addressed, stamped envelope provided and mail it to the Conservator on or before \_\_\_\_\_, 2003. Inquiries or comments may also be addressed to the following:*

Tom Moran, Conservator of Certain Assets of Accelerated Benefits Corporation,  
P.O. Box 14541  
Oklahoma City, Oklahoma 73113  
(405) 753-9100

**FAILURE TO COMPLETE AND RETURN THIS FORM WILL BE DEEMED A REJECTION OF ASSIGNMENT AND THE COURT WILL ORDER THE POLICY ABANDONED TO THE IRREVOCABLE BENEFICIARIES.**

