

STATE OF OKLAHOMA
DEPARTMENT OF SECURITIES
FIRST NATIONAL CENTER, SUITE 860
120 NORTH ROBINSON
OKLAHOMA CITY, OKLAHOMA 73102



In the Matter of:

Viatical Capital, Inc., and

Premiere Investment Capital, Inc.
d/b/a The Life Settlement Network,

Respondents.

File No. ODS 03-010

ORDER TO CEASE AND DESIST

On July 29, 2003, a recommendation to issue an order to cease and desist (Recommendation) against Viatical Capital, Inc. and Premiere Investment Capital, Inc. d/b/a The Life Settlement Network, was filed with the Administrator (Administrator) of the Oklahoma Department of Securities (Department). The issuance of such order is authorized by subsection (a) of Section 406 of the Oklahoma Securities Act (Act), Okla. Stat. tit. 71, §§ 1-413, 501, 701-703 (2001 and Supp. 2002).

On July 30, 2003, the Administrator of the Department issued a Notice of Opportunity for Hearing with the Recommendation attached (Notice). Pursuant to Section 413 of the Act, the Notice was served on the Administrator of the Department on July 30, 2003, and mailed to the last known addresses of Respondents, by certified mail, return receipt requested, and delivery restricted. On August 1, 2003, service was effected on Respondents.

The Notice specified that failure to request a hearing within fifteen (15) days of service will result in the issuance of an order to cease and desist. No request for hearing or any other response has been received by the Administrator within the time limits specified in the Notice.

The Administrator, being fully advised in the premises, hereby finds that this action is necessary and appropriate in the public interest and sets forth the following Findings of Fact and Conclusions of Law in support thereof.

Findings of Fact

1. At all times material hereto, Viatical Capital, Inc. (VCI), was described as having a business address of 1605 Main Street, Suite 1109, Sarasota, Florida. VCI

purported to be a Florida corporation that issued, offered and sold viatical investment contracts.

2. At all times material hereto, Premiere Investment Capital, Inc. d/b/a The Life Settlement Network (PIC), was described as having a business address of 1605 Main Street, Suite 1109, Sarasota, Florida. PIC purported to be a Florida corporation that issued, offered and sold viatical investment contracts.

3. During and after 1997, VCI and PIC (collectively the "Respondents") offered and sold membership interests in and/or from the state of Oklahoma in various limited liability companies including, but not limited to: Viatical Funding L.L.C.-I; Viatical Funding L.L.C.-G-VI; Viatical Funding L.L.C.-G-XIV; Viatical Funding L.L.C.-G-XVI; Viatical Funding L.L.C.-G-XVIII; Viatical Funding L.L.C.-G-XX; Viatical Funding L.L.C.-GI-IX; Viatical Funding L.L.C.-IN-III; Viatical Funding L.L.C.-IN-VII; Viatical Funding L.L.C.-IN-VIII; Viatical Funding L.L.C.-IN-X; Viatical Funding L.L.C.-IN-XII; Life Investment Funding Enterprise L.L.C.-HY-19; and Life Investment Funding Enterprises L.L.C.-IN-17 (Membership Interests). Respondents represented that the investment in the Membership Interests would be secured by life insurance policies that insured the lives of terminally ill or elderly persons.

4. All of the limited liability companies set forth in Paragraph 3 were organized and established by Respondents under Nevada law.

5. The Membership Interests were not registered pursuant to Section 301 of the Act and no claim of an exemption from the registration provisions of the Act was filed with the Administrator pursuant to Section 401 of the Act.

6. Respondents sold Membership Interests through an agent who was not registered pursuant to Section 201 of the Act.

7. Respondents distributed written materials to investors that represented the rate of return on the Membership Interests would be 11%, even though the nature of the Membership Interests are such that the rate of return could vary depending on the performance of the viatical policies held by each limited liability company. Investors have not received such rate of return.

8. Respondents distributed written materials to investors that represented the investments in the Membership Interests to be safe and secure.

9. The promotional literature used by Respondents in connection with the offer and sale of the Membership Interests was not filed with the Department prior to use in accordance with Section 402 of the Act.

10. Respondents omitted to state material facts necessary in order to make the statements made in light of the circumstances under which they were made not

misleading to Investors in connection with the offer, sale and purchase of the Membership Interests including, but not limited to, the following:

- a. that the Membership Interests are securities;
- b. that the Membership Interests were not registered under the Act nor were they exempt from registration;
- c. that VCI employed agents who were not registered under the Act;
- d. that there was substantial risk to principal in the Membership Interests; and
- e. that the actual rate of return on the Membership Interests would depend on the insured dying within the estimated life expectancy range.

11. Based upon the foregoing, it is in the public interest to issue an order to cease and desist against Respondents.

Conclusions of Law

1. The Membership Interests offered and sold by Respondents are securities as defined in Section 2 of the Act.

2. Respondents offered and sold unregistered securities in and/or from the state of Oklahoma, in violation of Section 301 of the Act.

3. Respondents employed agents to transact business in the state of Oklahoma who were not registered under the Act, in violation of Section 201 of the Act.

4. Respondents made untrue statements of material fact and omitted to state material facts in connection with the offer and/or sale of securities in and/or from the state of Oklahoma, in violation of Section 101 of the Act.

5. Respondents used sales literature in connection with the offer and sale of securities in and/or from the state of Oklahoma without filing such sales literature with the Department and without receiving an indication from the Administrator that he had no objection to its distribution or use, in violation of Section 402 of the Act.

6. The Administrator has the authority under Section 406 of the Act to order Respondents to cease and desist from engaging in violations of the Act.

7. It is in the public interest to order Respondents to cease and desist from engaging in violations of the Act.

ORDER

IT IS HEREBY ORDERED that Respondents cease and desist from engaging in violations of Sections 101, 201, 301 and 402 of the Act and from doing any act in furtherance thereof.

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this 12th day of September, 2003.

(SEAL)



IRVING L. FAUGHT, ADMINISTRATOR OF
THE OKLAHOMA DEPARTMENT OF SECURITIES

CERTIFICATE OF MAILING

The undersigned hereby certifies that on the 15th day of September, 2003, a true and correct copy of the above and foregoing Order to Cease and Desist was mailed by certified mail, return receipt requested, with postage prepaid thereon addressed to:

Viatical Capital, Inc.
1605 Main Street
Suite 1109
Sarasota, FL 34210

Premiere Investment Capital, Inc.
d/b/a The Life Settlement Network
1605 Main Street
Suite 1109
Sarasota, FL 34210


Brenda London Smith
Brenda London Smith
Paralegal