

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA  
Miami Division

CASE NO. 04-60573-CIV-MORENO/STRAUSS

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

MUTUAL BENEFITS CORP., *et al*,

Defendants.

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**TRUSTEE’S JUNE 2022 STATUS REPORT REGARDING WIND DOWN**

Barry Mukamal, as Trustee (“Trustee”) of the Mutual Benefits Keep Policy Trust (“Trust”), submits this Status Report in accordance with the Court’s *Report and Recommendation on Motion by Acheron Capital, Ltd. for Order Directing (A) the Wind Down and End of the Mutual Benefits Keep Policy Trust and (B) Disbursement of Certain Assets to the Non-Acheron Related Investors in Keep Policies (“Acheron’s Wind Down Motion”) (DE 2593) and on Trustee’s Amended Motion to Authorize the Initiation of Trust Wind Down and Termination (“Trustee’s Amended Wind Down Motion”) (DE 2640) [D.E. 2723]*, and the Court’s *Order Adopting Magistrate Judge’s Report and Recommendation and Denying Acheron’s Wind Down Motion and Granting the Trustee’s Amended Motion to Authorize Initiation of Trust Wind Down and Termination [D.E. 2825]* (collectively, the “Wind Down Order”).

Attached hereto as Exhibit “A” is an updated report of the information provided to the Court in accordance with the Wind Down Order since the Trustee’s last Status Report was filed

on May 16, 2022 [D.E. 3136].<sup>1</sup> In addition, as directed by the Court in its *Order of Instructions for November 19, 2021 Status Conference* [D.E. 3010], the report also includes as Exhibit “B” historical information for categories 3a-3f of the report from June 2020 through the month of the report.

### **Progress on Wind Down Steps**

The Trustee advises of the following steps taken in furtherance of the wind down of the Trust since the last Status Report:

- On May 26, 2022, the Trustee filed a Notice of Selection of Stalking Horse Bids [D.E. 3140], reporting on his selection of “stalking horse” bids for “Tranche A” and “Tranche A-1” of the Trust policies to be sold at auction. The amount of the bid for “Tranche A” is \$16,500,000, and the amount of the bid for “Tranche A-1” IS \$10,500,000. The Notice also reported the Trustee’s determination to not select a “stalking horse” bid for “Tranche B” based on his determination that the “stalking horse” offers received were not appropriate in relation to the anticipated value of the “Tranche B,” policies, and that the Trustee intends to proceed with an open auction for “Tranche B,” subject to a potential minimum “floor” for bidding.
- The Court has issued a Report and Recommendation [D.E. 3130] to approve, with minor modifications, the Trustee’s *Motion to Approve Procedures for Sale of Policies in Connection with Trust Termination* (“Sale Procedures Motion”) [D.E. 3065]. Objections were filed by two parties – Acheron Capital, Ltd. and Jonathan Majers – [D.E. 3132, 3133] and the Trustee on May 9, 2022 filed his response to the objections [D.E. 3135]. The objections have been fully briefed and await ruling from the Court.

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<sup>1</sup> A corrected report was filed May 17, 2022 [D.E. 3137].

- The Trustee, in consultation with his advisors, has determined that the solicitation of competing bids, including the reopening of the “data room” and scheduling of a date for the auction, should await the entry of an Order on the objections to the Report and Recommendation on the Sale Procedures Motion. It will be substantially more challenging to foster serious consideration and participation by prospective bidders without the certainty of a court Order approving the Sale Procedures Motion, and will likely depress active participation and the value to be realized. Accordingly, the schedule and timing of the auction will be announced once there is a ruling on the objections to the Report and Recommendation.
- Such certainty is a concern for the Trustee because of ongoing efforts by Acheron Capital to disrupt the auction process. For instance, Acheron Capital has asserted in recent filings that it intends to appeal and seek a stay of any order approving the Sale Procedures Motion—even though the Eleventh Circuit Court of Appeals has already made clear that an appeal will only lie from an order actually approving a sale.<sup>2</sup> Acheron Capital’s threat to appeal and seek to stay a Sale Procedures Order has been repeated by its counsel to the media. *See* attached Exhibit “C”.

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<sup>2</sup> In its Objections to the Report and Recommendation [D.E. 3132 at 10], Acheron Capital asserted that:

If this Court affirms and adopts the Magistrate Judge’s Report, Acheron intends to appeal and seek a stay of that order in order to ensure that its rights are not waived. Otherwise, Acheron is concerned that, if the auction is allowed to go forward, it will moot Acheron’s appeal before the Eleventh Circuit has an opportunity to decide Acheron’s contractual rights and how they impact the Trustee’s proposed sale.

- In its Opinion [D.E. 3095] dismissing Acheron Capital’s earlier appeal of this Court’s *Order Adopting Magistrate Judge’s Report and Recommendation and Granting Trustee’s Motion for Instructions* [D.E. 2967], the Eleventh Circuit ruled that “Only after the district court approves the sale will there be a final decision. At that point, all disputes about the sale will be ‘concluded and closed,’ ... and the Instructions Order will be capable of immediate execution.” (Opinion p. 12). The Eleventh Circuit went on to explain that “Acheron will then be entitled to appeal and ‘combine in one review all stages of the [wind-down] proceeding,’ including the Instructions Order. ... The contrary conclusion – that the Instructions Order is a final decision – would ‘invite[] litigants to appeal every ... order] leading up to a sale, ‘even if other requests remain outstanding, resulting in a proliferation of piecemeal or repetitious appeals.’” *Id.* In light of the clear ruling that an appeal will only lie from a final order approving a sale, and that the Sale Procedures Order clearly provides for the entry of a Sale Approval Order only after the completion of the auction, Acheron Capital’s threats – both in pleadings and through the media – can only be regarded as an effort to spread misinformation and disrupt the process.<sup>3</sup>
- Upon the Court’s adjudication of the objections to the Report and Recommendation, if the Sale Procedures Motion is approved, the Trustee may need to reevaluate the proposed timeline for the auction, including the proposed 60-day “window” for conducting due diligence and soliciting bids, because a number of factors are tied to the timing of the

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<sup>3</sup> The same report also erroneously states that Acheron Capital “owns 60% of the portfolio’s policies.” The only policies which the Acheron Entities own are those in which they have acquired 100% of the interests, for which the Trust has already transferred ownership to the Acheron Entities (ironically, over their objection) and which are not included in the portfolio now offered for sale. All of the Trust’s portfolio of policies being offered for sale pursuant to the Sale Procedures Motion are owned by the Trust.

auction. For instance, the Trustee has attempted to coordinate the collection of premiums from investors with the anticipated timing of an auction in late August or early September. If the auction must be postponed, then the Trustee will need to initiate another cycle of premium collections or pursue alternative means of funding premiums until a sale can be completed. Postponement of the auction increases the risk of Keep Policy Investor defaults, as well as the continuing administrative costs of the Trust and the sale process.

- The Trustee has continued to receive and respond to inquiries through the MBKPT investor portal, email, or phone from Keep Policy Investors. The communications during the past month generally have involved requested for updates on the status of the sale and queries about payment of annual premiums.

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*Attorneys for Trustee*

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing was served on June 15, 2022 on counsel for all the parties by using the CM/ECF system. I certify that all participants in the case are registered CM/ECF users and that service will be accomplished by the CM/ECF system.

*s/ David L. Rosendorf*  
David L. Rosendorf

**Mutual Benefits Keep Policy Trust**

**As of June 1, 2022 <sup>[1]</sup>**

3a	The amount of Overpayment Balance account <sup>[2]</sup>	160,109																					
3b	Amount of funds currently available to pay expenses																						
	Overpayment Balance - Cash	160,109																					
	Trust Additional Admin Fee Fund - Cash <sup>[3]</sup>	650,863																					
	Total Funds Currently Available to Pay Expenses	<u>810,971</u>																					
3c	The most recent total amount of monthly operating expenses paid	140,133																					
3d	Estimated average run-rate of monthly Trust operating expenses																						
		<table border="0"> <tr> <td></td> <td style="text-align: center;"><b>June</b></td> <td style="text-align: center;"><b>July</b></td> </tr> <tr> <td></td> <td style="text-align: center;"><b>2022</b></td> <td style="text-align: center;"><b>2022</b></td> </tr> <tr> <td>Operating Expenses</td> <td style="text-align: right;">59,040</td> <td style="text-align: right;">59,040</td> </tr> <tr> <td>Enhanced Oversight</td> <td style="text-align: right;">14,000</td> <td style="text-align: right;">14,000</td> </tr> <tr> <td>Subtotal</td> <td style="text-align: right;"><u>73,040</u></td> <td style="text-align: right;"><u>73,040</u></td> </tr> <tr> <td>Litigation</td> <td style="text-align: right;">57,600</td> <td style="text-align: right;">57,600</td> </tr> <tr> <td>Estimated Average Monthly Run-Rate</td> <td style="text-align: right;"><u>130,640</u></td> <td style="text-align: right;"><u>130,640</u></td> </tr> </table>		<b>June</b>	<b>July</b>		<b>2022</b>	<b>2022</b>	Operating Expenses	59,040	59,040	Enhanced Oversight	14,000	14,000	Subtotal	<u>73,040</u>	<u>73,040</u>	Litigation	57,600	57,600	Estimated Average Monthly Run-Rate	<u>130,640</u>	<u>130,640</u>
	<b>June</b>	<b>July</b>																					
	<b>2022</b>	<b>2022</b>																					
Operating Expenses	59,040	59,040																					
Enhanced Oversight	14,000	14,000																					
Subtotal	<u>73,040</u>	<u>73,040</u>																					
Litigation	57,600	57,600																					
Estimated Average Monthly Run-Rate	<u>130,640</u>	<u>130,640</u>																					
3e	Total amount of money owed to Trustee and other professionals <sup>[4]</sup>	<u>758,755</u>																					
3f	Estimated minimum number of policy interests needed to rationalize costs for those interests	150 - 300																					

The current number of policies and policy interests the Trust is servicing:			
<b>Current # of policies the Trust is servicing</b>			931
Total Face Value	<b>MBC Victims</b>	<b>Acheron</b>	<b>Total</b>
HIV	48,840,550	56,305,911	105,146,461
Non-HIV	22,923,125	58,192,981	81,116,106
Total	<u>71,763,676</u>	<u>114,498,891</u>	<u>186,262,567</u>
%	38.53%	61.47%	
<b>Current number of policy interests the Trust is servicing</b>			
	<b>MBC Victims</b>	<b>Acheron</b>	<b>Total</b>
	1,856	699	2,555

**Mutual Benefits Keep Policy Trust**

**As of June 1, 2022** <sup>[1]</sup>

Notes:

- 1) Provided pursuant to the Court's Report and Recommendation dated July 27, 2020 (ECF #2723) affirmed and adopted by the Court November 16, 2020 (ECF #2825).
- 2) During the month of May, the Trust advanced approximately \$106,604 in contingency loans and recovered approximately \$14,673 contingency loans receivable. As of May 31, 2022 the Trust had a Contingency Loan Receivable balance of \$612,211 per Litai Assets, LLC ("Litai").
- 3) Represents funds collected from the \$400 Additional Administrative Fee per policy interest totaling \$1,051,600 deposited into a separate account established for the purpose of holding such funds on February 8, 2022.
- 4) Professional fees presented in the current report include fees incurred for the reporting period as well as the cumulative fees holdback. As of January 1, 2022 such professional fee holdbacks were increased from 20% to 40%. Cumulative holdbacks total approximately \$660,800 as of this filing.



Mutual Benefits Keep Policy Trust

**Historical Trust Cash and Expenditures as of 06 2022**

	As of 06/01/20	As of 07/01/20	As of 08/01/20	As of 09/01/20	As of 10/01/20	As of 11/01/20	As of 12/01/20	As of 01/01/21
<b>3a. The amount of Overpayment Balance account</b>	5,476,160	5,335,769	4,837,029	4,475,430	4,155,655	3,820,628	3,688,719	3,508,601
<b>3b. Amount of funds currently available to pay expenses</b>								
Cash / Money Market Accounts	900,020	863,916	383,842	881,352	767,966	664,369	663,109	482,991
Fixed Income Investments	4,576,140	4,471,853	4,453,187	3,594,078	3,387,689	3,156,259	3,025,610	3,025,610
Trust Additional Admin Fee Fund - Cash	-	-	-	-	-	-	-	-
<i>Total Funds Currently Available to Pay Expenses</i>	5,476,160	5,335,769	4,837,029	4,475,430	4,155,655	3,820,628	3,688,719	3,508,601
<b>3c. The most recent total amount of monthly operating expenses</b>	179,223	303,825	325,110	292,028	259,814	353,203	373,369	320,255
<b>3d. Estimated average run-rate of monthly Trust operating expenses</b> [1]								
Operating Expenses	72,385	72,385	72,385	72,385	72,385	72,385	67,400	67,400
Enhanced Oversight	29,167	29,167	29,167	29,167	29,167	29,167	29,000	29,000
Investor Subsidy [2]	29,816	29,816	29,816	29,816	29,816	29,816	51,800	51,400
Acheron Subsidy [3]	-	-	-	-	-	-	-	-
<i>Subtotal</i>	131,368	131,368	131,368	131,368	131,368	131,368	148,200	147,800
Litigation	97,500	97,500	97,500	97,500	97,500	97,500	97,500	97,500
Litai Extension Fee for 2020 Only [4]	125,000	125,000	125,000	125,000	125,000	125,000	125,000	-
<i>Estimated Average Monthly Run-Rate</i>	353,868	353,868	353,868	353,868	353,868	353,868	370,700	245,300
<b>3e. Total amount of money owed to Trustee and other professionals</b> [5]	305,939	203,417	287,598	241,162	174,445	248,369	133,851	141,434

Notes:

- 1) Reflects the estimate for the current month of the monthly status reports filed with the Court. The July - November 2020 amounts are based on the June 2020 amounts as the Court did not require monthly status reports to commence until December 2020.
- 2) Effective May 2021, the Investor Subsidy for all Keep Policy Investors has been funded from the MBC Restitution Funds account.
- 3) The subsidy for Acheron policy interests was discontinued by August 2021.
- 4) This amount was not reflected on the prior Historical Trust Cash and Expenditures as of 11 2021 for the months of July to December 2020.
- 5) Effective with the September 2021 Status Report, this amount includes fees incurred for the reporting period as well as the cumulative 20% holdback from prior months. As of January 1, 2022 such professional fee holdbacks were increased from 20% to 40%.

Mutual Benefits Keep Policy Trust

Historical Trust Cash and Expenditures as of 06 2022

	As of 02/01/21	As of 03/01/21	As of 04/01/21	As of 05/01/21	As of 06/01/21	As of 07/01/21	As of 08/01/21	As of 09/01/21
<b>3a. The amount of Overpayment Balance account</b>	3,105,708	2,880,629	2,097,393	2,185,654	1,922,775	1,562,939	1,314,085	1,193,205
<b>3b. Amount of funds currently available to pay expenses</b>								
Cash / Money Market Accounts	412,509	1,224,620	993,494	1,282,847	1,420,745	1,061,654	813,460	1,193,205
Fixed Income Investments	2,693,199	1,656,009	1,103,899	902,807	502,030	501,285	500,625	-
Trust Additional Admin Fee Fund - Cash	-	-	-	-	-	-	-	-
<i>Total Funds Currently Available to Pay Expenses</i>	3,105,708	2,880,629	2,097,393	2,185,654	1,922,775	1,562,939	1,314,085	1,193,205
<b>3c. The most recent total amount of monthly operating expenses</b>	239,566	343,928	294,144	225,706	260,493	315,742	286,192	234,958
<b>3d. Estimated average run-rate of monthly Trust operating expenses</b>	[1]							
Operating Expenses	67,400	67,400	67,400	67,400	67,400	167,400	47,400	47,400
Enhanced Oversight	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000
Investor Subsidy	[2] 50,500	49,200	18,000	-	-	-	-	-
Acheron Subsidy	[3] -	-	-	18,000	13,500	12,100	6,050	-
<i>Subtotal</i>	146,900	145,600	114,400	114,400	109,900	208,500	82,450	76,400
Litigation	97,500	97,500	48,750	48,750	97,500	95,000	125,000	165,000
Litai Extension Fee for 2020 Only	[4] -	-	-	-	-	-	-	-
<i>Estimated Average Monthly Run-Rate</i>	244,400	243,100	163,150	163,150	207,400	303,500	207,450	241,400
<b>3e. Total amount of money owed to Trustee and other professionals</b>	[5]							
	236,578	265,403	205,064	168,355	216,814	267,127	232,953	412,987

Mutual Benefits Keep Policy Trust

Historical Trust Cash and Expenditures as of 06 2022

	As of 10/01/21	As of 11/01/21	As of 12/01/21	As of 01/01/22	As of 02/01/22	As of 03/01/22	As of 04/01/22	As of 05/01/22
<b>3a. The amount of Overpayment Balance account</b>	852,529	777,763	560,599	504,663	449,961	288,234	279,476	161,220
<b>3b. Amount of funds currently available to pay expenses</b>								
Cash / Money Market Accounts	852,529	777,763	560,599	504,663	449,961	288,234	279,476	161,220
Fixed Income Investments	-	-	-	-	-	-	-	-
Trust Additional Admin Fee Fund - Cash	-	-	-	-	-	1,051,624	896,355	651,211
<i>Total Funds Currently Available to Pay Expenses</i>	852,529	777,763	560,599	504,663	449,961	1,339,858	1,175,830	812,431
<b>3c. The most recent total amount of monthly operating expenses</b>	216,634	207,062	229,149	6,658	173,217	72,511	258,059	266,015
<b>3d. Estimated average run-rate of monthly Trust operating expenses</b> [1]								
Operating Expenses	47,400	47,400	47,400	41,300	41,300	196,550	33,000	59,040
Enhanced Oversight	29,000	29,000	29,000	17,400	17,400	17,400	14,000	14,000
Investor Subsidy [2]	-	-	-	-	-	-	-	-
Acheron Subsidy [3]	-	-	-	-	-	-	-	-
<i>Subtotal</i>	76,400	76,400	76,400	58,700	58,700	213,950	47,000	73,040
Litigation	125,000	165,000	125,000	72,000	72,000	72,000	57,600	57,600
Litai Extension Fee for 2020 Only [4]	-	-	-	-	-	-	-	-
<i>Estimated Average Monthly Run-Rate</i>	201,400	241,400	201,400	130,700	130,700	285,950	104,600	130,640
<b>3e. Total amount of money owed to Trustee and other professionals</b> [5]	496,642	585,709	503,921	514,571	583,644	614,389	782,221	756,453

Mutual Benefits Keep Policy Trust

Historical Trust Cash and Expenditures as of 06 2022

	As of 06/01/22
<b>3a. The amount of Overpayment Balance account</b>	160,109
<b>3b. Amount of funds currently available to pay expenses</b>	
Cash / Money Market Accounts	160,109
Fixed Income Investments	-
Trust Additional Admin Fee Fund - Cash	650,863
<i>Total Funds Currently Available to Pay Expenses</i>	810,971
<b>3c. The most recent total amount of monthly operating expenses</b>	140,133
<b>3d. Estimated average run-rate of monthly Trust operating expenses</b>	<b>[1]</b>
Operating Expenses	59,040
Enhanced Oversight	14,000
Investor Subsidy	<b>[2]</b> -
Acheron Subsidy	<b>[3]</b> -
<i>Subtotal</i>	73,040
Litigation	57,600
Litai Extension Fee for 2020 Only	<b>[4]</b> -
<i>Estimated Average Monthly Run-Rate</i>	130,640
<b>3e. Total amount of money owed to Trustee and other professionals</b>	<b>[5]</b> 758,755

Mutual Benefits Keep Policy Trust

Historical Policies and Interests as of 06 2022

	As of 06/01/20	As of 07/01/20	As of 08/01/20	As of 09/01/20
<b>Number of Policies the Trust is Servicing</b>	1,334	1,329	1,327	1,319
Face Value				
MBC Victims				
HIV	55,342,910	55,009,470	54,880,095	54,621,535
Non-Hiv	34,869,728	34,795,054	34,718,088	34,152,523
<b>Total MBC Victims Face Value</b>	<u>90,212,638</u> 33.45%	<u>89,804,524</u> 33.32%	<u>89,598,184</u> 33.30%	<u>88,774,058</u> 33.72%
Acheron				
HIV	79,900,526	80,081,430	79,767,441	79,343,431
Non-Hiv	99,559,113	99,633,802	99,710,764	95,153,342
<b>Total Acheron Face Value</b>	<u>179,459,639</u> 66.55%	<u>179,715,232</u> 66.68%	<u>179,478,205</u> 66.70%	<u>174,496,773</u> 66.28%
<b>Total Face Value</b>	<u><u>269,672,277</u></u> 100.00%	<u><u>269,519,755</u></u> 100.00%	<u><u>269,076,389</u></u> 100.00%	<u><u>263,270,831</u></u> 100.00%
<b>Number of Policy Interests the Trust is Servicing</b>				
Current				
MBC Victims	2,310	2,265	2,259	2,238
Acheron	1,587	1,568	1,525	1,453
<b>Total</b>	<u><u>3,897</u></u>	<u><u>3,833</u></u>	<u><u>3,784</u></u>	<u><u>3,691</u></u>

*The June 2021 Report also reflected estimated policy interests after the merger of Acheron-owned policy interests. This estimated post-merger amount was not separately reported on subsequent reports to the Court as the merging of the Acheron-owned interests had commenced and was ongoing when the monthly reporting to the Court commenced with the December 2020 report.*

Mutual Benefits Keep Policy Trust

Historical Policies and Interests as of 06 2022

	As of 10/01/20	As of 11/01/20	As of 12/01/20	As of 01/01/21
<b>Number of Policies the Trust is Servicing</b>	1,316	1,313	1,307	1,306
Face Value				
MBC Victims				
HIV	54,470,413	54,337,043	53,590,504	53,507,470
Non-Hiv	33,828,866	33,569,375	32,649,946	32,179,750
<i>Total MBC Victims Face Value</i>	<u>88,299,279</u> 33.91%	<u>87,906,418</u> 33.83%	<u>86,240,450</u> 33.29%	<u>85,687,220</u> 33.24%
Acheron				
HIV	79,394,557	79,417,930	79,394,129	79,412,325
Non-Hiv	92,677,052	92,532,216	93,451,663	92,671,866
<i>Total Acheron Face Value</i>	<u>172,071,608</u> 66.09%	<u>171,950,146</u> 66.17%	<u>172,845,792</u> 66.71%	<u>172,084,191</u> 66.76%
<i>Total Face Value</i>	<u><u>260,370,888</u></u> 100.00%	<u><u>259,856,564</u></u> 100.00%	<u><u>259,086,242</u></u> 100.00%	<u><u>257,771,411</u></u> 100.00%
<b>Number of Policy Interests the Trust is Servicing</b>				
Current				
MBC Victims	2,212	2,207	2,188	2,183
Acheron	1,414	1,350	1,279	1,260
<i>Total</i>	<u><u>3,626</u></u>	<u><u>3,557</u></u>	<u><u>3,467</u></u>	<u><u>3,443</u></u>

Mutual Benefits Keep Policy Trust

Historical Policies and Interests as of 06 2022

	As of 02/01/21	As of 03/01/21	As of 04/01/21	As of 05/01/21
<b>Number of Policies the Trust is Servicing</b>	1,304	1,294	1,289	1,254
Face Value				
MBC Victims				
HIV	53,504,016	53,400,402	52,986,094	52,726,399
Non-Hiv	32,064,940	29,436,321	28,866,985	28,788,985
<i>Total MBC Victims Face Value</i>	<u>85,568,956</u> 34.00%	<u>82,836,723</u> 34.72%	<u>81,853,079</u> 34.54%	<u>81,515,384</u> 34.76%
Acheron				
HIV	79,335,863	78,981,114	79,545,911	77,516,143
Non-Hiv	86,770,820	76,799,508	75,584,654	75,507,657
<i>Total Acheron Face Value</i>	<u>166,106,683</u> 66.00%	<u>155,780,622</u> 65.28%	<u>155,130,565</u> 65.46%	<u>153,023,800</u> 65.24%
<i>Total Face Value</i>	<u><u>251,675,639</u></u> 100.00%	<u><u>238,617,345</u></u> 100.00%	<u><u>236,983,644</u></u> 100.00%	<u><u>234,539,184</u></u> 100.00%
<b>Number of Policy Interests the Trust is Servicing</b>				
Current				
MBC Victims	2,175	2,138	2,089	2,083
Acheron	1,210	1,080	1,064	1,006
<i>Total</i>	<u><u>3,385</u></u>	<u><u>3,218</u></u>	<u><u>3,153</u></u>	<u><u>3,089</u></u>

Mutual Benefits Keep Policy Trust

Historical Policies and Interests as of 06 2022

	As of 06/01/21	As of 07/01/21	As of 08/01/21	As of 09/01/21
<b>Number of Policies the Trust is Servicing</b>	1,065	982	982	974
Face Value				
MBC Victims				
HIV	52,131,891	51,992,253	51,992,253	51,633,015
Non-Hiv	28,187,699	27,339,789	27,399,789	26,661,997
<i>Total MBC Victims Face Value</i>	<u>80,319,590</u> 37.83%	<u>79,332,042</u> 39.26%	<u>79,392,042</u> 39.27%	<u>78,295,012</u> 39.86%
Acheron				
HIV	62,539,623	56,868,992	56,868,992	56,280,354
Non-Hiv	69,447,340	65,892,260	65,892,260	61,835,609
<i>Total Acheron Face Value</i>	<u>131,986,963</u> 62.17%	<u>122,761,252</u> 60.74%	<u>122,761,252</u> 60.73%	<u>118,115,963</u> 60.14%
<i>Total Face Value</i>	<u><u>212,306,553</u></u> 100.00%	<u><u>202,093,294</u></u> 100.00%	<u><u>202,153,294</u></u> 100.00%	<u><u>196,410,975</u></u> 100.00%
<b>Number of Policy Interests the Trust is Servicing</b>				
Current				
MBC Victims	2,055	2,024	2,024	1,990
Acheron	815	731	731	724
<i>Total</i>	<u><u>2,870</u></u>	<u><u>2,755</u></u>	<u><u>2,755</u></u>	<u><u>2,714</u></u>



Mutual Benefits Keep Policy Trust

Historical Policies and Interests as of 06 2022

	As of 10/01/21	As of 11/01/21	As of 12/01/21	As of 01/01/22
<b>Number of Policies the Trust is Servicing</b>	969	964	961	955
Face Value				
MBC Victims				
HIV	51,336,208	51,187,176	51,165,770	50,929,989
Non-Hiv	25,151,939	25,026,939	25,001,439	23,978,288
<i>Total MBC Victims Face Value</i>	<u>76,488,147</u> 39.61%	<u>76,214,115</u> 39.60%	<u>76,167,209</u> 39.59%	<u>74,908,277</u> 39.05%
Acheron				
HIV	56,519,441	56,152,441	56,151,841	56,028,725
Non-Hiv	60,095,667	60,095,667	60,075,572	60,894,318
<i>Total Acheron Face Value</i>	<u>116,615,108</u> 60.39%	<u>116,248,108</u> 60.40%	<u>116,227,413</u> 60.41%	<u>116,923,043</u> 60.95%
<i>Total Face Value</i>	<u><u>193,103,255</u></u> 100.00%	<u><u>192,462,223</u></u> 100.00%	<u><u>192,394,622</u></u> 100.00%	<u><u>191,831,320</u></u> 100.00%
<b>Number of Policy Interests the Trust is Servicing</b>				
Current				
MBC Victims	1,967	1,947	1,944	1,931
Acheron	721	718	717	712
<i>Total</i>	<u><u>2,688</u></u>	<u><u>2,665</u></u>	<u><u>2,661</u></u>	<u><u>2,643</u></u>

Mutual Benefits Keep Policy Trust

Historical Policies and Interests as of 06 2022

	As of 02/01/22	As of 03/01/22	As of 04/01/22	As of 05/01/22
<b>Number of Policies the Trust is Servicing</b>	951	949	939	936
Face Value				
MBC Victims				
HIV	50,721,534	50,443,626	50,023,478	49,080,299
Non-Hiv	23,825,714	23,821,087	23,723,194	23,267,854
<i>Total MBC Victims Face Value</i>	<u>74,547,248</u> 38.93%	<u>74,264,713</u> 38.81%	<u>73,746,672</u> 38.80%	<u>72,348,153</u> 38.17%
Acheron				
HIV	55,887,958	56,017,791	55,922,910	56,348,183
Non-Hiv	61,051,297	61,051,519	60,392,912	60,848,252
<i>Total Acheron Face Value</i>	<u>116,939,255</u> 61.07%	<u>117,069,310</u> 61.19%	<u>116,315,822</u> 61.20%	<u>117,196,435</u> 61.83%
<i>Total Face Value</i>	<u><u>191,486,503</u></u> 100.00%	<u><u>191,334,023</u></u> 100.00%	<u><u>190,062,494</u></u> 100.00%	<u><u>189,544,587</u></u> 100.00%
<b>Number of Policy Interests the Trust is Servicing</b>				
Current				
MBC Victims	1,922	1,906	1,901	1,871
Acheron	707	706	702	703
<i>Total</i>	<u><u>2,629</u></u>	<u><u>2,612</u></u>	<u><u>2,603</u></u>	<u><u>2,574</u></u>

**Mutual Benefits Keep Policy Trust**

**Historical Policies and Interests as of 06 2022**

	As of 06/01/22	
<b>Number of Policies the Trust is Servicing</b>	931	
Face Value		
MBC Victims		
HIV	48,840,550	
Non-Hiv	22,923,125	
<i>Total MBC Victims Face Value</i>	71,763,676	38.53%
Acheron		
HIV	56,305,911	
Non-Hiv	58,192,981	
<i>Total Acheron Face Value</i>	114,498,891	61.47%
<i>Total Face Value</i>	186,262,567	100.00%
<b>Number of Policy Interests the Trust is Servicing</b>		
Current		
MBC Victims	1,856	
Acheron	699	
<i>Total</i>	2,555	

# Mutual Benefits Trustee Chooses Stalking-Horse Bidder



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Scheck Alpha has made a total of \$27 million in bids for two tranches of Mutual Benefits' life settlement portfolio.

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**By Donna Horowitz**

June 02, 2022 09:13 AM

A stalking-horse bidder has made offers totaling \$27 million for two tranches of the **Mutual Benefits Corp.** life settlement portfolio.

Court for the Southern District of Florida in Miami.

The company appears to be part of Scheck Group in Miami. Jeffrey Scheck, who is a principal of the company, did not respond to a request for comment.

Scheck's bid for Tranche A was \$16.5 million, representing about 10.6% of the face value of the policies in this group. The break fee is \$250,000, plus \$15,000 for attorney's fees for review of the purchase and sale agreement.

Scheck's bid for Tranche A-1 is \$10.5 million, representing about 60% of the face value of the policies in this group. The break fee for this part of the portfolio is \$150,000, plus \$10,000 to cover attorney's fees for review of the purchase and sales agreement.

Barry Mukimal, trustee of the Mutual Benefits Keep Policy Trust, said in the court filing that he did not get a stalking-horse bid for Tranche B. Thus, he plans to proceed with an open auction for the tranche and possibly set a floor for bidding or a reserve price. Mukimal also may decide to pursue other alternatives such as surrendering the policies.

**Magistrate Judge Jared Strauss gave his blessing to the sales process** for the portfolio on April 9. His recommendation now goes to Judge Federico Moreno for a decision.

But the sales process is not a slam dunk because Acheron Capital Ltd., which owns 60% of the portfolio's policies, has objected to it.

If Moreno approved the Strauss recommendation, Acheron would seek a stay of the sale from the judge, according to Steven Schreckinger, an attorney with Anderson & Kreiger LLP in Boston, who represents the London-based investment group. If the judge doesn't grant the stay, Acheron plans to ask the U.S. Court of Appeals for the 11th Circuit for a stay and an expedited appeal.

Schreckinger estimated it would take about six weeks to get an appellate decision from the time his client sought permission to file briefs.

Acheron, which bought defaulted policy interests in the portfolio, and another investor opposed the sale process, claiming it would cause unnecessary disputes and likely delays if bids were not required on a policy-by-policy basis.

The portfolio held about 949 policies with about \$191 million in face value in March. When the trust was set up in 2009, it had 2,403 policies with about \$886 million in face value.

TAGS      LIFE SETTLEMENTS      AUCTIONS      LIFE INSURANCE      ADVISORY  
  
LAW      FLORIDA      \$ 25-50 MILLION

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#### COMPANIES MENTIONED

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Mutual Benefits Corp.