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U.S. DISTRICT COURT  
SOUTHERN DISTRICT OF OHIO  
WESTERN DIVISION DAYTON

IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF OHIO  
WESTERN DIVISION

H. Thayne Davis : Civil Case No: 3: 04 CV 0059  
Plaintiff, : Judge Walter H. Rice  
Magistrate  
v. :  
Lifetime Capital, Inc. : **AGREED ORDER**  
Defendant. : **APPOINTING RECEIVER**

This matter comes on before me, the undersigned United States District Judge/Magistrate Judge, this 20<sup>th</sup> day of February, 2004, on the Request of Plaintiff for Appointment of a Receiver for Defendant, LifeTime Capital, Inc. ("LifeTime"). It appears that this Agreed Order Appointing Receiver is both necessary and appropriate in order to prevent waste and dissipation of the assets of Defendant to the detriment of investors, including the receivership estate of LifeTime.

IT IS THEREFORE ORDERED:

1. This Court hereby takes exclusive jurisdiction and possession of the assets, monies, securities, contracts, notes, negotiable and non-negotiable instruments or documents of title, choses in action and properties, real, if any, and personal, tangible and intangible, of whatever kind and description, wherever situated, of LifeTime, including, without limitation, all viatical and life settlement insurance policies, including beneficial interests therein and proceeds thereof, comprising the LifeTime Portfolio (hereinafter "Receivership Assets"). The

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By James Bonini  
Deputy Clerk  
DATE 2/20/04

2. Receivership Assets shall include, but not be limited to, all property of whatsoever nature, whether real or personal, tangible or intangible, which has been acquired with or through funds or proceeds of LifeTime. The Receivership Assets specifically include, without limitation, all viatical or life settlement contracts with respect to which LifeTime or its affiliates are a party thereto, and all life insurance policies related thereto (collectively, the "LifeTime Portfolio").

3. H. Thomas "Tom" Moran II, of The Heritage Group Agency, Inc., 3240 W. Britton Road, Suite 105, Oklahoma City, OK 73120, with the phone number of (405) 753-9100 and facsimile number of (405) 753-9397, is appointed Receiver for the Receivership Assets. The Receiver is hereby authorized to take and have possession of the Receivership Assets, the title to which shall vest by operation of law in the Receiver until further order of the Court. Until further order of this Court, the Receiver shall have complete and exclusive control, possession, and custody of all Receivership Assets.

4. All persons, including LifeTime and its past or present officers, agents, servants, employees, attorneys, directors, shareholders or trustees, and all persons in active concert or participation with them, whether past or present, who receive actual notice of this Order, by personal service or otherwise, and specifically including any trust or successor trust bank or other financial or depository institution holding accounts or assets, including premium reserve or escrow accounts, for or on behalf of LifeTime, and any person or entity holding files related to the LifeTime Portfolio, including American Viatical Services and 21<sup>st</sup> Century Services, shall promptly deliver to the Receiver all Receivership Assets in the possession or under the control of any one or more of them, and shall promptly surrender all books, records, files and other documents or data of any kind pertaining or belonging to LifeTime.

5. The Receiver is hereby authorized and empowered to take any and all action as the Receiver may deem necessary or prudent for the preservation, maintenance, and administration of the LifeTime Portfolio comprised of viatical and life settlement policies and beneficial interests therein, including, without limitation, the following:

(a) Subject to Court approval, securing financing for payment of life insurance policy premiums;

(b) Payment of premiums from any previous reserve or escrow accounts;

(c) Monitoring the viators/insureds of policies within the LifeTime Portfolio by tracking the location and periodically checking up on the health of the viators/insureds, including direct or indirect communications with health care providers;

(d) To receive notice of the death of viators/insureds, file or cause to be filed death claims, and collect proceeds on the policies within the LifeTime Portfolio as they mature from time to time and to retain or disburse same subject to the order of the Court;

(e) To exercise all rights and privileges attendant with ownership of the policies within the LifeTime Portfolio, whether beneficial or otherwise, including policy claims, premium waivers, and face value reduction;

(f) To communicate from time to time with all insurance companies, and their successors-in-interest by merger or otherwise, to verify the status of the life insurance policies comprising the LifeTime Portfolio;

(g) All other steps necessary to protect the interests of the beneficial owners in the LifeTime Portfolio, including, without limitation, the financing, sale or liquidation of all or a part of the LifeTime Portfolio and the assessment of further premium payments to beneficial interest owners in the LifeTime Portfolio; and,

(h) Retaining the services of Asset Servicing Group, L.L.C., to administer and service the LifeTime Portfolio.

6. All persons, including LifeTime and its past or present officers, directors, shareholders, agents, servants, employees, trustees or attorneys, and all persons in active concert or participation with them, and all other persons or business entities, including sheriffs, marshals, and other officers of any court or tribunal, are stayed from:

(i) Commencing, prosecuting, continuing or enforcing any suit or proceeding, specifically including any proceeding pursuant to the United States Bankruptcy Code, against the Receiver or the Receivership Assets, except with the prior permission of the Court;

(ii) Using self-help, including, without limitation, any form of setoff, or executing or issuing or causing the execution or issuance of any court attachment, subpoena, replevin, execution or other process for the purpose of impounding or taking possession of or interfering with or creating or enforcing a lien upon any property owned by or in the possession of the Receivership Assets or the Receiver, wheresoever situated;

(iii) Attempting to modify, cancel, terminate, call, extinguish, revoke or accelerate (the due date), of any lease, loan, mortgage, indebtedness, security agreement or other agreement with any of the Receivership Assets or any entity controlled by them;

(iv) Doing any act or thing whatsoever to interfere with the taking control, possession, or management by the Receiver, of the Receivership Assets and assets owned, controlled or in the possession of the entities in receivership, or to in any way interfere with or harass the Receiver, or to interfere in any manner with the exclusive jurisdiction of this Court over the Receivership Assets; and,

(v) Causing the issuance of a subpoena on the Receiver except with the prior permission of the Court.

7. The Receiver is hereby authorized to make appropriate notification to the United States Postal Service to forward delivery of any mail addressed to LifeTime or any company or entity under its direction or control of LifeTime to the Receiver. Further, the Receiver is hereby authorized to open and inspect all such mail to determine the location or identity of assets or the existence and amount of claims.

8. The Receiver is hereby authorized to make such ordinary and necessary payments, distributions, and disbursements as he deems advisable or proper for the marshaling, maintenance or preservation of the Receivership Assets. From and after the date of entry of this Order, the Receiver shall have the authority to conduct the business operations of LifeTime and the entities it controls, including, without limitation, all life insurance trusts which were created

by or on behalf of LifeTime for the express purpose of holding any right, title or interest in any of the policies which comprise the LifeTime Portfolio.

9. Until further order of this Court, this Order prohibits the prosecution of any civil action or other proceeding against LifeTime and the enforcement of any judgments against LifeTime.

10. The Receiver is hereby authorized to employ and discharge such employees, accountants, and attorneys, including the law firms of Carlile, Patchen & Murphy of Columbus; Bieser, Greer & Landis of Dayton; and Pignato & Cooper, P.C., and D. Benham Kirk, Jr., P.C., both of Oklahoma City, and other professionals from time to time as is necessary and proper for the collection, preservation, maintenance and operation of the Receivership Assets.

11. The Receiver is hereby authorized to receive and collect any and all sums of money due and/or owing to LifeTime, whether the same are now due or shall hereafter become due and payable, and is authorized to incur such expenses and make such disbursements as are necessary and proper for the collection, preservation, maintenance and operation of the Receivership Assets.

12. The Receiver is hereby authorized to institute, defend, compromise or adjust such actions or proceedings in state or federal courts now pending and hereafter instituted as may, in his discretion, be advisable or proper for the protection of the Receivership Assets or proceeds therefrom, and to institute, prosecute, compromise or adjust such actions or proceedings in state or federal court as may, in his judgment, be necessary or proper for the collection, preservation, and maintenance of the Receivership Assets.

13. Upon the request of the Receiver, the United States Marshal's Office is hereby ordered to assist the Receiver in carrying out his duties to take possession, custody or control of,

or identify the location of, any Receivership Assets. The Receiver is authorized to remove any person from any premises or real estate, if any, constituting a Receivership Asset that attempts to interfere with the Receiver, his attorneys or agents in the performance of their duties. The Receiver is further authorized to change any locks or other security mechanisms with respect to any premises or other assets that constitute Receivership Assets.

14. The Receiver and his retained personnel are entitled to reasonable compensation and expense reimbursement out of the Receivership Assets, subject to Court approval. The Receiver and his retained professionals may apply to the Court, from time to time, for reasonable compensation to be determined and approved by the Court. Such approved compensation shall be paid from such sources approved by the Court.

15. The Receivers shall have the authority to issue subpoenas to compel testimony of persons or production of records in a manner consistent with the Federal Rules of Civil Procedure and the Rules of the Court concerning any subject matter relating to the identification, preservation, collection or liquidation of assets of the Receivership Assets.

16. The Receiver and his agents are entitled to rely on all outstanding rules of law and court orders and shall not be liable to anyone for their own good faith compliance with any order, rule, law, judgment or decree. In no event shall the Receiver or his agents be liable to anyone for their good faith compliance with their duties and responsibilities as Receiver or agent for Receiver, nor shall the Receiver or his agents be liable to anyone for any actions taken or omitted by them except upon a finding by this Court that they acted or failed to act as a result of malfeasance, bad faith, gross negligence, or in reckless disregard of their duties. The Receiver and his agents shall be indemnified and held harmless out of the Receivership Assets for all costs and expenses, including reasonable attorney fees, incurred as a result of such actions.

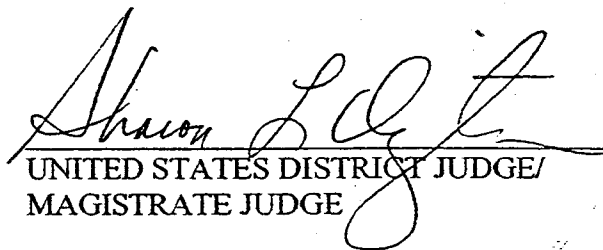
17. From time to time upon the application of the Receiver, the Court shall reissue this Order and, upon application of the Receiver, may amend, expand, and/or clarify this Order.

18. The Receiver shall not be required to post bond or give an undertaking of any type in connection with his fiduciary duties and obligations in this matter unless and until this Court so orders.

IT IS FURTHER ORDERED that this Court retain jurisdiction of this action for all purposes, including, without limitation, enlarging or restricting the activities of the Receiver and the extent of the Receivership Assets. The Receiver is hereby authorized, empowered, and directed to apply to this Court, with notice to Defendants named in this action, for issuance of such other orders as may be necessary and appropriate in order to carry out the mandate of this Court.


IT IS FURTHER ORDERED that this Order will remain in effect until modified by further order of this Court.

SIGNED this 20<sup>th</sup> day of February, 2004.

  
UNITED STATES DISTRICT JUDGE/  
MAGISTRATE JUDGE

APPROVED AS TO FORM AND CONTENT:

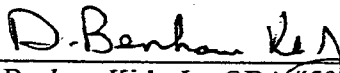
[1]. FOR PLAINTIFF, H. THAYNE DAVIS:



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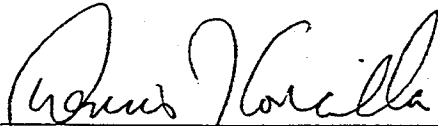
-- and --



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