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**UNITED STATES DISTRICT COURT**  
**SOUTHERN DISTRICT OF FLORIDA**  
**07-20446-CR-JORDAN/TORRES**  
 CASE NO. \_\_\_\_\_

18 U.S.C. § 371  
 18 U.S.C. § 1621

**UNITED STATES OF AMERICA**

v.

**RAQUEL KOHLER,  
 AMEER KHAN, and  
 STEPHEN ZIEGLER,**

**Defendants.**

\_\_\_\_\_ /

**INFORMATION**

The United States Attorney charges that:

**GENERAL ALLEGATIONS**

At various times material to this Information:

1. Mutual Benefits Corp. ("MBC") was a business with principal offices in the Southern District of Florida, initially at 2881 E. Oakland Park Blvd., Suite 200, Fort Lauderdale, Florida 33306, and subsequently at 200 E. Broward Blvd., 10<sup>th</sup> Floor, Fort Lauderdale, Florida 33301.
2. MBC was in the business of selling viatical and life settlements to the general public.
3. A viatical settlement is a transaction in which a terminally ill person sells the death benefit of his or her life insurance policy to a third party in return for a lump-sum cash payment, which is a discounted percentage of the policy's face value.

4. A life settlement is a transaction which is identical to a viatical settlement, except the seller of the insurance death benefit is not terminal, but instead is usually a senior citizen.

5. Viatical and life settlements are illiquid investments that pay upon death of the insured individual. All premiums due prior to the death of the insured must be paid, in full and on a timely basis, to prevent additional costs or a lapse. If an insurance policy lapses for any reason, such as failure to properly pay premiums, the policy's death benefit and any investment dependent on that benefit may be lost.

6. In the sale and purchase of viatical and life settlements, the assessment of an insured's life expectancy determines: (i) investors' anticipated term of investment in the insured's policy; (ii) the fixed return paid on that investment; and (iii) the amount of money to be held in escrow for payments of anticipated future premiums.

7. An investor in a viatical or life settlement only realizes a profit if, when the insured dies, the policy benefit is greater than the purchase price, adjusted for any post-purchase costs.

8. Participants in MBC's viatical and life settlement program were solicited to invest money into MBC's common enterprise upon the promise of profits. These profits were to be derived solely from MBC's purported ability to identify, acquire rights to, and collect valuable insurance policy death benefits. As a result, the viatical and life settlements sold by MBC are securities, which are subject to regulation by the U.S. Securities and Exchange Commission and the federal securities laws.

9. Viatical Services, Inc. ("VSI") was a business with principal offices in the Southern District of Florida, initially at 2817 E. Oakland Park Blvd., Suite 301, Fort Lauderdale, Florida 33306, and subsequently at 2755 E. Oakland Park Blvd., Suite 230, Fort Lauderdale, Florida 33306.

10. VSI, a purportedly independent company, performed post-investment services for investors who purchased interests in viatical and/or life settlements in MBC's program. Specifically, VSI monitored insurance policies sold by MBC to identify when premium payments were due, instructed MBC's premium trustee to pay premiums on each policy as they became due, tracked the status of insureds covered by policies in MBC's program, and collected and processed death certificates.

11. From as early as 1995 through May 2004, defendant **AMEER KHAN** was the sole shareholder and titular president of VSI. **AMEER KHAN** falsely represented VSI to be an independently operated company, when in fact VSI was organized and controlled by MBC's principals.

12. Between in or around 1995 and May 2001, Clark Mitchell was a licensed medical doctor engaged to perform services for MBC in connection with their determination of life expectancies.

13. Peter Lombardi was a founding partner and sole shareholder of MBC. In his daily activities, Peter Lombardi supervised MBC's accounting department and falsely represented himself to be MBC's principal executive officer to the investing public.

14. Carol Traina was an employee at MBC from in or around 1995 through May 2004. During that time, she held various positions at MBC, including Office Manager. As Office Manager, Carol Traina's responsibilities included personnel management, assisting in supervising MBC's marketing directors and outside sales force, and responding to investor complaints.

15. Bari Wiggins was an employee at MBC from in or around 1995 through May 2004. During that time, she held various positions at MBC, including Director of Policy Services. As

Director of Policy Services, Bari Wiggins' daily activities included, among other things, overseeing the evaluation and acquisition of insurance policies from viatical brokers.

16. Defendant **RAQUEL KOHLER** was an employee at MBC from in or around May 2001 through in or around May 2004. During that time, **RAQUEL KOHLER** held the title of Chief Financial Officer of MBC. As Chief Financial Officer, **RAQUEL KOHLER** reconciled MBC's bank accounts, wired funds into and out of MBC's operating account, reviewed documents in connection with financial audits, and compiled data to be provided to state regulators.

17. From as early as 1995 through in or around May 2004, defendant **STEPHEN ZIEGLER** was a licensed attorney who represented MBC on business and regulatory matters. **STEPHEN ZIEGLER** drafted, or assisted others in drafting, legal documents, registration materials, and disclosure statements filed with state regulators on behalf of MBC. From as early as 1996 through as late as September 2001, **STEPHEN ZIEGLER** also assisted others in the execution of certain escrow duties on behalf of investors. Specifically, **STEPHEN ZIEGLER** reviewed documents to confirm the assignment of insurance policy death benefits before authorizing the disbursement of investor funds.

**COUNT 1**  
**CONSPIRACY TO COMMIT SECURITIES FRAUD**  
**(18 U.S.C. § 371)**

1. Paragraphs 1 through 17 of the General Allegations section of this Information are re-alleged and incorporated by reference as though fully set forth herein.

2. From in or around 1995 and continuing to at least June 2004, in the Southern District of Florida, and elsewhere, the defendants,

**RAQUEL KOHLER,  
AMEER KHAN, and  
STEPHEN ZIEGLER,**

did willfully, that is, with the intent to further the object of the conspiracy, and knowingly combine, conspire, confederate and agree with others known and unknown, to commit certain offenses against the United States, that is, to willfully, knowingly, and unlawfully, by the use of means and instrumentalities of interstate commerce, the mails, and the facilities of national securities exchanges, directly and indirectly, use and employ, in connection with the purchase and sale of securities, that is, the purchase of investment interests in viatical and life settlements sold by MBC, manipulative and deceptive devices and contrivances by: (a) employing a device, scheme, and artifice to defraud; (b) making and causing others to make untrue statements of material facts, and omitting to state and causing others to omit to state, material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and (c) engaging in acts, practices, and courses of business which would and did operate as a fraud and deceit upon others, in violation of Title 15, United States Code, Sections 78j(b) and 78ff(a); and Title 17, Code of Federal Regulations, Section 240.10b-5.

**PURPOSE OF THE CONSPIRACY**

3. The purpose of the conspiracy was for the defendants and their co-conspirators to unjustly enrich themselves by misappropriating investor funds and by making materially false representations and by omitting to state material facts concerning, among other things, the accuracy and reliability of life expectancy determinations, the safety of the investment, the ability to continue

payment of anticipated premium obligations, the identity of MBC's, VSI's, and other related entities' true management personnel, and the regulatory and criminal histories of MBC's principals. Further, the purpose of the conspiracy was for the defendants and their co-conspirators to conceal their fraudulent activities from detection by regulators and the public.

**MANNER AND MEANS TO ACCOMPLISH THE CONSPIRACY**

The manner and means by which the defendants and their co-conspirators sought to accomplish the conspiracy included, but were not limited to, the following:

4. Peter Lombardi, Carol Traina, Bari Wiggins, **RAQUEL KOHLER, AMEER KHAN, STEPHEN ZIEGLER**, their co-conspirators, and others, directly and indirectly, fraudulently offered and sold investment interests in MBC viatical and life settlements to the general public, raising approximately \$1.3 billion from more than 30,000 investors worldwide, resulting in investor losses of approximately \$830 million.

5. To perpetrate the conspiracy, Peter Lombardi was installed by his co-conspirators as the titular President of MBC, to conceal from investors and others that the true controlling principal of MBC was an individual who had been previously federally convicted of mail and wire fraud, as well as enjoined by a United States District Court from committing further violations of the anti-fraud provisions of the federal securities laws.

6. To perpetrate the conspiracy, **AMEER KHAN** was installed by his co-conspirators as the titular President of VSI, which gave investors the false impression that an independent company was monitoring premium obligations due on MBC policies.

7. To further perpetrate the conspiracy, Peter Lombardi, Carol Traina, their co-conspirators, and others solicited investors through an international network of sales agents and

marketing directors, who reported, directly or indirectly, to Peter Lombardi and MBC's principals. Peter Lombardi, his co-conspirators, and others also solicited investors through an Internet website, investment seminars held around the nation, advertisements, and by telephone.

8. To further perpetrate the conspiracy, Peter Lombardi, **STEPHEN ZIEGLER**, **RAQUEL KOHLER**, their co-conspirators, and others filed, caused others to file, or otherwise presented false and misleading information with or to state or federal regulators to conceal the fact that a convicted felon with a history of disciplinary actions by federal regulators was a controlling principal of MBC.

9. To further perpetrate the conspiracy, Bari Wiggins, **STEPHEN ZIEGLER**, their co-conspirators, and others fraudulently acquired group insurance policies, by creating false documentation which made it appear that group policies were being assigned as gifts to individuals, when in truth MBC was surreptitiously purchasing the policies, despite restrictions within the policies prohibiting their sale.

10. MBC's sales agents and marketing directors, acting under the supervision of Peter Lombardi, Carol Traina, their co-conspirators, and others falsely represented to investors that MBC had a strong track record of accurately predicting life expectancies.

11. MBC's sales agents and materials touted MBC's success in predicting the life expectancy of terminally ill and elderly individuals, assuring investors that each insured individual's medical condition was reviewed by an "independent" state licensed physician who would determine each insured's life expectancy.

12. From in or around 1995 to in or around May 2001, Clark Mitchell was a licensed medical doctor engaged by MBC to provide these "independent" determinations of life expectancy.

Clark Mitchell memorialized these life expectancy determinations in letters or affidavits that MBC mailed to investors.

13. The letters and affidavits completed by Clark Mitchell falsely assured investors that he had reviewed the insured's medical records to make an "independent" assessment of the insured's life expectancy. In truth, all life expectancy determinations were assigned by an undisclosed MBC principal, who was dictating the life expectancy determinations to Clark Mitchell.

14. MBC's sales agents and marketing directors, acting under the supervision of Peter Lombardi, Carol Traina, their co-conspirators, and others, directly and indirectly, disseminated and caused others to disseminate, written sales materials and other documents to investors to solicit their funds. Investors received MBC's sales materials and documents by a commercial overnight courier service, the United States Postal Service, through an online web-site, and directly from MBC's sales agents and marketing directors.

15. To compensate for inadequate premium reserves, Peter Lombardi, his co-conspirators, and others pooled monies in various premium escrow accounts, and used premium monies obtained from recently sold viatical and life settlements to pay premium obligations on older policies that failed to mature within the represented life expectancy or were otherwise deficient.

16. To misappropriate investor funds for personal use, **RAQUEL KOHLER**, her co-conspirators, and others wired funds from MBC's operating account to non-MBC bank accounts for the personal use and benefit of MBC's principals. In many instances, wires to these accounts were fraudulently recorded as sales commissions on MBC's books and records and financial statements.

17. To induce investors to purchase investment interests in viatical and life settlements, Peter Lombardi, Carol Traina, their co-conspirators, and others provided, and caused others to



provide, sales materials and other documents to investors that contained numerous materially false statements and omissions of material facts, and themselves made, and caused other to make, numerous materially false statements and omissions to investors, including, among others, the following:

**Materially False Statements**

a. That the life expectancies of insured individuals, whose policies were sold to investors, were determined by an “independent” state licensed physician after review of the insured’s medical condition, when in reality an undisclosed MBC principal was assigning life expectancies and dictating those determinations to physicians hired by MBC;

b. That the majority of the viatical and life settlements sold by MBC matured within the assigned life expectancy, when in reality the overwhelming majority of the viatical and life settlements sold by MBC failed to mature, and only a very small percentage matured within the assigned life expectancy;

c. That, for each policy, there were sufficient funds escrowed to pay the anticipated premium costs for the life expectancy of the insured, when in reality there were insufficient funds escrowed to pay these premium costs;

d. That VSI was operated independently from MBC, when in reality, VSI was organized and controlled by MBC’s principals;

e. That MBC’s viatical and life settlements were “safe” investments, offering a level of risk comparable to a certificate of deposit, when in reality, as a result of the conditions described above, investors were exposed to substantial risk;

f. That the investments offered by MBC's were "secure," when in reality, the ability of certain investors to collect on their investment was jeopardized because some of MBC's viatical and life settlements involved group life insurance policies that were subject to restrictions that only permitted death benefits to be assigned as gifts;

g. That investors in MBC's viatical and life settlements would become "irrevocable" beneficiaries of life insurance policies, when in reality, many MBC investors received interests in group life policies that were subject to litigation;

**Omissions of Material Fact**

h. That an undisclosed controlling principal, who had been previously federally convicted of mail and wire fraud, as well as enjoined by a United States District Court from committing further violations of the anti-fraud provisions of the federal securities laws, was a principal of MBC and VSI;

i. That this same undisclosed controlling principal, who had been previously federally convicted of mail and wire fraud, as well as enjoined by a United States District Court from committing further violations of the anti-fraud provisions of the federal securities laws, was assigning the life expectancies of insured individuals, whose policies were sold by MBC to investors;

j. That a second principal of MBC and VSI was enjoined by a United States District Court from committing further violations of the anti-fraud provisions of the federal securities laws;

k. That to compensate for inadequate premium reserves, Peter Lombardi, his co-conspirators, and others, pooled monies in various premium escrow accounts, and used monies obtained from recently sold viatical and life settlements to pay premium obligations on older policies that failed to mature within the represented life expectancy or were otherwise deficient;

1. That investors placed on certain group life insurance policies were at risk of losing their investments because MBC fraudulently purchased these policies, which were only permitted to be assigned as gifts; and

m. That the MBC's principals were misappropriating investor funds for their own personal use and benefit.

**OVERT ACTS IN FURTHERANCE OF THE CONSPIRACY**

In furtherance of the conspiracy, and to accomplish its object and purpose, at least one of the co-conspirators committed, or caused to be committed, in the Southern District of Florida and elsewhere, at least one of the following overt acts, among others:

1. On or about February 15, 2003, **AMEER KHAN** signed and filed, or caused others to file, a 2003 For Profit Corporation Uniform Business Report for the State of Florida, which listed **AMEER KHAN** as VSI's sole officer and director.

2. On or about April 28, 2004, **AMEER KHAN** signed and filed, or caused others to file, a 2004 For Profit Corporation Annual Report for the State of Florida, which listed **AMEER KHAN** as VSI's sole officer and director.

3. On or about February 23, 2002, **RAQUEL KOHLER** assisted in the misappropriation of investors funds by wiring \$950,000 from MBC's operating account to the personal bank account of one of MBC's principals.

4. On or about July 2, 2002, **RAQUEL KOHLER** signed a Declaration, which was submitted to the State of Oklahoma in connection with MBC's application for a life settlement provider's license.

5. On or about June 4, 2004, **RAQUEL KOHLER**, in an effort to conceal the controlling influence of MBC's principals, falsely stated under oath in a deposition with the Securities and Exchange Commission that **AMEER KHAN** did not report to anyone at MBC, when in truth and as she well knew, **AMEER KHAN** reported to MBC's principals.

6. On or about September 16, 1997, **STEPHEN ZIEGLER** held discussions with Bari Wiggins to address the fact that a representative from an insurance company was "sniffing around," investigating assignments falsely recorded as "gift assignments."

7. On or about February 14, 2002, **STEPHEN ZIEGLER** submitted, or caused others to submit, form contracts and other documents to the State of Florida to obtain regulatory approval for their use in the offer and sale of viatical and/or life settlements by MBC.

8. On or about May 31, 2002, **STEPHEN ZIEGLER** sent an e-mail communication to MBC's general counsel attaching revised drafts of contracts and other documents to be submitted to the State of Texas to obtain regulatory approval for their use in the offer and sale of viatical and/or life settlements by MBC.

All in violation of Title 18, United States Code, Section 371.

**COUNT 2**  
**PERJURY**  
**18 U.S.C. § 1621**

1. Paragraphs 1 through 17 of the General Allegations section and paragraphs 3 through 17 of Count 1 of this Information are re-alleged and incorporated by reference as though fully set forth herein.

2. On or about June 4, 2004, in Miami-Dade County, in the Southern District of Florida,

**RAQUEL KOHLER,**

having taken an oath before a competent tribunal, officer, and person, in a case in which the law of the United States authorizes an oath to be administered, namely in testimony before an officer of the United States Securities and Exchange Commission, that she would testify, declare, depose and certify truly, did willfully, knowingly and contrary to said oath, state material matters which she did not believe to be true, namely, the testimony on or about June 4, 2004, the underlined portion of which she believed to be materially false:


Q: Ameer Kahn, and who is Ameer Kahn?

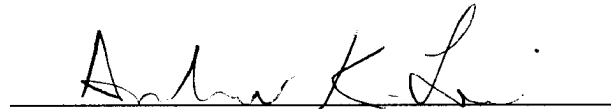
A: The person in charge of VSI.

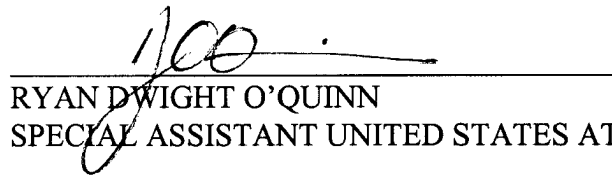
Q: Did Ameer Kahn report to anyone at MBC?

A: No.

In violation of Title 18, United States Code, Section 1621.

  
\_\_\_\_\_  
R. ALEXANDER ACOSTA  
UNITED STATES ATTORNEY

  
\_\_\_\_\_  
ANDREW K. LEVI  
ASSISTANT UNITED STATES ATTORNEY

  
\_\_\_\_\_  
RYAN DWIGHT O'QUINN  
SPECIAL ASSISTANT UNITED STATES ATTORNEY

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

UNITED STATES OF AMERICA

CASE NO. \_\_\_\_\_

vs.

CERTIFICATE OF TRIAL ATTORNEY\*

RAQUEL KOHLER,  
AMEER KHAN, and  
STEPHEN ZIEGLER,

Defendants.

\_\_\_\_\_ /

Superseding Case Information:

Court Division: (Select One)

X Miami \_\_\_\_\_ Key West  
\_\_\_\_\_ FTL \_\_\_\_\_ WPB \_\_\_\_\_

New Defendant(s) \_\_\_\_\_  
Number of New Defendants \_\_\_\_\_  
Total number of counts \_\_\_\_\_  
FTP \_\_\_\_\_

Yes \_\_\_\_\_ No \_\_\_\_\_  
\_\_\_\_\_

I do hereby certify that:

1. I have carefully considered the allegations of the indictment, the number of defendants, the number of probable witnesses and the legal complexities of the Indictment/Information attached hereto.

2. I am aware that the information supplied on this statement will be relied upon by the Judges of this Court in setting their calendars and scheduling criminal trials under the mandate of the Speedy Trial Act, Title 28 U.S.C. Section 3161.

3. Interpreter: (Yes or No) No  
List language and/or dialect \_\_\_\_\_

4. This case will take 0 days for the parties to try.

5. Please check appropriate category and type of offense listed below:  
(Check only one) (Check only one)

I	0 to 5 days	<u>X</u>	Petty	_____
II	6 to 10 days	_____	Minor	_____
III	11 to 20 days	_____	Misdem.	_____
IV	21 to 60 days	_____	Felony	<u>X</u>
V	61 days and over	_____		

6. Has this case been previously filed in this District Court? (Yes or No) No

If yes:  
Judge: \_\_\_\_\_ Case No. \_\_\_\_\_

(Attach copy of dispositive order)  
Has a complaint been filed in this matter? (Yes or No) No

If yes:  
Magistrate Case No. \_\_\_\_\_  
Related Miscellaneous numbers: 07-cr-20061-PCH; 06-cr-20665-PCH  
Defendant(s) in federal custody as of \_\_\_\_\_  
Defendant(s) in state custody as of \_\_\_\_\_  
Rule 20 from the \_\_\_\_\_ District of \_\_\_\_\_

Is this a potential death penalty case? (Yes or No) No

7. Does this case originate from a matter pending in the U.S. Attorney's Office prior to April 1, 2003? \_\_\_\_\_ Yes X No

8. Does this case originate from a matter pending in the U. S. Attorney's Office prior to April 1, 1999? \_\_\_\_\_ Yes X No  
If yes, was it pending in the Central Region? \_\_\_\_\_ Yes X No

9. Does this case originate from a matter pending in the Northern Region of the U.S. Attorney's Office prior to October 14, 2003? \_\_\_\_\_ Yes X No

10. Does this case originate from a matter pending in the Narcotics Section (Miami) prior to May 18, 2003? \_\_\_\_\_ Yes X No



ANDREW K. LEVI  
ASSISTANT UNITED STATES ATTORNEY  
Court ID No. A5500806

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

PENALTY SHEET

Defendant's Name: STEPHEN ZIEGLER

Case No: \_\_\_\_\_

Count # 1:

Conspiracy to Commit Securities Fraud

18 U.S.C. § 371

**\* Max. Penalty:** 5 Years' imprisonment

Counts # :

\_\_\_\_\_

\_\_\_\_\_

**\*Max. Penalty:** \_\_\_\_\_

Count # :

\_\_\_\_\_

\_\_\_\_\_

**\*Max. Penalty:** \_\_\_\_\_

Count # :

\_\_\_\_\_

\_\_\_\_\_

**\*Max. Penalty:** \_\_\_\_\_

**\*Refers only to possible term of incarceration, does not include possible fines, restitution, special assessments, parole terms, or forfeitures that may be applicable.**



UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

PENALTY SHEET

Defendant's Name: RAQUEL KOHLER

Case No: \_\_\_\_\_

Count # 1:

Conspiracy to Commit Securities Fraud

18 U.S.C. § 371

**\* Max. Penalty:** 5 Years' imprisonment

Count # 2:

Perjury

18 U.S.C. § 1621

**\*Max. Penalty:** 5 Years' imprisonment

Count # :

\_\_\_\_\_

\_\_\_\_\_

**\*Max. Penalty:** \_\_\_\_\_

Count # :

\_\_\_\_\_

\_\_\_\_\_

**\*Max. Penalty:** \_\_\_\_\_

**\*Refers only to possible term of incarceration, does not include possible fines, restitution, special assessments, parole terms, or forfeitures that may be applicable.**

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

PENALTY SHEET

Defendant's Name: AMEER KHAN

Case No: \_\_\_\_\_

Count # 1:

Conspiracy to Commit Securities Fraud

18 U.S.C. § 371

**\* Max. Penalty:** 5 Years' imprisonment

Counts # :

\_\_\_\_\_

\_\_\_\_\_

**\*Max. Penalty:** \_\_\_\_\_

Count # :

\_\_\_\_\_

\_\_\_\_\_

**\*Max. Penalty:** \_\_\_\_\_

Count # :

\_\_\_\_\_

\_\_\_\_\_

**\*Max. Penalty:** \_\_\_\_\_

**\*Refers only to possible term of incarceration, does not include possible fines, restitution, special assessments, parole terms, or forfeitures that may be applicable.**