FLORIDA LAW REVIEW

Mutual Benefits principal guilty but partner walks

by John Pacenti jpacenti@alm.com

with dignity. Donahue, and all he wanted to the dying live their last days Mutual Benefits Corp. was help do with his viatical company President Bill Clinton and Phil Steven Steiner said he knew

A federal jury didn't buy it.

of 38 counts. tion of justice. He was acquitted money laundering and obstruccounts of conspiracy to commit panel found Steiner guilty of 16 The nine-woman, three-man

counts to the wonderment of prosecutors. ted his longtime domestic partner, Henry Fecker III, of all 54 In contrast, the jury acquit-

the alleged \$1.1 billion fraud at Mutual Benefits. faces another trial centered on Kathleen Williams in Miami but May 8 by U.S. District Judge vice president, will be sentenced Steiner, a Mutual Benefits

surance policies from terminal-The company bought life in-



why they acquitted one defendant. "Some things are forever a mystery," U.S. District Judge Kathleen Williams wouldn't let the prosecution ask jurors

ly ill people, many with AIDS, the policy sellers died. them in for the full value when at a discount and then cashed

as people with HIV and AIDS lived longer as treatment imstymied the business mode But medical breakthroughs

claiming it turned into a Ponzi over Mutual Benefits in 2004 scheme when the policy sellers proved. Federal regulators took beat the odds.

Steinger, and attorney Anthony second trial are his brother, Joel Steiner's co-defendants in the

> Steinger's competency to stand back to May to determine Joel Livoti Jr. The trial was pushed

ners for 17 years before the 2011 assets for cheated investors. The appointed receiver recouping couple had been domestic partand hiding assets from a court-\$11 million from Mutual Benefits were accused of plotting to funnel days in the trial that concluded indictment. through a consulting business Thursday, Steiner and Fecker Deliberations spread over four

down crying on the stand and several times verbally jousted Rodriguez of West Palm Beach. with Fecker's attorney, Valentin ma. A defiant Steiner broke Testimony was full of dra-

"This is a courtroom." everyone to behave, saying, testimony, Williams reminded At one point during Steiner's

business or investments. Fecker, out knowing anything about his off the riches of his spouse withalmost as a trophy wife, living Rodriguez portrayed Fecker

> in his attorney's arms after the rosary beads in hand, collapsed the jury was dismissed. lengthy verdict was read and

gramate signature on trial docuon a number of key documents stand forging Fecker's signature ments did not show any inten-Kodrīguez said his client's lenon to break the law. Steiner admitted on

defense," Rodriguez said. I called it the 'sign here, honey, dupe who was told to sign here "Henry was just an innocent

without comment. Mendez, left the courtroom Steiner's attorney, Joaquin

Jurors privately. ted and wanted to talk to the about why Fecker was acquitthe government was "curious" Dwayne Williams told the judge Assistant U.S. Attorney

considered the request but said "Some things are forever a mysrelated to the prosecutor, briefly Judge Williams, who is not

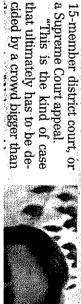
(305) 347-6638. John Pacenti can be reached at

Court sides with online firms in tax dispute

by Bill Kaczor The Associated Press

panel sided with online travel divided three-judge

> a Supreme Court appeal. 15-member district court, or



tion, hotels could set up their der the majority's interpretation, Padovano concluded. and not just the rental por-Padovano wrote that un-

LEGAL BRIEFS

MENTAL HEALTH TREATMENT TAX ON GUNS WOULD GO TO

treatment, under a bill filed by a Tampa with the money to go to mental health dealers' sale of guns and ammunition A 4 percent fee would be imposed on