

June 10, 2010

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VIA FIRST CLASS MAIL

Retirement Value, LLC Investor

Re: Your Investment with Retirement Value, LLC, Richard H "Dick" Gray and Bruce Collins

Cause No. D-1-GV-10-000454; *State of Texas vs. Retirement Value, LLC, et al.*; In the 126th District Court of Travis County Texas

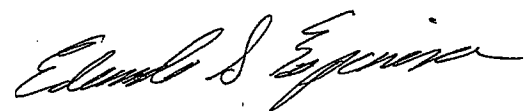
Dear Investor:

I, on behalf of Retirement Value, have reached an agreement with Bruce Collins to settle all claims that Retirement Value may have against him. Collins has agreed to assign or pay to the Receiver approximately \$319,000 in assets (RV participations and other life settlement investments) and cash. The face amount of the settlement represents slightly more than one-half of the total amounts paid to Collins by Retirement Value as well as the substantial majority of the assets traceable to Retirement Value which remain in Collins' possession or control. I believe that this settlement is fair, reasonable and in the best interests of Retirement Value and the investors as a group.

Under the orders appointing me as Receiver, the Court has the final say on whether or not the settlement should be approved. We have filed a motion seeking the court's approval for this settlement, which is set for hearing at 9:00 a.m. on Thursday, June 17, 2010. The hearing will be held at the Travis County Courthouse, 1000 Guadalupe, Austin, TX 78701. I have attached a copy of the motion for your review.

For your reference, I have also attached a list of questions that the investors have frequently asked and my responses.

Very truly yours,



Eduardo S. Espinosa

("Collins"). In addition, the State requested that the Court appoint Eduardo S. Espinosa as receiver for Retirement Value, LLC.

The Court issued the First Amended Temporary Restraining Order and Order Appointing Temporary Receiver on May 5, 2010 ("First Amended TRO"), which has been extended, by agreement, and is still in full force and effect as to Defendant Collins.¹ In the First Amended TRO, the Court appointed Mr. Espinosa as temporary receiver for Defendant Retirement Value. As temporary receiver, Mr. Espinosa is charged with, among other things, collecting and preserving the assets of Retirement Value for the ultimate purpose of effecting fair restitution, if necessary and/or possible, to the victims of the alleged fraud committed by Retirement Value.

The Receiver has entered into a settlement agreement with Defendant Collins that will resolve any and all claims between Collins and the Receiver. This settlement is expressly conditioned on approval by the Court.

THE SETTLEMENT BETWEEN BRUCE COLLINS AND THE RECEIVER

Collins was the Chief Operating Officer of Retirement Value. As Retirement Value's COO, Collins was primarily responsible for coordinating and supporting its network of licensees as well as creating a new direct sales force. Although he was not an employee of Retirement Value, Collins was paid \$75,000 for his services as COO.

In addition to acting as COO, Collins was also an independent sales agent or "licensee" of Retirement Value. As a licensee, Collins sold investments as well as recruited other licensees for his network. As a licensee, Retirement Value paid Collins approximately \$500,000 in commissions.

¹ Defendants Gray and Retirement Value agreed to an Agreed Temporary Injunction, which has been entered by the Court.

Collins and the Receiver have agreed to a settlement of all claims between them. As part of that settlement, Collins will assign or pay to the Receiver the following assets:

- Interests in the Retirement Value Resale Life Insurance Policy Program in the approximate amount of \$195,000;
- A note payable to him from GWG Life Settlements, LLC payable on November 14, 2010 in the amount of \$50,000 bearing interest at a rate of 5.50%;
- Cash in the amount of \$74,000.

The approximate face value of these assets is \$319,000. In addition, Collins will waive any interest in the estate of Retirement Value and any claims against Retirement Value, the Receiver or the State. Collins will also provide sworn financial statements to the Receiver and to the State. In exchange, the Receiver will release all other assets in the name of Bruce Collins or Collins Marketing Company from the receivership and the freeze imposed by the First Amended Temporary Restraining Order. The parties will also exchange mutual releases. The release of claims and of assets by the Receiver is expressly conditioned on the accuracy of the sworn financial statements provided by Collins. If the sworn financial statements provided by Collins contain any material falsehood, the Receiver is not bound by any of the terms of the settlement agreement.

The Receiver believes that the settlement with Collins is fair, reasonable and in the best interests of the estate of Retirement Value.

ARGUMENT

The settlement is fair and reasonable. The face amount of the settlement represents slightly more than one-half of the total amounts paid to Collins by Retirement Value as well as the substantial majority of the assets traceable to Retirement Value which remain in Collins' possession or control. As such, the Receiver has recovered most of the assets which he could recover under a potential cause of action for fraudulent transfer.


In addition, the settlement reflects Collins' cooperation with the Receiver. The Receiver was not required to assert claims against Collins or to litigate them, which represents a substantial savings in costs and expenses to the estate. Further, throughout the process, Collins and his counsel have cooperated with the Receiver's investigation providing documents and materials at the Receiver's request (without resort to formal process) and sitting for interviews by the Receiver and the State.

Settlement at this point is in the best interests of the estate of Retirement Value. Were the Receiver required to resort to litigation against Collins, the Receiver would incur substantial costs in terms of litigation fees and expenses as well as time and effort. Moreover, Collins has the right (pursuant to Court order) to draw an additional \$50,000 from his assets, which are currently under the control of the Receiver and which make up a portion of the settlement payments, for his legal defense. By reaching a settlement now, Collins can pay more than he would otherwise be able to pay.

The State has informed the Receiver that it does not object to the proposed settlement between the Receiver and Collins.

ACCORDINGLY the Receiver respectfully requests that this Court approve the proposed settlement with Collins on the terms set forth herein.

Respectfully submitted,



Michael D. Napoli
State Bar No. 14803400

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ATTORNEYS FOR THE COURT-APPOINTED
RECEIVER OF RETIREMENT VALUE, LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above pleading has been served on the following, via certified mail, return receipt requested, and e-mail, this 10th day of June 2010:

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