BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of
DAVID G. SCHILLING,
Respondent.

PETITION FOR ORDER

File No. S-05120(EX)

The staff of the State of Wisconsin, Department of Financial Institutions, Bureau of Registration & Enforcement has conducted an investigation in this matter pursuant to § 551.56, Wis. Stats., and as a result thereof alleges as follows:

1. David G. Schilling (“Schilling”) is an individual whose date of birth is July 27, 1957, with a CRD number of 4178700, a last known home address of 323 90th Street, Clear Lake, Wisconsin 54005 and a last known business address of 234 South Keller Avenue, Amery, Wisconsin 54001;

2. Mutual Benefits Corporation (“Mutual Benefits”) is a Florida corporation with its corporate headquarters at 2881 East Oakland Park Boulevard, Suite 200, Fort Lauderdale, Florida 33306;

3. Upon information and belief, at all times material hereto the business of Mutual Benefits was the sale of viatical settlement contracts;

4. At all times material hereto, Schilling was a securities agent licensed by the State of Wisconsin, Department of Financial Institutions, Division of Securities (“the Division”);

5. According to documents provided by Schilling, during the period of at least 2001 and 2002, Schilling, on behalf of Mutual Benefits, offered and sold to at least two persons in Wisconsin viatical settlement contracts of Mutual Benefits;

6. The viatical settlement contracts of Mutual Benefits are investment contract securities as defined by DFI-Sec 1.02(6)(a), Wis. Adm. Code and sec. 551.02(13), Wis. Stats.;

7. The viatical settlement contracts have never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.;

8. Schilling has violated sec. 551.21(1), Wis. Stats., by offering and selling unregistered securities to persons in Wisconsin; and
Therefore, the staff of the Bureau of Registration & Enforcement petitions the Administrator of the Division of Securities for the issuance of the attached Order pursuant to Ch. 551, Wis. Stats.

Mark E. Dorman  9.13.05
Examiner

David A. Cohen  9.16.05
Supervising Attorney