



UNITED STATES POSTAL INSPECTION SERVICE

LOS ANGELES DIVISION

January 26, 2005

Dear Dr.

The U.S. Postal Inspection Service is currently conducting a criminal investigation which involves Xelan and its affiliated companies. Our investigation reflects that you were a participant in a Xelan program.

We have enclosed a detailed questionnaire along with a self-addressed envelope. Please answer the questions presented as thoroughly as possible. Your answers will greatly enhance our criminal investigative efforts in this case. Once we have received the questionnaire back from you, investigators will review your responses and follow up with a more thorough in-person interview as warranted.

Investigating mail fraud is a priority for the U. S. Postal Inspection Service and you can be assured that every attempt will be made to identify and prosecute the perpetrators of this crime. *This notification should not be considered a reflection on the integrity or honesty of any individual or business or anyone associated with these individuals or businesses.* In addition, this inquiry should not be a reflection on the value or marketability of your investment.

The Victim Witness Assistance Program of the U. S. Postal Inspection Service will soon be sending you information concerning your rights as a victim during the investigative stages of the federal criminal justice process. Additionally, information will be provided to assist you to resolve any questions or problems you may have as a result of the crime, and also provide information on available resources including counseling and consumer protection agencies.

Thank you for your cooperation in this matter. If you have any questions related to this matter, please contact us. If you are represented by an attorney, please have your attorney contact us.

Sincerely,

T. D. France
Postal Inspector
PO Box 122110
San Diego, CA 92112

QUESTIONNAIRE

Please print or type. Feel free to use additional paper for detailed explanations.

1. Full Name (first, middle and last name):
2. Date of Birth:
3. Home Address and Home Telephone:
4. Mailing Address (if different from above):
5. Corporation Name used for the Xelan investment:
6. How did you first learn of Xelan?
7. Who was your financial counselor for your Xelan investment?
8. Which Xelan financial plans did you participate in?

Please answer the following questions only if you were a participant in the plan outlined in the question.

A) XELAN WELFARE BENEFIT TRUST ("419 Trust")
(Questions 9-21)

9. Were you told by representatives of Xelan that your premium payments to this plan were fully tax deductible?
10. Who told you this?
11. Were you told that you were the owner and beneficiary of the purchased life insurance policy?

12. Were you aware that the Trust was the owner and beneficiary of the policy?
13. Would you have participated in the plan if you were aware that the Trust was the owner and beneficiary of the policy?
14. Were you told that Donald Guess served as the Master insurance agent for the policy and was receiving a substantial commission based on the premiums paid on the life insurance policy?
15. Had you known that Donald Guess was the Master insurance agent and was receiving this commission, would you have participated in the plan?
16. Were you told that Donald Guess served as the Master insurance agent and as Trustee of the Trust?
17. Had you known that it is a violation of federal criminal law for a Trustee of an employee welfare benefit plan to receive a commission from the purchase of insurance by the plan, would you have participated in the plan?
18. Were you told that you only needed to make premium payments on the policy for 5 years in order to keep the face value of the policy? Were you told that you needed to make additional payments beyond the five years in order to keep the face value of the policy?
19. Had you been told that you were required to pay the annual premium for life to keep the face value of the policy, would you have participated in the plan?
20. Were you told that there were substantial surrender charges attached to the policy for the first 10 years?
21. Had you known that there were substantial surrender charges attached to this policy, would you have participated in the plan?
22. In what state did you sign the application for life insurance that was purchased for you by the Trust?
23. Who was present when you signed the application?

B) **DOCTORS BENEFIT INSURANCE CORPORATION ("DBIC")**
(Question 24-37)

24. Were you told that your premiums paid for Supplemental Disability Insurance, Supplemental Long Term Care Insurance and/or Supplemental Malpractice Insurance provided by DBIC were fully tax deductible?
25. Who told you this?
26. Were you told your participation in this program was secure?
27. Were you told that you had control over the funds you contributed to this program?
28. If you had been aware that the premiums paid for these supplemental policies were not tax deductible, would you have participated in the program?
29. Were you told by Xelan or their representatives that the premiums paid into the policy were held and invested in a segregated account located at a major financial institution in the United States?
30. Were you told that you could have access to these funds plus earnings after a specified period of time?
31. Did you receive account statements from Xelan, DBIC or any financial institution reflecting an exact summary of your premium contributions and the earnings made from the contributions?
32. Was it your belief that the account balance reflected in those statements was the amount of funds you were entitled to receive from DBIC?
33. Had you been told your premiums were not held in a segregated account but pooled with other participants' funds, would you have participated in the plan?

34. Had you been told that the account statements were not a true reflection of your account but only an approximation of what you may receive in the future, would you have participated in the plan?
35. Were you told that the funds that you contributed to DBIC's programs would be used to make payments on viatical contracts held for the benefit of other members of Xelan?
36. Were you told that the funds you contributed to DBIC's programs would be used to pay the legal fees of Xelan, Donald Guess, Leslie Buck and other members of Xelan?
37. Were you told that over 30% of the funds you contributed to DBIC's programs would be used for operational expenses?

Please use the enclosed self-addressed stamped envelope to forward copies of any and all documentation you may have which relates to Xelan or its related entities. For example, copies of the front and back of checks, correspondences, brochures, account statements, newsletters, photos, video and audio tape recordings, original mailing envelopes you've received from Xelan, etc.

Thank you very much for your time.

U.S. Postal Inspection Service
P.O. Box 122110
San Diego, CA 92112-2110

Phone: (619) 233-0610
Fax: (619) 531-8201