



The Life Settlement Network

August 28, 2008

Bernie Stoffel
Office of Insurance Regulation
Florida Department of Financial Services
200 East Gaines Street
Tallahassee, Florida 32399-0300

Re: Informational Public Hearing to be held by the Office of Insurance Regulation ("OIR") on August 28, 2008 regarding business arrangements variously called "Stranger Owned Life Insurance", "Stranger-Oriented Life Insurance", "Stranger Originated Life Insurance" or "Speculator Initiated Life Insurance" ("STOLI").

Dear Mr. Stoffel:

In anticipation of the above-referenced informational public hearing regarding the various STOLI arrangements scheduled for August 28, 2008, we write this letter to express Cantor Fitzgerald's position against STOLI and similar practices.

As you may know, Cantor Fitzgerald, a leading global financial services provider, operates an electronic marketplace for viatical settlement transactions ("LexNet"), which allows policyholders or viators of life insurance policies ("Policies") to list their Policies for sale and buyers to bid on and purchase such Policies. Cantor Fitzgerald, through its operation of LexNet, seeks to improve the efficiency and operation of the viatical settlements market and enhance the regulation thereof through the standardization of transparent processes for the transactions of viatical settlements.

In light of certain current industry practices which, in part, are reflected by certain recent lawsuits in Florida¹, Cantor Fitzgerald emphatically takes the position that STOLI and other practices that violate insurable interest laws and the prohibition against wagering on life should be categorically prohibited. However, we also wish to state that consumers should continue to have the choice to purchase a life insurance policy and sell such life insurance policy in an open, transparent and fair viatical settlement transaction.

¹ [WestCoast Life Ins. v. Life Brokerage Partners; AXA Equitable life Insurance Company vs. Infinity Financial Group, LLC.]

110 East 59th Street, New York, New York 10022

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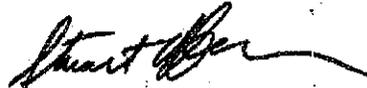
Consequently, we urge the OIR, in considering any additional prohibition against STOLI and similar practices, to make certain that such additional prohibition does not have the unintended consequence of harming the consumers and their options to enter into legitimate viatical settlement transactions.

We believe the current insurance laws and regulations of the State of Florida with respect to insurable interest and viatical settlement transactions represent an important balance between the highest legal standards in the viatical settlements industry designed to ensure consumer protection and the preservation of legitimate life settlement transactions. We also believe that the recently amended Model Life Settlements Act promulgated by the National Conference of Insurance Legislators embraces these goals well. In furtherance of such balance, Cantor Fitzgerald, through LexNet, has sought to provide important benefits to consumers and insurance regulators alike, including, transaction transparency, efficient pricing, more open competition and enhanced protection of consumers' privacy.

Finally, as a proponent of open, transparent and fair viatical settlement transactions, we applaud the continuing efforts of the OIR to diligently enforce the insurance laws and regulations in promoting greater consumer protection.

Thank you very much in advance for your consideration of our positions. We look forward to future opportunities to work with you and your staff in addressing these important issues

Sincerely,



Stuart Hersch
President & CEO