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TREASURER AND
INSURANCE COMMISSIONER
Dictated by: D/S

THE TREASURER OF THE STATE OF FLORIDA
DEPARTMENT OF INSURANCE

BILL NELSON

IN THE MATTER OF:

CASE NO.: 43747-01-AG

LIFE BENEFIT SERVICES, INC.
_____ /

NOTICE AND ORDER TO SHOW CAUSE

To: LIFE BENEFIT SERVICES, INC.
1850 Lee Road, Suite 325
Winter Park, FL 32789

LIFE BENEFIT SERVICES, INC.
c/o Vanda Tappan
1501 Cobble Lane
Mount Dora, FL 32757

YOU ARE HEREBY NOTIFIED that pursuant to the provisions of the Florida Insurance Code, as Treasurer and Insurance Commissioner of the State of Florida, I have caused an investigation to be made of your activities as a viatical settlement broker in this State and as a result find:

1. The Treasurer and Insurance Commissioner, as head of the Department of Insurance (hereinafter referred to as the "DEPARTMENT"), has jurisdiction over the subject matter and of the parties herein pursuant to Chapters 120 and 626, Florida Statutes.

2. LIFE BENEFIT SERVICES, INC. is a Florida corporation licensed as a viatical settlement broker, pursuant to Chapter 626, Florida Statutes.

3. The DEPARTMENT made an investigation into the activities of the LIFE BENEFIT SERVICES, INC. as a viatical settlement broker in this state, and as a result, alleges:

a. The corporate status of LIFE BENEFIT SERVICES, INC. is now defunct.

b. On February 11, 2000, the DEPARTMENT filed an Emergency Order Prohibiting Participation that barred Vanda "Wanda" Tappan from participation in the affairs of LIFE BENEFIT SERVICES, INC. because she had been indicted on felony charges.

c. Vanda Tappan has subsequently pleaded guilty to felony violations of the criminal code.

d. Vanda Tappan was the president, director, and only corporate officer of LIFE BENEFIT SERVICES, INC. from the date of its application as a viatical settlement broker, through and until September 22, 2000, when it was administratively dissolved by the Florida Department of State, Division of Corporations, for failure to file an annual statement.

IT IS THEREFORE CHARGED that LIFE BENEFIT SERVICES, INC., in the conduct of business as a viatical settlement broker in Florida is accountable under the following statutes and rules:

1. Has engaged in fraudulent or dishonest practices, or otherwise has been shown to be untrustworthy or incompetent to act as a viatical settlement broker [626.9917(1)(b), Florida Statutes];

2. Has been found guilty of, or has pleaded guilty or nolo contendere to, any felony, or a misdemeanor involving fraud or moral turpitude, regardless of whether a judgment of conviction has been entered by the court [626.9917(1)(c), Florida Statutes];

3. Employs any person who materially influences the licensee's conduct and who fails to meet the requirements of this act [626.9917(1)(f), Florida Statutes];

4. No longer meets the requirements for initial licensure [626.9917(1)(g), Florida Statutes].

WHEREFORE, LIFE BENEFIT SERVICES, INC., is hereby notified, pursuant to Sections 624.418 and Section 120.57, Florida Statutes, to show cause as to why the DEPARTMENT should not enter a permanent final order revoking or suspending LIFE BENEFIT SERVICES, INC.'s, license to do business in Florida and/or to impose other penalties as set forth in Section 626.9917(2), Florida Statutes, or to take such other administrative action as the Treasurer and Insurance Commissioner may deem appropriate as provided by law.

NOTICE OF RIGHTS

You have the right to request a proceeding to contest this action by the Department pursuant to sections 120.569 and 120.57, Florida Statutes, and Rule 28-107, Florida Administrative Code. The proceeding request must be in writing, signed by you, and must be filed with the Department within twenty-one (21) days of your receipt of this notice. Completion of the attached Election of Proceeding form and/or a petition for administrative hearing will suffice as a written request. The request must be filed with the General Counsel as acting Agency Clerk, at the Florida Department of Insurance, 612 Larson Building, 200 East Gaines Street, Tallahassee, Florida 32399-0333. Your written response must be received by the Department no later than 5:00 p.m. on the twenty-first day after your receipt of this notice. Mailing the response on the twenty-first day will not preserve your right to a hearing.

YOUR FAILURE TO RESPOND IN WRITING WITHIN TWENTY-ONE (21) DAYS OF YOUR RECEIPT OF THIS NOTICE WILL CONSTITUTE A WAIVER OF YOUR RIGHT TO REQUEST A PROCEEDING ON THE MATTERS ALLEGED

HEREIN AND AN ORDER OF REVOCATION WILL BE
ENTERED AGAINST YOU.

If you request a proceeding, you must provide information that complies with the requirements of Rule 28-107.004, Florida Administrative Code. As noted above, completion of the attached Election of Proceeding form conforms to these requirements. Specifically, your response must contain:

- (a) The name and address of the party making the request, for purpose of service;
- (b) A statement that the party is requesting a hearing involving disputed issues of material fact, or a hearing not involving disputed issues of material fact; and
- (c) A reference to the notice, order to show cause, administrative complaint, or other communication that the party has received from the agency.

If a hearing of any type is requested, you have the right to be represented by counsel or other qualified representative at your expense, to present evidence and argument, to call and cross-examine witnesses, and to compel the attendance of witnesses and the production of documents by subpoena.

If a proceeding is requested and there is no dispute of material fact, the provisions of section 120.57(2), Florida Statutes, apply. In this regard, you may submit oral or written evidence in opposition to the action taken by the Department or a written statement challenging the grounds upon which the Department has relied. While a hearing is normally not required in the absence of a dispute of fact, if you feel that a hearing is necessary, one will be conducted in Tallahassee, Florida, or by telephonic conference call upon your request.

However, if you dispute material facts which are the basis for the Department's action, you must request an adversarial proceeding pursuant to sections 120.569 and 120.57(1), Florida

Statutes. These proceedings are held before a State administrative law judge of the Division of Administrative Hearings. Unless the majority of witnesses are located elsewhere, the Department will request that the hearing be conducted in Tallahassee, Florida.

Failure to follow the procedure outlined with regard to your response to this notice may result in the request being denied. All prior oral communication or correspondence in this matter shall be considered freeform agency action, and no such oral communication or correspondence shall operate as a valid request for an administrative proceeding. Any request for an administrative proceeding received prior to the date of this notice shall be deemed abandoned unless timely renewed in compliance with the guidelines as set out above.

Mediation of this matter pursuant to section 120.573, Florida Statutes, is not available. No Department attorney will discuss this matter with you until the response has been received by the Department of Insurance.

DATED this 2nd day of July, 2002



K. Shipley
KENNEY SHIPLEY
Deputy Insurance Commissioner

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing ORDER TO SHOW CAUSE has been furnished by certified mail to LIFE BENEFIT SERVICES, INC., 1850 Lee Road, Suite 325, Winter Park, FL 32789 this 2nd day of July, 2002.



Bob Prentiss
Florida Department of Insurance
Division of Legal Services
612 Larson Building
200 East Gaines Street
Tallahassee, FL 32399-0333

STATE OF FLORIDA
DEPARTMENT OF INSURANCE

IN THE MATTER OF:

CASE NO.: 43747-01-AG

LIFE BENEFIT SERVICES, INC.
_____ /

ELECTION OF RIGHTS

I have received and read the Order to Show Cause filed against LIFE BENEFIT SERVICES, INC., including the Notice of Rights contained therein, and understand the options. LIFE BENEFIT SERVICES, INC., requests disposition of this matter as indicated below.
(Choose one)

1. LIFE BENEFIT SERVICES, INC., does not desire a proceeding. The Department may enter an Order revoking its license.

2. LIFE BENEFIT SERVICES, INC., does not dispute any of the Department's factual allegations and hereby elects an informal proceeding to be conducted in accordance with Section 120.57(2), Florida Statutes. In this regard, LIFE BENEFIT SERVICES, INC., desires to
 - submit a written statement and documentary evidence
 - attend an informal hearing to be held in Tallahassee; or
 - attend an informal hearing by way of telephone conference call.

3. LIFE BENEFIT SERVICES, INC., does dispute the Department's factual allegations and has attached to this form a statement indicating the specific issues of fact which are disputed and other required information indicated in the Notice of Rights. LIFE BENEFIT SERVICES, INC., hereby requests a formal adversarial proceeding pursuant to Sections 120.569 and 120.57(1), Florida Statutes, to be held before the Division of Administrative Hearings.

DATE: _____

Signature of Petitioner

TO PRESERVE YOUR RIGHT TO A PROCEEDING, YOU MUST RETURN THIS FORM WITHIN TWENTY-ONE (21) DAYS OF RECEIPT TO THE DEPARTMENT OF INSURANCE AT THE ADDRESS INDICATED IN THE NOTICE OF RIGHTS.

Name: _____

Address: _____
