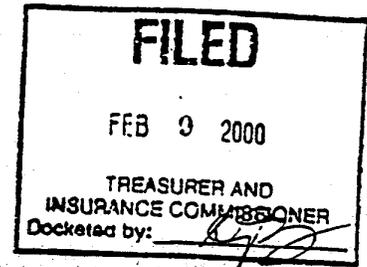




THE TREASURER OF THE STATE OF FLORIDA
DEPARTMENT OF INSURANCE

BILL NELSON



IN THE MATTER OF

BRUNA COVELESKI
Vice President of Life Benefits Services

CASE NO. 34069-00-CO

EMERGENCY ORDER PROHIBITING PARTICIPATION

TO: BRUNA COVELESKI
619 Mariner Way
Altamonte Springs, FL 32701

YOU ARE HEREBY NOTIFIED that pursuant to the provisions of Section 624.310, Florida Statutes, the Insurance Commissioner of the State of Florida has determined that you, BRUNA COVELESKI, have been charged in a state court with a felony involving fraud and theft. More specifically, the Insurance Commissioner finds that:

1. On or about January 20, 2000, BRUNA COVELESKI was indicted in Supreme Court Case No. 95,746, Fifteenth Statewide Grand Jury Case No. 2, Orange County Case No. CR00-975 (THE INDICTMENT)(Copy of indictment attached as Exhibit "A") and charged with Organized Fraud and Dealing in Stolen Property. That indictment was sealed until on or about February 4, 2000, when Bruna Coveleski was arrested pursuant thereto.

2. At all times relevant to the charges set forth in THE INDICTMENT, Life Benefits Services ("LBS"), was a Florida licensed viatical settlement broker in the State of Florida, subject to the jurisdiction and regulations of the Florida Department of Insurance pursuant to Chapter 626, Florida Statutes, and further subject to restrictions imposed by Orders issued by the Florida Department of Insurance.

3. At all times relevant to the charges set forth in THE INDICTMENT, BRUNA COVELESKI was the vice president of administration of LBS, and participated in the activities of LBS.

4. The charges in THE INDICTMENT relate to the activities of BRUNA COVELESKI as vice president of LBS.

5. BRUNA COVELESKI is an "affiliated party" as defined in Section 624.310(1)(a), Florida Statutes by virtue of the fact that at all times relevant to the charges set forth in THE INDICTMENT she participated in the conduct of the affairs of a licensee and was an employee and corporate officer of a licensee, LBS.

6. Pursuant to Section 624.310, Florida Statutes, the Florida Department of Insurance has jurisdiction over any "affiliated party" who directs or participates in the conduct of the affairs of a licensee.

7. The charges set forth in THE INDICTMENT include felonies involving fraud, theft, and moral turpitude.

8. Because BRUNA COVELESKI is an affiliated party charged with felonies involving fraud, theft, and moral turpitude, the Department may enter an Emergency Order Prohibiting Participation pursuant to the provisions of Section 624.310(4)(f)2., Florida Statutes.

STATUTORY BASIS FOR VIOLATIONS

9. The following provisions of the Florida Insurance Code are applicable in this case:

(a) "Affiliated party" means any person who directs or participates in the conduct of the affairs of a licensee and who is [a] director, officer, employee, trustee, committee member, or controlling stockholder of a licensee.... [Section 624.310(1)(a), Florida Statutes]

(b) "Licensee" means a person issued a license or certificate of authority or approval under this code or a person registered under a provision of this code.[Section 624.310(1)(b), Florida Statutes]

(c) Whenever any affiliated party is charged with a felony in a state or federal court... and the charge alleges violation of a law involving fraud, theft, or moral turpitude, the Department may enter an Order suspending the affiliated party or restricting or prohibiting participation by the affiliated party in the affairs of the particular licensee or of any other licensee upon service of the Order upon the licensee and the affiliated party charged.... The order remains in effect, unless otherwise modified by the department, until the criminal charge is disposed of. The acquittal of the person charged, or the final unappealed dismissal of all charges against the person, dissolves the order, but does not prohibit the department from instituting proceeding under paragraph (a). If the person charged is convicted or pleads guilty or nolo contendere, whether or not an adjudication of guilt is entered by the court, the order shall become final. [Section 624.310(4)(f)2., Florida Statutes]

SANCTION IMPOSED

Pursuant to the provisions of Sections 624.310(4)(f)2., Florida Statutes, you, BRUNA COVELESKI, are hereby prohibited from participating in the affairs of LBS or any other licensed viatical settlement broker or viatical settlement provider. Prohibited activities include, but are not limited to: personally engaging in any activities relating to viatical transactions; directing or controlling the activities of LBS or any other licensed viatical settlement broker or provider; voting stock of LBS; having contact with any prospective or actual viator, any licensed viatical settlement broker, any licensed viatical settlement provider, any licensed viatical settlement sales agent, or any potential or actual viatical settlement purchaser.

This Emergency Order Prohibiting Participation shall remain in effect, unless otherwise modified by the department, until the criminal charges are disposed of. The acquittal of the BRUNA COVELESKI, or the final unappealed dismissal of all charges against, BRUNA COVELESKI dissolves this Emergency Order Prohibiting Participation, but does not prohibit the department from instituting proceedings under paragraph Section 624.310(4)(a) or other applicable provisions of the Florida Insurance Code. If BRUNA COVELESKI is convicted or pleads guilty or nolo contendere, whether or not an adjudication of guilt is entered by the court, this Emergency Order Prohibiting Participation shall become final.

NOTICE OF RIGHTS

Pursuant to Section 624.310(4)(f)2., Florida Statutes, you have a right to request a proceeding to contest this action by the Department pursuant to the provisions of Sections 120.569 and 120.57, Florida Statutes, and Rule Chapter 28-106, Florida Administrative Code (F.A.C.). At that proceeding you may attempt to show that your continued service to or participation in the affairs of the licensee does not pose a threat to the interests of the licensee's policyholders or creditors and does not threaten to impair public confidence in the licensee. Your request must be in writing and must be filed with the General Counsel acting as the Agency Clerk, Department of Insurance. If served by U.S. Mail the written request should be addressed to the Florida Department of Insurance at 612 Larson Building, Tallahassee, Florida 32399-0333. If Express Mail or hand delivery is utilized, the written request should be delivered to 612 Larson Building, 200 East Gaines Street, Tallahassee, Florida 32399-0333. The written request must be received by the Department within twenty-one (21) days of the date of your receipt of this notice.

YOUR FAILURE TO RESPOND TO THIS ORDER BARRING PARTICIPATION IN THE AFFAIRS OF FUTURE FIRST FINANCIAL WITHIN TWENTY-ONE (21) DAYS WILL CONSTITUTE A WAIVER OF YOUR RIGHT TO REQUEST A PROCEEDING ON THE MATTERS DETERMINED HEREIN.

If a proceeding is requested and there is no dispute of fact the provisions of Section 120.57(2), Florida Statutes would apply. In this regard you may submit oral or written evidence in opposition to the action taken by this agency or a written statement

challenging the grounds upon which the agency 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.

If you dispute material facts which are a part of the limited basis for this agency's action you may request a formal adversarial proceeding pursuant to Section 120.57(1), Florida Statutes. If you request this type of proceeding, the request must comply with all of the requirements of Rule Chapter 28-106, F.A.C. and contain

- a) A statement identifying with particularity the allegations of the Department which you dispute and the nature of the dispute;
- b) An explanation of what relief you are seeking and believe you are entitled to;
- c) Any other information which you contend is material.

These proceedings are held before a State hearing officer 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.

Unless your written submission challenging this action is received by the Department within twenty-one (21) days from the date of the receipt of this notice, the right to a proceeding shall be deemed waived.

Failure to follow the procedures outlined with regard to your response to this Order may result in the request being denied. All prior correspondence in this matter shall be considered freeform agency action, and no such correspondence shall operate as a valid request for an administrative proceeding. Any request for 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.

DONE and ORDERED this 15 day of January, 2000.



Bill Nelson
Bill Nelson
Treasurer and Insurance
Commissioner

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Emergency Order Prohibiting Participation has been furnished by Certified Mail to Bruna Coveleski, 319 Mariner Way, Altamonte Springs, FL 32701, this _____ day of February, 2000.



Michael H. Davidson, Esquire
Division of Legal Services
Department of Insurance
200 E. Gaines Street
612 Larson Building
Tallahassee, Florida 32399-0333
(850) 413-4178