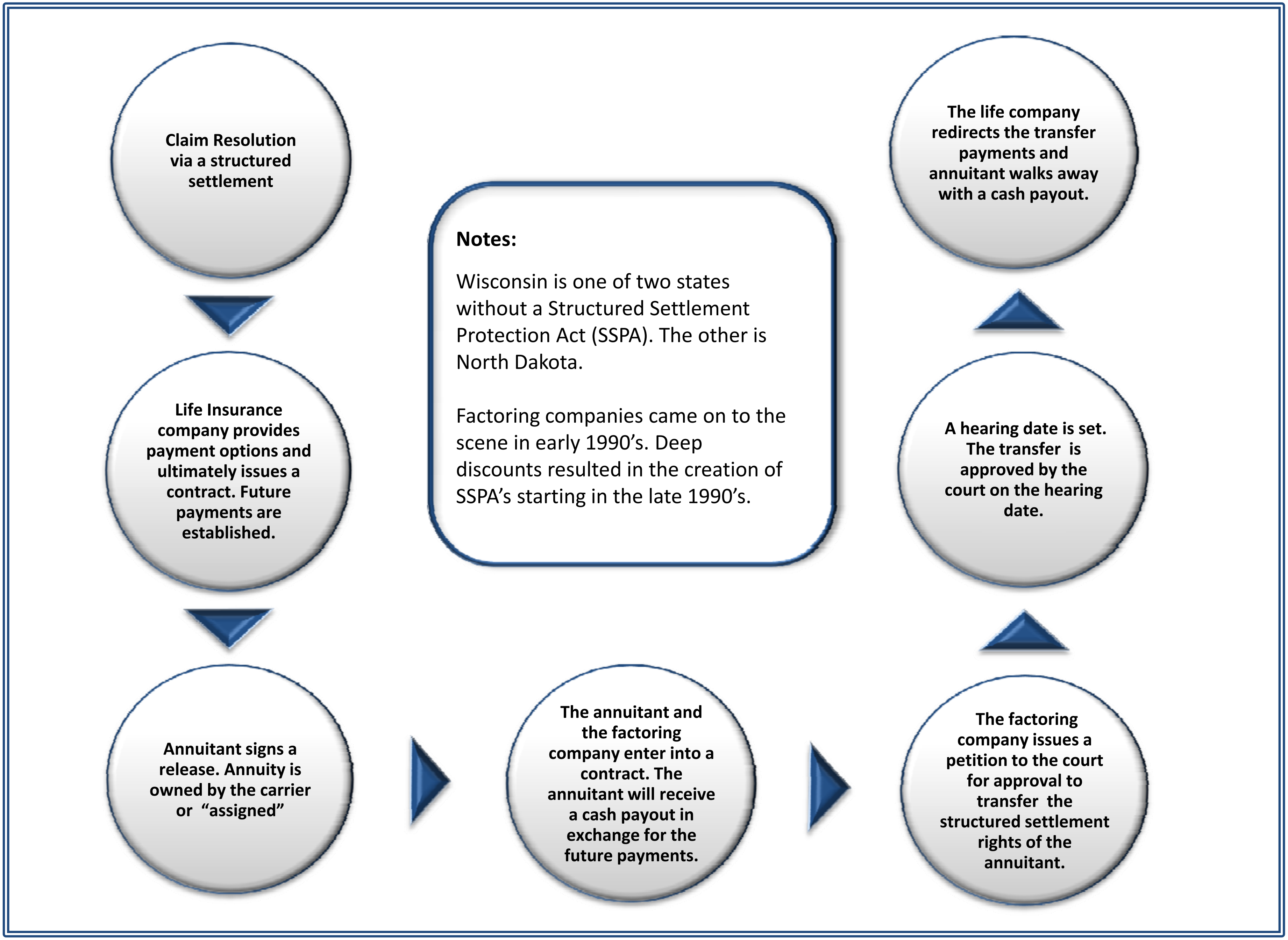
Structured Settlement Protection Act Considerations

- Include a disclosure statement showing Present Day Value (PDV) of future payments and the net amount to be paid by the factoring company
- Include a provision for the petition to be filed in the same court as the original underlying claim settlement
- Include a disclosure that the annuitant should seek independent professional advice
- Include a disclosure by the annuitant of previous petitions for approval to transfer Structured Settlement rights within the last # of years
- Include a copy of transfer agreement between the payee and the transferee
- Require a personal appearance before the court
- Require the approval be based on the “best interest” of payee taking into account the welfare/support of payee’s dependents
  - List the payee and all dependent and ages
  - List the proposed use of proceeds
  - List marital status
  - Disclose child support/spousal maintenance orders
  - List income sources
- Service requirements to all interested parties



Notes:

Wisconsin is one of two states without a Structured Settlement Protection Act (SSPA). The other is North Dakota.

Factoring companies came on to the scene in early 1990's. Deep discounts resulted in the creation of SSPA's starting in the late 1990's.