

# PAYEE PROTECTION POLICY



**IndependentLife**  
safe. secure. settled.

**FILED: FEBRUARY 2021**



**ANNUAL  
REPORT 2020**



As part of Independent Life’s Payee Protection Policy, Independent Life has committed to publishing an annual report to outline the number of petitions, orders approving, orders denying, and appeals related to \$5891 transfer requests.

**The purpose of this report is to provide full disclosure to the structured settlement market on these transactions as it relates to Independent Life.**

We hope this effort will ultimately encourage the other structured settlement providers to adopt a similar policy for the benefit of structured settlement payees and for the overall security of structured settlements.

## Summary Overview

Petitions Received: 2  
Agents Notified: 2  
IL Objections: 0  
Orders Approving: 2  
Orders Denying: 0  
Appeals: 0

*Date Range: February 25, 2020 through February 24, 2021*

## Commentary

### **Petition #1:**





Petition from CBC Settlement Funding complied with all terms of the PPP. The court approved the transfer.

### **Petition #2:**

Petition from J.G. Wentworth complied with PPP on discount rate. However, the payee did not receive IPA, so IL objected in writing to J.G. Wentworth immediately. Soon after, Payee obtained IPA prior to hearing. The court approved the transfer.

# PAYEE PROTECTION POLICY

## Independent Life's Payee Protection Covenants:

- 01 Independent Life will not solicit payees for Section 5891 transfers.
- 02 Independent Life will copy the agent(s) of record for the original structured settlement or their successors when documents indicative of a 5891 transfer are requested by the payee (Benefits Letter, Copy of Policy, Settlement Documents and Beneficiary Changed to Estate).
- 03 Independent Life will notify in writing the agent(s) of record for the original structured settlement or their successors when notified of a proposed Section 5891 transfer petition.
- 04 When notified of a proposed Section 5891 transfer, Independent Life will review the terms of the proposed transfer and will object to those transfers where:
  -  The discount rate used exceeds the Federal Reserve's Bank Prime Loan Rate plus 5.0%.
  -  Independent Life has a record of diminished capacity, a traumatic brain injury (TBI) or other cognitive impairments, and Independent Professional Advice (IPA) has not been provided.
  -  The payee is under the age of 25, and Independent Professional Advice (IPA) has not been provided.
  -  The jurisdiction of the proposed 5891 transfer does not correspond with the address of the payee (proposed transferor) on file with Independent Life.
- 05 At least once a year, Independent Life will publish a report outlining the number of 5891 transfer petitions, orders approving and denying, and appeals affecting Independent Life contracts.
- 06 Independent Life will reserve the right to appeal any 5891 transfer order that has been granted over its objection.

**For the most up-to-date information regarding 5891 transfers and Independent Life, please visit:**

**[www.Independent.Life/5891](http://www.Independent.Life/5891)**

\*Independent Life reserves the right to modify the Payee Protection Policy to serve the interests of our payees.