

**Matter of Settlement Funding of N.Y., LLC v
Metropolitan Tower Life Ins. Co.**

2007 NY Slip Op 32987(U)

September 20, 2007

Supreme Court, Suffolk County

Docket Number: 0011824/2007

Judge: Joseph Farneti

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SHORT FORM ORDER

INDEX NO. 11824/2007

SUPREME COURT - STATE OF NEW YORK
I.A.S. TERM, PART 37 - SUFFOLK COUNTY

PRESENT:

HON. JOSEPH FARNETI
Acting Justice Supreme Court

In the Matter of the Petition of

SETTLEMENT FUNDING OF NEW YORK, LLC,
for Judicial approval of Absolute Assignment and
UCC Article 9 Security Agreement with EFRAIN
E. VILLAFANE a/k/a EFRAIN ENOCH
VILLAFANE, pursuant to Article 5, Title 17 of the
New York General Obligation Law,

Petitioner,

-against-

METROPOLITAN TOWER LIFE INSURANCE
COMPANY a/k/a TOWER RESOURCES
GROUP, INC. and METROPOLITAN LIFE
INSURANCE COMPANY,

Respondents.

ORIG. RETURN DATE: JUNE 12, 2007
FINAL SUBMISSION DATE: JUNE 14, 2007
MTN. SEQ. #: 001
MOTION: MG *CASEDISP*

PLTF'S/PET'S ATTORNEY:

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METROPOLITAN LIFE INSURANCE CO.
2025 LEESTOWN ROAD - SUITE J
LEXINGTON, KY 40511

Upon the following papers numbered 1 to 3 read on this motion _____
TO APPROVE TRANSFER OF STRUCTURED SETTLEMENT

Order to Show Cause and supporting papers 1-3; it is,

ORDERED that the transfer with respect to the sale of structured settlement payments by METROPOLITAN TOWER LIFE INSURANCE COMPANY a/k/a TOWER RESOURCES GROUP, INC. and METROPOLITAN LIFE INSURANCE COMPANY ("Metropolitan"), and its successors and/or assign(s), to wit: 192 monthly payments, each in the amount of \$514.00, commencing on June 1, 2007 and ending on May 1, 2023, pursuant to an Absolute Assignment and UCC Article 9 Security Agreement ("Agreement") dated March 22, 2007, is hereby approved in all respects pursuant to GOL § 5-1701, *et*

seq., without opposition. The Court makes the following findings in approving the petition and the transfer with respect to the sale/transfer of the assigned payments by Metropolitan to petitioner and petitioner's successor(s) and/or assign(s):

- a. It complies with all requirements of the Structured Settlement Protection Act, GOL § 5-1701 *et seq.*;
- b. The transfer is in the best interests of the payee taking into account the welfare and support of the payee's dependents, and the transaction, including the discount rate used to determine the gross advance amount and the fees and expenses used to determine the net advance, is fair and reasonable;
- c. The payee has been advised in writing by the transferee to seek independent professional advice regarding the transfer and has received such advice in writing; and
- d. The transfer does not contravene any applicable statute or the order of any court or other responsible administrative or government authority, and both the transfer agreement and all disclosures are written in plain language and in compliance with GOL § 5-702.

The Court further finds that the requirements of GOL § 5-1701 *et seq.* have been met by petitioner, including that not less than ten (10) days prior to the date on which EFRAIN E. VILLAFANE a/k/a EFRAIN ENOCH VILLAFANE ("Villafane") signed the Agreement, petitioner furnished to Villafane, a separate Disclosure Statement in bold type no smaller than 14 point, setting forth the following:

- a. the amounts and due dates of the structured settlement payments to be transferred;
- b. the aggregate amount of such payments;
- c. the discounted present value of the payments to be transferred which shall be identified as the "calculation of current value of

- the transferred structured settlement payments under federal standards for valuing annuities,” and the amount of the applicable federal rate used in calculating such discounted present value;
- d. a price quote from two other annuity issuers that reflects the current cost of purchasing a comparable annuity for the aggregate amount of payments to be transferred;
 - e. the gross advance amount and the annual discount rate, compounded monthly, used to determine such figures;
 - f. an itemized listing of all commissions, fees, costs, expenses and charges payable by the payee or deductible from the gross amount otherwise payable to the payee and the total amount of such fees;
 - g. the net advance amount including a statement to the effect: “The net cash payment you receive in this transaction from the buyer was determined by applying the specified discount rate to the amount of future payments received by the buyer, less the total amount of commissions, fees, costs, expenses and charges payable by you”;
 - h. a statement to the effect: there are no penalties or liquidated damages payable by the payee in the event of any breach of the transfer agreement by the payee; and
 - i. a statement that the payee has the right to cancel the transfer agreement, without penalty or further obligations, not later than the third business day after the date the agreement is signed by the payee.

The Court further finds that petitioner has satisfied the notice provisions of GOL § 5-1701 *et seq.*, having served all interested parties with notice of the proposed transfer and the instant application for its authorization. This Order and the approved transfer shall be binding upon all heirs, beneficiaries and successors of any type of Metropolitan.

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FARNETI, J.
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Metropolitan is hereby directed to honor the transfer agreement and deliver to and make payable to petitioner SETTLEMENT FUNDING, or its successor(s) and/or assign(s), the 192 monthly payments, each in the amount of \$514.00, commencing on June 1, 2007, and ending on May 1, 2023, due under settlement contract referenced in the petition, at the following address: SETTLEMENT FUNDING OF NEW YORK, LLC, P.O. Box 116479, Atlanta, Georgia 30368-6476.

A copy of this Order shall be served on all interested parties within fifteen (15) days of the date hereof by certified mail.

The foregoing constitutes the decision and Order of the Court.

Dated: September 20, 2007



HON. JOSEPH FARNETI
Acting Justice Supreme Court