

**J.G. Wentworth Originations, LLC v Metropolitan  
Life Ins. Co.**

2015 NY Slip Op 30361(U)

March 12, 2015

Supreme Court, New York County

Docket Number: 150144/2015

Judge: Peter H. Moulton

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This opinion is uncorrected and not selected for official publication.

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NEW YORK

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In the Matter of the Petition of  
J.G. WENTWORTH ORIGINATIONS, LLC  
for Judicial Approval of Transfer of Structured  
Settlement Payment Rights with MARION MOORE  
In Accordance With New York General  
Obligations Law § 5-1701

Index No. 150144/2015

Petitioner

-and-

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

Respondents/Interested Persons Pursuant to  
GOL § 5-1701 et seq.

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**PETER H. MOULTON, J.S.C.:**

Marion Moore seeks the transfer of certain structured payments due to her under a structured settlement agreement in accordance with 26 U.S.C. 5891 et seq. and GOL § 5-1701 et seq. Ms. Moore seeks to sell the following: Eighty-four (84) monthly payments of \$900.41 each, increasing at 3.00% annually, beginning on September 21, 2015 and ending on August 21, 2022. The aggregate of those payments is \$82,792.20. In exchange for the sale of those payments to J.G. Wentworth, LLC, Ms. Moore originally was slated to receive \$48,000.00. As amended, *nunc pro*

*tunc*, Ms. Moore seeks to sell the aforementioned payments for a purchase price of \$55,000.00 (*see* attached e-mail dated March 4, 2015). The discounted present value of this transaction using the federal interest of 2.00% is \$76,030.29, which factoring in the money Ms. Moore is scheduled to receive, represents 72.50% of the estimated current value of the payments. The annual interest rate of the transaction was originally 14.33%, but as amended stands at 10.30% (*id.*). If this application is approved, Ms. Moore will retain her guaranteed monthly payments increasing at 3.00% annually from September of 2022 through 2033, and for life thereafter.

Ms. Moore's affidavit reflects the following: She is 25 years old, resides in New York, is divorced, has two minor children, and pays \$1,100.00 in rent. Ms. Moore is currently employed as an administrative assistant with the New York City Department of Social Services, earning an annual income of approximately \$20,000.00. She intends to use the money that she receives from the transfer of her structured settlement payments to purchase a home (her affidavit states that the home would be in Virginia or Connecticut, but she clarified on the return date of the Order to Show Cause that the home would actually be in Atlanta, and that the affidavit was wrong with respect to Virginia and Connecticut). Having recently gone through a divorce, Ms. Moore believes that the purchase of a home will allow her and her family to have a fresh start. Having carefully analyzed her budget, Ms. Moore states that she cannot accomplish this vital goal without this transaction.

The court met with J.G. Wentworth's counsel, and Ms. Moore on the scheduled return date for the Order to Show Cause, March 4, 2015. On that date, Ms. Moore expounded on her desire to purchase a home in Atlanta, Georgia, where she currently has family. Ms. Moore further stated that she would like to purchase a home in the Atlanta area, because she has already been able to find employment there with the Atlanta Transit Police Department with an annual salary that is more than

double her current salary of \$20,000.00 a year. As such, Ms. Moore emphasized to the court the immediate need for the funds in connection with the proposed sale of her future structured settlement payments.

The court finds that the transaction herein is both fair and reasonable and in the best interest of Ms. Moore. The \$55,000.00 that Ms. Moore will receive represents 72.50% of the estimated current value of the payments. The annual discount rate of 10.30 % is also fair and reasonable under the circumstances. Furthermore, given Ms. Moore's immediate need for the funds in connection with this transaction to purchase a home in Atlanta, and secure a more lucrative employment opportunity there, it would not be in Ms. Moore or her family's best interest for the court to disapprove this transaction. Additionally, Ms. Moore's present receipt of her monthly annuity payments does little to advance her present desire to make this investment. The duration of time that would elapse before she would receive enough money for the purchase of a home by saving income and aggregating her monthly annuity payments may compromise her chances of capitalizing on a low-interest buyer's market for home ownership. As such, Ms. Moore has shown an immediate need for the funds in connection with this transaction. However, Ms. Moore should take heed of the fact that any future applications may not be approved. Ms. Moore will resume receipt of her guaranteed monthly payments increasing at 3.00% annually in 2022. While she is still very young, that additional money may become more essential to her and her family as she ages and eventually contemplates retirement. That being the case, she is cautioned against reliance on her ability to sell the remaining portions of her structured settlement payments and should use the \$55,000.00 that she

is receiving here wisely.<sup>1</sup>

It is hereby:

**ADJUDGED** that the petition is granted; and an Order is signed simultaneously herewith.

**This constitutes the Decision and Judgment of the Court.**

Dated: March 12, 2015

ENTER:



J.S.C.  
**HON. PETER H. MOULTON**  
 J.S.C.

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This transaction does not require a servicing arrangement. This court does not condone such arrangements. Servicing arrangements are sometimes required by annuity companies, who do not want to “split” payments when only a portion of the structure is sold. Rather, the company purchasing a portion of the structured payments is sent the entire amount and remits the portion not sold back to the person selling the structured payments. Although the court has only found one case discussing this problematic issue, it remains concerned about the status of the unsold portions if, for example, the purchasing company declares bankruptcy. Other concerns include delay in payments and the accountability or responsiveness of the servicers.