

**Matter of Hoover Circle, LLC v American Home
Assur. Co.**

2021 NY Slip Op 32184(U)

November 4, 2021

Supreme Court, Kings County

Docket Number: Index No. 518614/2021

Judge: Peter P. Sweeney

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SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF KINGS

In the Matter of the Petition of
HOOVER CIRCLE, LLC,
for the Approval of Transfer of Structured
Settlement Payment Rights In Accordance with
GOL §5-1701 et seq.,

Index No. 518614/2021
Motion Seq. #01

ORDER

Petitioner(s)

-against-

AMERICAN HOME ASSURANCE COMPANY,
THE UNITED STATES LIFE INSURANCE
COMPANY IN THE CITY OF NEW YORK, and L.B.,

Respondent(s).

AND NOW, this 4th day of November 2021, upon consideration of the Verified Petition in Support of Order to Show Cause for the approval of transfer of structured settlement payment rights (the "Petition") filed by Hoover Circle, LLC ("Hoover"), it is hereby ORDERED, ADJUDGED, and DECREED as follows:

1. The transfer of structured settlement proceeds by Luis Antonio Brand, Jr. a/k/a Luis Antonio Brand a/k/a Luis A. Brand a/k/a Luis Brand a/k/a L. Brand a/k/a Luis B. a/k/a L.B. ("Brand") to Hoover, as described in the Petition in this matter (the "Proposed Transfer"), is approved.
2. Brand is domiciled in Kings County, New York and has consented to the jurisdiction of this Court.
3. The Petition complies with all of the requirements of the NY GEN OBLIG. LAW § 5-1701, *et seq.*
4. All of the disclosures requirements of NY GEN OBLIG. LAW § 5-1701, *et seq.* have

- been complied with, including the receipt by Brand of the separate Disclosure Statement not less than 10 days before the execution of the transfer agreement.
5. A true and complete copy of the Order to Show Cause and the Petition were served on the annuity owner, American Home Assurance Company (“AHAC”), and the annuity issuer, The United States Life Insurance Company in the City of New York f/k/a American International Life Assurance Company of New York (“US Life NY”), and all interested parties pursuant to NY GEN OBLIG. LAW § 5-1705(c).
 6. The Proposed Transfer is in the best interests of Brand as defined in NY GEN OBLIG. LAW § 5-1706(b); and the welfare and support of his dependents, if any, will not be adversely affected by the Proposed Transfer.
 7. The Proposed Transfer is fair and reasonable pursuant to NY GEN OBLIG. LAW § 5-1706(b), including the discount rate used to determine the gross advance amount, and the fees and expenses used to determine the net advance amount.
 8. Pursuant to NY GEN OBLIG. LAW § 5-1706(c), Brand has been advised in writing to seek independent professional advice regarding the Proposed Transfer, and has either received or knowingly waived such advice in writing.
 9. Pursuant to NY GEN OBLIG. LAW § 5-1706(d), the Proposed Transfer of certain structured settlement payment rights by Brand to Hoover does not contravene any applicable federal or state statute or the order of any court or responsible governmental or administrative authority.
 10. Pursuant to NY GEN OBLIG. LAW § 5-1706(e), the transfer agreement is written in plain language in compliance with the provisions of NY GEN OBLIG. LAW § 5-1702, *et seq.*

11. Brand represents and warrants that he has all right, title, and interest in and to the Assigned Payments (defined below), that said payments were not previously transferred, assigned, sold, encumbered, or otherwise alienated, and that he is not aware of any claim or potential claim against, or interest of any third-party in, said payments or payment rights other than as expressly set forth herein. This representation and warranty includes but is not limited to Brand's rights and/or obligations as set forth in any underlying document(s) (i.e. settlement agreement, release, uniform qualified assignment, order approving the settlement, etc.) entered or executed in connection with, related to, or arising out of, the creation of the annuity (the "Underlying Documents").

12. The Sum Payable to Brand shall be \$205,000.00.

Based on the foregoing findings and being satisfied that the Proposed Transfer satisfies all applicable statutory requirements, it is hereby;

ORDERED that the Petition is GRANTED and APPROVED as follows:

Pursuant to NY GEN OBLIG. LAW § 5-1701, *et seq.*, the assignment by Brand to Hoover of all of his right, title, and interest in and to certain payments is hereby APPROVED.

It is further ORDERED that US Life NY is hereby directed, on the dates set forth therein, to make payable certain payments due under annuity contract No. 433172 (the "Annuity"), as follows:

- monthly payments of \$2,138.31 each, commencing June 19, 2022 through and including September 19, 2041

(the "Assigned Payments"). The Assigned Payments, when due, shall be sent to Structured Originations, LLC ("Assignee"), as the designated assignee of Hoover, at the following address:

Structured Originations, LLC
P.O. Box 83364
Woburn, MA 01813-3364

(the “Designated Address”). US Life NY and AHAC shall discharge their obligation to make the Assigned Payments in question by paying and directing said payments to Assignee and by doing so US Life NY and AHAC shall not have any liability to Brand for the Assigned Payments. This Order in no way modifies or negates the ownership or control over the Annuity by US Life NY and/or AHAC.

It is further ORDERED that Hoover, Assignee, and their affiliates and successors in interest, shall defend, indemnify, and hold harmless AHAC and US Life NY and their successors and assigns, parents, affiliates, and subsidiaries, from and against any and all liability from all claims in connection with, related to, or in any way arising out of the issuance of the Assigned Payments to Assignee, whether such claims are brought by Brand (including Brand’s heirs, beneficiaries, and/or executors), by any individual or entity to which Assignee subsequently assigns or transfers the Assigned Payments or any portion thereof, or by any other individual or entity. To the extent that Hoover and/or Assignee neglect to honor this indemnification and defense obligation, AHAC and US Life NY may, in addition to all other remedies available at law, satisfy the same by withholding to their credit any remaining Assigned Payments.

It is further ORDERED that neither the fact of the entry of this Order, nor any term or action taken hereunder, shall be admissible at any time in any action or proceeding for any purpose, except if required in connection with the enforcement of any party’s rights hereunder.

It is further ORDERED that AHAC and US Life NY are hereby discharged from all liability for the Assigned Payments, as to all parties except Assignee and its successors and/or

assigns. This Order is entered without prejudice to the rights of AHAC and US Life NY and the Court makes no finding regarding the enforceability of any anti-assignment provisions contained in the annuity contracts or related documents.

It is further ORDERED that the death of Brand, prior to the due date of the last Assigned Payment, shall not affect the transfer of the Assigned Payments from Brand to Assignee and Brand understands that he is giving up his rights, and the rights of his heirs and/or successors, to the Assigned Payments.

It is further ORDERED that this Order shall be read in conjunction with prior orders of this or any other court transferring payments from the Annuity, and the payment transferred herein shall be in addition to payments transferred pursuant to any such prior orders.

It is further ORDERED that this Order shall constitute a “Qualified Order” within the meaning of 26 U.S.C. § 5891, *et seq.* and finally disposes of all claims and all parties; all motions not specifically granted herein are DENIED.

SO ORDERED, this 4th day of November, 2021.



J.S.C.

Hon. Peter P. Sweeney