

§ 1-543.11. Definitions.

For purposes of this Article:

- (1) "Annuity issuer" means an insurer that has issued an annuity or insurance contract used to fund periodic payments under a structured settlement;
- (2) "Discounted present value" means the fair present value of future payments, as determined by discounting such payments to the present utilizing the tables adopted in Article 5 of Chapter 8 of the General Statutes;
- (3) "Independent professional advice" means advice of an attorney, certified public accountant, actuary, or other licensed or registered professional or financial adviser:
 - a. Who is engaged by a payee to render advice concerning the legal, tax, and financial implications of a transfer of structured settlement payment rights;
 - b. Who is not in any manner affiliated with or compensated by the transferee of such transfer; and
 - c. Whose compensation for rendering such advice is not affected by whether a transfer occurs or does not occur;
- (4) "Interested parties" means, with respect to any structured settlement, the payee, any beneficiary designated under the annuity contract to receive payments following the payee's death, the annuity issuer, the structured settlement obligor, and any other party that has continuing rights or obligations under the terms of the structured settlement;
- (5) "Payee" means an individual who is receiving tax-free damage payments under a structured settlement and proposes to make a transfer of payment rights thereunder;
- (6) "Qualified assignment agreement" means an agreement providing for a qualified assignment within the meaning of section 130 of the Internal Revenue Code, United States Code Title 26, as amended from time to time;
- (7) "Responsible administrative authority" means, with respect to a structured settlement, any government authority vested by law with exclusive jurisdiction over the settled claim resolved by such structured settlement;
- (8) "Settled claim" means the original tort claim resolved by a structured settlement;
- (9) "Structured settlement" means an arrangement for periodic payment of damages for personal injuries established by settlement or judgment in resolution of a tort claim;
- (10) "Structured settlement agreement" means the agreement, judgment, stipulation, or release embodying the terms of a structured settlement, including the rights of the payee to receive periodic payments;
- (11) "Structured settlement obligor" means, with respect to any structured settlement, the party that has the continuing periodic payment obligation to the payee under a structured settlement agreement or a qualified assignment agreement;
- (12) "Structured settlement payment rights" means rights to receive periodic payments (including lump-sum payments) under a structured settlement, whether from the settlement obligor or the annuity issuer, where:
 - a. The payee is domiciled in this State;
 - b. The structured settlement agreement was approved by a court or responsible administrative authority in this State; or

- c. The settled claim was pending before the courts of this State when the parties entered into the structured settlement agreement;
- (13) "Terms of the structured settlement" include, with respect to any structured settlement, the terms of the structured settlement agreement, the annuity contract, any qualified assignment agreement, and any order or approval of any court or responsible administrative authority or other government authority authorizing or approving such structured settlement; and
 - (14) "Transfer" means any sale, assignment, pledge, hypothecation, or other form of alienation or encumbrance made by a payee for consideration;
 - (15) "Transfer agreement" means the agreement providing for transfer of structured settlement payment rights from a payee to a transferee. (1999-367, s. 1.)