

Matter of Peachtree Settlement Funding, LLC v New York Life Ins. Co.
2021 NY Slip Op 32270(U)
October 21, 2021
Supreme Court, Kings County
Docket Number: Index No. 520252/21
Judge: Peter P. Sweeney
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At Part 73, of the Supreme Court of the State of New York, held in and for the County of Kings, at the Courthouse located at 360 Adams Street, Brooklyn, New York, on this 21st day of October, 2021

P R E S E N T :

HON. PETER P. SWEENEY, JUSTICE.

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In the Matter of the Petition of

PEACHTREE SETTLEMENT FUNDING, LLC,

Petitioner,

-and-

Index No. 520252/21

NEW YORK LIFE INSURANCE COMPANY,
NEW YORK LIFE INSURANCE AND ANNUITY
CORPORATION and S.B.,

Motion Sequence #01

As Interested Persons Pursuant to GOL §5-1701 (f),

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**FINAL ORDER APPROVING TRANSFER
OF STRUCTURED SETTLEMENT PAYMENT RIGHTS**

THIS MATTER having come before the Court pursuant to the Petition of Peachtree Settlement Funding, LLC (“Peachtree”) seeking approval of the transfer of certain structured settlement payments by the payee, Shanee Bond, a/k/a Shanee M. Bond (“Ms. Bond”), to petitioner, Peachtree, pursuant to the provisions of General Obligations Law § 5-1701 *et seq.*, and by an Order to Show Cause. The Court received the testimony of Ms. Bond, who appeared in person at the hearing, statements of counsel, and reviewed the documents filed herein.

The Court, having reviewed and considered the Petition of Peachtree, finds that there is good cause to approve the transfer of structured settlement payment rights by and between Ms. Bond, transferor/payee, and Peachtree, transferee/petitioner.

NOW, this 21ST day of October, 2021, the Court hereby finds that:

1. The transfer of the structured settlement payment rights, specifically:
 - a \$500.00 portion of monthly payments of \$933.58 each, beginning on September 18, 2021 and continuing through and including December 18, 2021;
 - monthly payments of \$933.58 each, beginning on July 18, 2043 and continuing through and including June 18, 2057

(the “Assigned Payments”), by Ms. Bond to Peachtree as described in the application in this matter and in the Purchase Contract (the “Transfer Agreement”) between Ms. Bond and Peachtree (the “Proposed Transfer”) (i) does not contravene any federal or state statute or the order of any court or responsible administrative authority, and (ii) is in the best interest of Ms. Bond, taking into account the welfare and support of Ms. Bond’s dependents, if any.

2. The Proposed Transfer complies with the requirements of the New York Structured Settlement Protection Act (the “Act”), N.Y. Gen. Oblig. § 5-1701 *et seq.*, 26 U.S.C. § 5891, and does not contravene any applicable statute or the order of any court or other government authority.

3. Not less than ten days prior to the date on which Ms. Bond signed the Transfer Agreement, Peachtree provided to Ms. Bond a Disclosure Statement in compliance with N.Y. Gen. Oblig. § 5-1703.

4. The Proposed Transfer, including the discount rate used to determine the gross advance amount and the fees and expenses used to determine the net advance amount are fair and reasonable.

5. Peachtree has timely filed with the Court and served on all interested parties, including New York Life Insurance and Annuity Corporation (“NY Annuity”) and New York Life Insurance Company (“NY Life”) (collectively, “Insurers”), notice of the Proposed Transfer, a copy of the Transfer Agreement, a copy of the Disclosure Statement and proof of notice of the

Disclosure Statement, and a listing of Ms. Bond's dependents, in compliance with the requirements of N.Y. Gen. Oblig. § 5-1705(c) & (d).

6. Ms. Bond has been advised in writing by Peachtree to seek independent professional advice regarding the Proposed Transfer and has either received such advice or knowingly waived such advice in writing.

7. The Transfer Agreement and all disclosures are written in plain language and in compliance with N.Y. Gen. Oblig. § 5-702.

8. This Court has jurisdiction over this matter pursuant to N.Y. Gen. Oblig. § 5-1705(b) and upon the application of petitioner.

9. By an Order entered by Supreme Court of the State of New York, County of Kings, dated March 13, 2019, Ms. Bond assigned to Peachtree her right to receive the following Periodic Payments: a \$433.58 portion of monthly payments of \$933.58 each, beginning on July 18, 2019 and continuing through and including June 18, 2034; a lump sum payment of \$10,000.00 due on October 18, 2022; a lump sum payment of \$20,000.00 due on October 18, 2028.

10. By an Order entered by Supreme Court of the State of New York, County of Kings, dated December 9, 2019, Ms. Bond assigned to Peachtree her right to receive the following Periodic Payments: a \$500.00 portion of monthly payments of \$933.58 each, beginning on January 18, 2022 and continuing through and including June 18, 2034; a \$15,000.00 portion of annual payments of \$20,000.00 each, beginning on August 1, 2027 and continuing through and including August 1, 2030; a \$20,000.00 portion of the lump sum payment of \$30,000.00 due on October 18, 2033; a \$20,000.00 portion of the lump sum payment of \$30,000.00 due on October 18, 2038.

11. By an Order entered by Supreme Court of the State of New York, County of Kings, dated March 16, 2021, Ms. Bond assigned to Leaf 002, LLC her right to receive the following Periodic Payments: a \$5,000.00 portion of annual payments of \$20,000.00 each, beginning on August 1, 2027 and continuing through and including August 1, 2030; a \$10,000.00 portion of the lump sum payment of \$30,000.00 due on October 18, 2033; a \$10,000.00 portion of the lump sum payment of \$30,000.00 due on October 18, 2038; monthly payments of \$933.58 each, beginning on July 18, 2034 and continuing through and including December 18, 2042.

Based upon the foregoing findings, IT IS HEREBY ORDERED that:

A. Pursuant to the Act, the Proposed Transfer is APPROVED. Regardless of the designated beneficiary under Annuity Contract No. 77428465, owned by NY Annuity and issued by NY Life, Peachtree shall be entitled to receive the Assigned Payments even in the event of Ms. Bond's death, and Ms. Bond understands she is giving up her rights, and the rights of her heirs, successors and/or beneficiaries, to the Assigned Payments.

B. Until NY Life has received and processed a fully-executed Stipulation (the "Stipulation") between the parties and a certified or court filed-stamped copy of this Order, NY Life will continue to make the Assigned Payments to Ms. Bond.¹ Any obligation of NY Life hereunder to direct the Assigned Payments to Peachtree is limited to such Assigned Payments that have not already been paid as of the date NY Life receives and processes the fully-executed Stipulation and a certified or court filed-stamped copy of this Order allowing the Proposed Transfer. Peachtree agrees to seek recovery solely from Ms. Bond for any Assigned Payments

¹ The Assigned Payments that have been or are expected to be made to Ms. Bond prior to NY Life's receipt and processing of the fully-executed Stipulation and a certified or court filed-stamped copy of this Order are as follows: the Assigned Payments due on September 18, 2021 and October 18, 2021.

made by NY Life prior to its receipt and processing of the fully-executed Stipulation and the certified or court file-stamped copy of this Order.

C. NY Life shall forward the following Assigned Payments, within 7 days of the date due, to Peachtree, by check made payable to "Peachtree Settlement Funding, LLC," at P.O. Box 83364, Woburn, MA 01813-3364 (the "Designated Address"), TIN 45-2795843:

- a \$500.00 portion of monthly payments of \$933.58 each, beginning on November 18, 2021 and continuing through and including December 18, 2021;
- monthly payments of \$933.58 each, beginning on July 18, 2043 and continuing through and including June 18, 2057.

D. In consideration for the Assigned Payments, Ms. Bond shall receive a net payment of \$25,000.00 from Peachtree.

E. In the event Peachtree further assigns or otherwise transfers the Assigned Payments (or any portion thereof or interest therein) to another person or entity (a "Reassignment"), NY Life shall not be obligated and cannot be required to redirect the Assigned Payments (or any portion thereof) to any person or entity other than Peachtree or to any payment address other than that specified herein and Peachtree shall remain obligated to comply with all terms and conditions herein and in the Stipulation. Notwithstanding the foregoing, the Stipulation and this Order will remain binding and fully enforceable against Peachtree and Ms. Bond.

F. Peachtree shall defend, indemnify, and hold harmless Insurers and their respective directors, shareholders, officers, agents, attorneys, employees, servants, successors, and assigns, and any parent, subsidiary, or affiliate thereof, and their directors, shareholders, officers, agents, attorneys, employees, servants, successors, and assigns, past and present, from and against any and all liability, including but not limited to any claims asserted by any person or entity not a party hereto, claiming an interest in the Assigned Payments, and any and all other claims made in

connection with, related to, or arising out of the Transfer Agreement, the Proposed Transfer, the Assigned Payments, any Reassignment, or Insurers' compliance with the Stipulation or this Order, except with respect to claims by Peachtree against Insurers to enforce Insurers' obligations to Peachtree under the Stipulation or this Order. To the extent that Peachtree fails to honor this indemnification and defense obligation, Insurers may, in addition to all other remedies afforded by law, satisfy the same by withholding to their own credit any remaining Assigned Payments.

G. All remaining Periodic Payments (and/or portions thereof), if any, that are not the subject of the Proposed Transfer and not previously assigned shall be made payable to Ms. Bond and will be forwarded by NY Life, as they become due, to Ms. Bond's most recent known address or any payment address designated by Ms. Bond, subject to the consent of Insurers.

H. Insurers' lack of opposition to this matter, or its or the other parties' stipulation hereto or compliance herewith, shall not constitute evidence in this or any other matter, and is not intended to constitute evidence in this or any other matter, that:

- i. payments under a structured settlement contract or annuity or related contracts can or cannot be assigned or that "anti-assignment" or "anti-encumbrance" provisions in structured settlement contracts or annuities or related contracts are or are not valid and enforceable; or
- ii. other transactions entered into by Peachtree and its customers do or do not constitute valid sales and/or secured transactions; or
- iii. Insurers have waived any right in connection with any other litigation or claims; or
- iv. Peachtree has waived any right other than as expressly set forth in the Stipulation and/or this Order.

I. Insurers and their respective directors, shareholders, officers, agents, attorneys, employees, servants, successors, and assigns, and any parent, subsidiary, or affiliate thereof, and their directors, shareholders, officers, agents, attorneys, employees, servants, successors, and assigns, past and present (the "Releasees") are hereby remised, released and forever discharged, of and from any and all manner of actions and causes of action, suits, debts, dues, accounts, Franciss, covenants, contracts, agreements, judgments, settlements, damages, claims, and demands whatsoever, in law and in equity, in connection with, related to, or arising out of any claim or allegation that was or could have been asserted in connection with, related to, or arising out of the Transfer Agreement, the Assigned Payments, the Proposed Transfer, the Stipulation, or this Order, as to Peachtree and Ms. Bond, and their respective directors, shareholders, officers, agents, attorneys, employees, servants, successors, heirs, beneficiaries, contingent beneficiaries, executors, administrators, and assigns, and any parent, subsidiary, or affiliate thereof, and their directors, shareholders, officers, agents, attorneys, employees, servants, successors, and assigns, past and present (the "Releasers"), which the Releasers have or had from the beginning of the world through the date of this Order, except for claims of the Releasers against the Releasees to enforce the Releasees' obligations, if any, to the Releasers, under the Stipulation or this Order.

J. This Order is a "Qualified Order" within the meaning of 26 U.S.C. § 5891, *et seq.*

SIGNED THIS 21st day October, 2021.

JUSTICE, Supreme Court of the State of New York

AGREED TO AND APPROVED
AS TO FORM AND SUBSTANCE:
PAYEE,

Shanee Bond a/k/a Shanee M. Bond