

454.430 Definitions for KRS 454.430 to 454.435.

As used in KRS 454.430 to 454.435:

- (1) "Annuity issuer" means an insurer that has issued an annuity contract to be used to fund periodic payments under a structured settlement;
- (2) "Payee" means an individual who is receiving tax-free damage payments under a structured settlement and who wants to make a transfer of payment rights under the structured settlement agreement;
- (3) "Protected parties" means, with respect to any structured settlement, the payee, any named beneficiary designated in the annuity contract or structured settlement to receive payments following the payee's death, or, if the named beneficiary is a minor, the named beneficiary's parent or guardian, the annuity issuer, and the structured settlement obligor;
- (4) "Qualified assignment agreement" means an agreement providing for a qualified assignment that meets the requirements of Section 130 of the Internal Revenue Code, 26 U.S.C. sec. 130, as amended from time to time;
- (5) "Settled claim" means the original tort claim resolved by a structured settlement;
- (6) "Structured settlement" means an arrangement for periodic payment of damages for personal injuries established by settlement or judgment in resolution of a tort claim;
- (7) "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;
- (8) "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 or any other protected party is domiciled in this state; or
 - (b) The settled claim was pending before the courts of this state when the structured settlement was reached;
- (9) "Transfer" means any sale, assignment, pledge, hypothecation, or other form of alienation or encumbrance made for consideration; and
- (10) "Transfer agreement" means the agreement providing for transfer of structured settlement payment rights from a payee to a transferee.

Effective: July 15, 1998

History: Created 1998 Ky. Acts ch. 409, sec. 1, effective July 15, 1998.