

# BEWARE OF DEFENSE CONTROL

SETTLEMENT PROFESSIONALS, INC.  
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- Commission Rebates & Kickbacks
- Approved Lists
- In-House Annuity Programs
- Daily Rates & Jumbo-Case Discounts
- Undisclosed Medical Underwriting
- Last-minute Switches

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## Why Does the Defense Want to Dictate the Terms of Your Client's Structured Settlement?

Does it seem strange to you that the defense wants to control your client's financial future long after receiving a full release of liability? It should. Their motives are often not entirely pure when they try to dictate the terms of a structured settlement.

Quite simply, the defense insurance company wants to position itself to save money for itself . . . often at the expense of your client.

The only way you can be certain your client's interests are protected is by retaining your own plaintiff-loyal settlement planning specialist. Otherwise, some or all of the following tricks could be used against your client resulting in economic harm to them and potential malpractice liability to you.

### Kickbacks & Rebates

Defense brokers commonly kickback or rebate 25% to 50% of their commission to the defendant's insurer.

### Approved Lists

An insurance company may insist on its "corporate policy" to place all structured settlements with a company on their "approved list" of annuity carriers. Carriers make an approved list by showing that they will "play ball." A full-market survey most often



*"The Best Offense is Keeping Control Away from the Defense"*  
~ Vince Lombardi (Sort of)

identifies companies with better rates and ratings than those included in an approved list.

### In-House Annuity Programs

In-house annuity programs force the plaintiff to use a structured settlement annuity offered by an affiliate insurer—essentially taking the money from one pocket and putting it into another. They save money by offering non-competitive rates and thereby become another profit center for the insurance company.

### Daily Rates & Jumbo-Case Discounts

Daily-rates may be used to reduce the cost of the annuity if interest rates improve between the date of the quote and the date of the purchase. Large annuities may qualify

for jumbo-case discounts. These benefits should be your client's not their's.

### Undisclosed Medical Underwriting

Undisclosed post-settlement medical underwriting and re-underwriting may be used to reduce the cost to the defendant below the represented cost the plaintiff was given. These savings should go to your client not to the defendant's insurer.

### Last-minute Switch

Defense brokers will often switch from one annuity carrier to another because lower rates are available but, once again, the savings are not passed along to your client.

### The Bottom Line

If the defense takes control over your client's future, the benefits and cost savings that should benefit your client will be usurped by the insurance company. Those savings may even be used to fuel tort reform. Retaining a plaintiff-loyal settlement planner will help ensure the defense remains on the defense side of things and that your client is not shortchanged.

CALL 800.666.5584 TO  
RETAIN YOUR OWN  
PLAINTIFF-LOYAL  
SETTLEMENT PLANNER