

## INFORMATION ON YOUR STRUCTURED SETTLEMENT & F.A.Q.

You have a **Structured Settlement** from a personal injury or a tragic death – and are receiving monthly payments or are waiting for lump sum payments in the future, but does that help you with your current financial needs? In this economy are those payments enough to cover your needs or expenses?

Although structured settlements can provide comfort for a period of time, this method of payment may create problems for you and can't help you take care of current financial needs.

**Freedom Settlement Funding** is here to help you obtain cash when you need it most. We will work with your needs to get you up-front cash for structured settlement payments.

Every structured settlement is different, and the value of your future payments depends on a variety of factors. For example, because of the time value of money, payments which are due in a matter of months or within the next few years are more valuable than payments which are due in the distant future. We will examine your needs, your current financial situation, and your structured settlement payment stream to determine the most cost effective means of turning your future payments into the money you need now.

**Call today!**  
**877 - 227 - 4354**



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### SELLING OPTIONS:

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#### Partial

If you sell a portion of your annuity or structured settlement, you'll continue receiving some periodic income from the remainder of your investment without losing the tax benefits. The structured settlement will continue to carry those tax benefits, and extend them to your heirs in case you die before collecting all your payments.

#### Lump Sum

Selling lump sums over time also gives you money now in large increments, but it still guarantees you'll have a steady flow of income from your structured settlement for the term of the contract, while carrying the same tax benefits as before.

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### FREQUENTLY ASKED QUESTIONS:

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#### **Do you have to pay tax on the money you receive on the sale of your structured settlement payments?**

The money you receive from selling your structured settlement payments will have the same tax treatment as the payments you receive from your structured settlement annuity. If you currently receive your payments tax-free, the money you receive from selling your payments will be tax-free. In most cases your structured settlement annuity payments are tax-free because your annuity was set up to qualify for tax-free treatment under section 130 of the Internal Revenue Code. Section 104(a)(2) of the Internal Revenue Code confirms that damages received for personal injury or sickness are not considered income and are not subject to tax. In 2002 federal legislation was passed to protect payees in the sale of their structured settlement payments. As a result, Section 5891 was added to the Internal Revenue Code. Section 5891 requires the sale of structured settlement payments must be approved by a court in accordance with the relevant State statute.

#### **What if you have sold some of your structured settlement payments in the past? Can you sell more now to a different purchaser?**

Yes. If you have sold some of your structured settlement payments in the past you can sell any remaining payments to which you are still a payee. However, if the original purchaser request a right of first refusal and you agree to it, you must allow him to make you an offer before going to another purchaser.

#### **Can you sell just some of your structured settlement payments or do you have to sell them all?**

You can sell some or all of you payments. If you only sell some of your payments your insurance company will continue to pay you the payments you still own when those payments are due. The payments you sold will be paid to the purchaser when they come due. That's why the payment price represents a discount – because their value to you now is greater than their value to the purchaser when they come due. The purchaser will base his offer on what the value of the payments will be when he receives them.