

#### LOC.R. 68.4 STRUCTURED SETTLEMENTS

A structured settlement is defined as a monetary settlement of a claim wherein payments are made at a future date or on a periodic basis. If the parties involved in claims for injuries to minors or incompetents desire to enter into a structured settlement, the following rules apply to structured settlements that must be approved by this Court.

- (A) An application for approval shall include a signed statement specifying the present value of the settlement, and the method of calculation of that value. The statements shall be from one of the following independent professionals: an actuary, certified public accountant, certified financial planner, chartered life underwriter, chartered financial consultant, or an equivalent professional.
- (B) If the settlement is to be funded by an annuity, the application shall include a signed statement by the annuity carrier or the broker procuring the policy stating that:
  - (1) The annuity carrier is licensed to write annuities in Ohio;
  - (2) The annuity carrier's ratings from at least one of the following organizations, meeting the following criteria:
    - a. **A.M. Best Company**: A++, A+, or A;
    - b. **Duff & Phelps Credit Rating Company** (Claims Paying Ability Rating): AAA, AA+, or AA;
    - c. **Moody's Investors Service** (Financial Strength): Aaa, Aa1, or Aa2;
    - d. **Standard & Poor's Corporation** (Financial Strength): AAA, AA+, or AA;
    - e. **Weiss Research Inc.**: A+ or A;

- (C) In addition to the requirements of Paragraph (B) above, an annuity carrier must meet any other requirement the Court considers reasonably necessary to assure that the funding is sufficient to satisfy the periodic payment settlement;
- (D) If the structured settlement is not funded by an annuity, the settlement proceeds must be secured to the satisfaction of the Court; and
- (E) The application shall include a statement of the actual cost to the defendant of the settlement. The actual cost shall be used to determine an attorney's contingent fee.