

# Attorney fees

Metropolitan Tower Life Insurance Co.



## Why consider structuring attorney fees?

Structuring attorney fees provides you the opportunity to receive steady, guaranteed income streams.<sup>1</sup> These payments can be tailored to begin immediately or be deferred. Lump sum payments<sup>2</sup> can also be set up to meet future anticipated needs. By structuring your fees, there is also a potential to defer federal taxation until payment is received.<sup>3</sup>



## Why structure attorney fees with Met Tower Life?

The same team that has been providing financial security through structured settlement annuities issued by Metropolitan Life Insurance Company (“MLIC”) for over 30 years is now offering the same quality products and services through Metropolitan Tower Life Insurance Company (“Met Tower Life.”) Therefore, clients can also look to Met Tower Life for our expertise and ability to create customized, tailored solutions. Like MLIC, Met Tower Life is a wholly-owned subsidiary of MetLife, Inc., and its ratings are among the highest in the industry.<sup>4</sup>



## Stand-alone attorney fees

Met Tower Life provides the structuring of attorney fees even when your client does not structure any other portion of the settlement funds.



## Benefits of structuring your attorney fees with Met Tower Life

### Customized payment streams

There is no limit on the amount that you can choose to structure and you, the attorney, have the flexibility of choosing your payment streams from numerous options. The payment streams can be customized to meet your specific needs. Payments can be in equal amounts or can vary over time, and they can begin immediately or be deferred until needed. Payments can also include annual increases which can help offset the impact of inflation on your future income. Finally, payments may be scheduled as future lump sum payouts<sup>2</sup> for such things as educational needs for children or retirement.

## Guaranteed income

Met Tower Life's financial strength is built and sustained through quality investments and prudent risk management. By structuring your fees, you may lower your investment risk with guaranteed income and a competitive rate of return.<sup>1</sup>

## Tax deferral

Structuring attorney fees provides the ability to potentially defer taxes, spreading the tax liability out over time as the payments are received. In addition, if payments are deferred until retirement they may be taxed at a lower rate. By contrast, the lump sum payment is usually fully taxable immediately upon receipt.<sup>5</sup>

## Direct payments

As part of the settlement agreement, the claimant directs the defendant to make the periodic payments to you, the attorney, to pay the legal fees. That is, the periodic payments are being made to the attorney for the "convenience" of the claimant. Structuring attorney fees allows for the periodic payments to be made directly to you or to your law firm. These periodic payments will be reported on a Form 1099 in the years in which you receive the payments.<sup>3</sup>

1. Annuities Metropolitan Tower Life Insurance Company, 200 Park Ave, NY, NY 10166. All guarantees are subject to the financial strength and claims paying ability of the issuing company.
2. Lump sum payments are available on a case-by-case basis.
3. Attorneys will generally need to have a fee arrangement in place at the time of settlement which provides for the structuring of payments solely from the claimant's settlement proceeds. Structuring of attorney fees could have important legal and tax consequences. Attorneys should consult with their own tax and legal advisors prior to agreeing to structure legal fees to determine the tax and other legal consequences. The method of tax reporting with respect to such fees is subject to change, where we deem such change to be required under the Federal tax law or IRS guidance. Any discussion of taxes is intended to be general in nature. The tax law is subject to change and to different interpretations. Met Tower Life does not provide tax or legal advice and is not responsible for the tax consequences of such arrangements; nor does Met Tower Life represent or guarantee that tax deferral of fee payments until received can be achieved. Interested parties should consult with their own tax advisors to determine whether the desired tax treatment can be achieved and whether the taxation of such arrangements could be adversely impacted under Section 409A of the Internal Revenue Code of 1986, as amended.
4. For current ratings information and a more complete analysis of the financial strength of Metropolitan Tower Life Insurance Company, please go to [www.metlife.com](http://www.metlife.com) and click About Us, Company Ratings

[metlife.com](http://metlife.com)

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