What is a MetLife Periodic Payment Agreement?

The MetLife Periodic Payment Agreement (PPA) is designed to transfer the periodic payment obligations of certain personal injury cases that are not eligible for a Qualified Assignment under Internal Revenue Code Section 130.

Potential uses

There are currently **two versions of the PPA** designed to solve the needs of different situations:

- **PPA — Contingent**: Provides for contingent liability as required in certain states for Worker’s Compensation cases (e.g., Texas)
- **PPA — Release**: Provides a full and final release and can be used for Pre-1997 Worker’s Compensation cases and Disability cases
- The PPA is also available for Attorney Fees and Stand-alone Attorney Fee Structures, which can be life-contingent, in conjunction with the PPA — Release

Potential advantages of the PPA

- Transfer of mortality and investment risk to MetLife
- Reduced administrative burdens associated with issuing periodic payments
- A financial planning opportunity for the claimant
- Additional flexibility afforded via available commutation endorsements
- Substandard Underwriting available
- Income spread for the claimant/payee and corresponding spread of tax obligation on taxable cases
- Guaranteed payments for life for the claimant/payee
MetLife recently introduced another affiliate that will offer new structured settlement products and services, in addition to Metropolitan Life Insurance Company (MLIC). The affiliate is Metropolitan Tower Life Insurance Company (Met Tower Life), a Nebraska company, which is a wholly-owned operating subsidiary of MetLife, Inc. with an A.M. Best A+ rating, Financial Size Category XV. Met Tower Life will be the annuity issuer and the assignment company will be MetLife Assignment Company Inc. (MACI). The obligations of MACI will be guaranteed by Met Tower Life under an Evidence of Guarantee.

Contact your structured settlements broker to learn more.