



NOTICE

RE: Adoption of Chapter 590-7-29 entitled “Structured Settlement Purchase Companies” consisting of Rules 590-7-29-.01 through 590-7-29-.06

TO ALL INTERESTED PERSONS AND PARTIES:

Pursuant to O.C.G.A. § 50-13-1 et seq., and the authority set forth below, notice is hereby given that the Assistant Corporation Commissioner of the Office of the Georgia Secretary of State, (hereinafter “Commissioner”) proposes to adopt Chapter 590-7-29 entitled “Structured Settlement Purchase Companies” (hereinafter “proposed rules”). The proposed rules for adoption contained in Chapter 590-7-29 consist of the following: 590-7-29-.01 Definitions, 590-7-29-.02 Fees, Charges, and Penalties, 590-7-29-.03 Dishonored Payments, 590-7-29-.04 Filing of Documents, 590-7-29-.05 Returned Documents, and 590-7-29-.06 Renewal of Structured Settlement Purchase Company Registration.

Attached with this notice is a synopsis and exact copy of each proposed rule to be adopted. The rules are being adopted under the authority of O.C.G.A. § 51-12-73.

This notice, together with exact copies of the proposed rules and a synopsis of the proposed rules, is being distributed to all persons who have requested, in writing, that they be placed on a distribution list. A copy of this notice, including the synopsis and exact copy of each proposed rule, may be reviewed during normal business hours of 8:00 a.m. to 5:00 p.m. Monday through Friday, except official Georgia state holidays, at the Corporations Division office, located at 2 Martin Luther King, Jr. Drive, S.E., 313 West Tower, Atlanta, Georgia 30334. These documents will also be available for review on the Corporation Division’s web page at <https://sos.ga.gov/page/proposed-corporations-division-rules-and-rule-amendments>. Copies may also be requested by contacting the Corporations Division at 404-656-2817.

The Commissioner will consider the adoption of these proposed rules at a public hearing at 11:00 a.m. on April 25, 2022 at the Office of the Secretary of State, Corporations Division, 2 Martin Luther King, Jr. Drive, S.E., 324 West Tower, Atlanta, Georgia 30334. At the public hearing, anyone may present data, make a statement, comment, or offer a viewpoint or argument, whether orally or in writing. Lengthy statements or statements of a considerable technical or economic nature, as well as previously recorded messages must be submitted for the official record. Oral statements should be concise and will be limited to five (5) minutes. Interested persons may submit data, views, or arguments in writing to the Commissioner. Such written comments must be legible and signed, and should contain contact information from the maker (i.e. name, address, email address, telephone and/or fax number, etc.). To ensure their consideration, all comments regarding the proposed rules must be received no later than 5:00 p.m. on April 22, 2022. Written comments or requests for oral comments should be sent to:

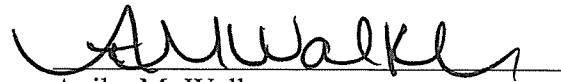
Julie Fisher
Corporations Division
2 Martin Luther King, Jr. Drive, S.E.
313 West Tower
Atlanta, Georgia 30334
Email: jfisher@sos.ga.gov.

Please reference "Chapter 590-7-29" on all comments.

For further information, please contact Julie Fisher at 470-312-2707.

This notice is given in compliance with O.C.G.A. § 50-13-4.

This 22nd day of March, 2022.

A handwritten signature in black ink, appearing to read "Anika Walker", written over a horizontal line.

Anika M. Walker
Assistant Corporation Commissioner

Posted: March 22, 2022

**SYNOPSIS OF THE PROPOSED RULES TO THE COMMISSIONER OF
CORPORATIONS, RULE CHAPTER 590-7-29 STRUCTURED SETTLEMENT
PURCHASE COMPANIES.**

Purpose: The purpose of adopting Rule Chapter 590-7-29 is to provide by rule for provisions necessary for the administration of the Georgia Structured Settlement Protection Act, O.C.G.A. 51-12-71 et seq.

Main Features: The proposed rules include the following features:

- A provision providing for definition of terms;
- A provision providing for procedures related to payment of fees, charges, and penalties, and publishing of a comprehensive list of filing fees, charges, and penalties by the Secretary of State;
- A provision providing for certain consequences related to the non-payment of fees, charges, and penalties owed to the Secretary of State, including where the nonpayment is the result of a dishonored check or other forms of payment or the result of a chargeback of credit card payments;
- A provision providing for the manner of filing and handling of documents filed with the Secretary of State; and
- A provision providing for the procedures pertaining to the renewal of a structured settlement purchase company.

Text of Rules:

590-7-29-.01 Definitions

- (1) **Annuity Issuer.** As defined herein the term “annuity issuer” means an insurer that has issued a contract to fund periodic payments under a structured settlement.
- (2) **Assistant Corporation Commissioner.** As used herein all references to the "Assistant Corporation Commissioner" shall mean the Assistant Corporation Commissioner appointed by the Secretary of State as the Director of the Corporations Division
- (3) **Code.** As used herein, all citations to "the Code" or "Code" refers to the Georgia Structured Settlement Protection Act (O.C.G.A. 51-12-71, et seq.), as amended.
- (4) **Division.** As used herein all references to "Division" shall mean the Corporations Division of the Office of the Secretary of State which is the division that is delegated the authority by the Secretary of State to administer the provisions of the Code.
- (5) **Entity.** As used herein, the term "entity" includes corporation, general partnership, limited liability company, limited partnership, limited liability partnership, and business trust.
- (6) **Fee Schedule.** As used herein the term "fee schedule" shall mean the schedule published and maintained by the Secretary of State clearly setting forth the fees and charges for documents filed with the Division and for services provided by the Secretary of State and

the Division. Fees and charges may only be changed by the posting by the Secretary of State of such changes in the public access area of the Division offices for a minimum of thirty (30) days prior to such change being effective.

- (7) **Individual.** As used herein the term "individual" means a natural person.
- (8) **Person.** As used herein all references to "person" includes an individual and entity as defined herein.
- (9) **Rule.** As used herein all references to "Rule" or "the Rules" shall mean the rules as they appear in the "Official Compilation, Rules and Regulations of the State of Georgia" as compiled and printed by the Secretary of State pursuant to the Georgia Administrative Procedure Act, O.C.G.A. §§ 50-13-1et seq.
- (10) **Secretary of State.** As used herein all references to the "Secretary of State" shall mean the Secretary of State of the State of Georgia.
- (11) **Structured Settlement.** As used herein the term “structured settlement” means an arrangement for periodic payment of damages for personal injuries or sickness established by settlement or judgment in resolution of a tort claim.
- (12) **Structured Settlement Agreement.** As used herein the term “structured settlement agreement” means the agreement, judgment, stipulation, or release embodying the terms of a structured settlement.
- (13) **Structured Settlement Obligor.** As used herein the term “structured settlement obligor” means, with respect to any structured settlement, the party that has the continuing obligation to make periodic payments to the payee under a structured settlement agreement or qualified assignment agreement.
- (14) **Structured Settlement Payment Rights.** As used herein the term “structured settlement payment rights” means rights to receive periodic payments under a structured settlement, whether from the structured settlement obligor or the annuity issuer, where the payee is domiciled in this state or the structured settlement agreement was approved by a court in this state.
- (15) **Structured Settlement Purchase Company.** As used herein the term “structured settlement purchase company” means a person that acts as a transferee in this state and who is registered with the Secretary of State pursuant to O.C.G.A. Section 51-12-73.
- (16) **Transfer.** As used herein the term “transfer” means any sale, assignment, pledge, hypothecation, or other alienation or encumbrance of structured settlement payment rights made by a payee for consideration. Such term shall not include the creation or perfection of a security interest in structured settlement payment rights under a blanket security agreement entered into with an insured depository institution, in the absence of any action to redirect the structured settlement payments to such insured depository institution, or an agent or successor in interest thereof, or otherwise to enforce such blanket security interest against the structured settlement payment rights.
- (17) **Transferee.** As used herein the term “transferee” means a party acquiring or proposing to acquire structured settlement payment rights through a transfer.

Authority O.C.G.A § 51-12-73.

590-7-29-.02 Fees, Charges, and Penalties

- (1) The Secretary of State shall publish a comprehensive list of filing fees, charges, penalties and other fees collected by the Division. Fees, charges, and penalties may only be changed by the posting by the Secretary of State of such changes in the public access area of the Division offices for a minimum of thirty (30) days prior to such changes being effective.
- (2) Every registration, renewal, or other filing required or permitted pursuant to the Code or any Rule or Regulation promulgated thereunder shall be accompanied by the required fee or funds as listed on the fee schedule published and maintained by the Secretary of State. All filing fees shall be immediately docketed into the automated database by the staff of the Secretary of State. Docketing of the filing fees shall be for accounting and document control only and shall not constitute acceptance of the filing nor shall it imply that the filer has met the filing requirements of the Code.
- (3) No registration, renewal, or other filing required or permitted pursuant to the Code or any Rule shall be considered officially received by the Secretary of State unless said documents are accompanied by the required fee or funds. Said fee or funds shall be received by the Secretary of State or by a person designated by the Secretary of State.
- (4) All fees, charges, and penalties are nonrefundable unless specifically authorized by the Secretary of State or Assistant Corporation Commissioner and a written request for refund is received from the filer.
- (5) All fees, charges, and penalties are nontransferable unless specifically authorized by the Secretary of State or Assistant Corporation Commissioner.
- (6) All filing fees, charges, and penalties shall not be deemed to be paid unless payment is made in United States currency, certified funds, or until any check given for such fees, charges or penalties has been paid by the financial institution upon which such check is drawn.
- (7) Fees paid by check or money order shall have the name of the proposed structured settlement purchase company or, in the case of a registered structured settlement purchase company, the structured settlement purchase company registrant's name or registration number written on it.
- (8) All invoices for certificates, copies, or other charges are due immediately upon receipt. Failure to pay the invoice may result in the invoice being referred for collection and in any future payment being accepted only if submitted by cashier's check or United States Postal Service money order.
- (9) The Secretary of State may impose service charges in order for persons to have the ability to make electronic filings into the automated database. Such charges shall be posted on the fee schedule prepared and maintained by the Secretary of State.
- (10) The Secretary of State may impose service charges for the filing of documents in paper format. Such charges shall be posted on the fee schedule prepared and maintained by the Secretary of State.
- (12) No filing will be accepted by the Secretary of State without the payment of any past due fees, charges, or penalties assessed pursuant to the Code or the Rules promulgated thereunder.

Authority O.C.G.A § 51-12-73.

590-7-29-.03 Dishonored Payments

(1) Checks or other forms of payment returned to the Secretary of State because of nonpayment and/or charge backs of credit card or debit card payments (hereinafter referred to as the "dishonored" or "dishonored payment") shall be processed according to the following procedures:

(a) Pending Filings.

1. The filing for which the payment was made shall be placed in "pending," "hold," or similar status and the nonpayment of fees noted upon the records of the Secretary of State;
2. A notice of nonpayment demanding immediate payment shall be issued to the person who submitted the payment;
3. If payment is not received within sixty (60) calendar days from the date of notice of nonpayment, the filing will be deemed abandoned as provided in Rule 590-7-29-.05(3); and
4. If the filing is deemed abandoned, all records pertaining to the filing shall be destroyed and a new filing, including the payment of filing fees, shall be required. Any filing fees submitted with the new filing may be required to be paid by cashier's check or United States Postal Service money order.

(b) Completed Filings.

1. The structured settlement purchase company for which the filing was made shall be deemed to be not in good standing by the Secretary of State. The records of the structured settlement purchase company maintained by the Secretary of State shall be marked to show such status and to show the nonpayment of fees;
2. A notice of nonpayment demanding immediate payment shall be issued to the person who submitted payment;
3. If payment is not received within sixty (60) calendar days from the date of the notice of nonpayment, written notice shall be issued stating the Secretary of State's intent to revoke the structured settlement purchase company's registration and the grounds therefore. A copy of the notice of nonpayment may be attached to the notice of intent to revoke and mailed to the structured settlement purchase company at the last known address of its principal office; and
4. If payment is not received sixty (60) calendar days from the date of the notice of intent to revoke, the structured settlement purchase company's registration shall be revoked.

(c) Services.

1. The records of the Secretary of State for the structured settlement purchase company, entity or person which requested the services shall be marked to reflect nonpayment for the services performed;

2. A notice of nonpayment demanding immediate payment shall be issued to the structured settlement purchase company, entity or person who submitted payment; and
3. If payment is not received within thirty (30) calendar days from the date of notice of nonpayment, a second notice will be issued to the structured settlement purchase company, entity or person who requested the service. The notice shall state that if payment is not made immediately, all payments for services, fees and filings submitted by the structured settlement purchase company, entity or person shall be required to be made by cashier's check or United States Postal Service money order.

(2) Subsequent requests for services or subsequently submitted filings from any structured settlement purchase company, entity or person that has submitted payment which has been dishonored may be required to be accompanied by cashier's check or United States Postal Service money order.

(3) Payments tendered for returned checks which are also dishonored shall be redeemed by cashier's check or United States Postal Service money order only.

(4) The Secretary of State may require the payment of any service charge in addition to the amount owed as a result of any dishonored payment. Such service charge shall be published in the fee schedule maintained by the Secretary of State.

(5) The records of the Secretary of State may be marked to show nonpayment status for any structured settlement purchase company, entity, or person that has submitted payment which has been dishonored.

Authority O.C.G.A § 51-12-73.

Rule 590-7-29-.04 Filing of Documents

(1) The filing of the documents by a structured settlement purchase company shall be made with the Secretary of State in the following manner:

(a) By mailing the required documents and fees to the Secretary of State at 2 Martin Luther King, Jr. Drive, Suite 313 West Tower, Atlanta, Georgia 30334;

(b) By delivering the required documents and fees to the Secretary of State at the address referred to in subparagraph (a) above; or

(c) By electronic transmission in the manner authorized by the Division on its website.

(2) Documents filed with the Secretary of State shall be processed in time receipt order. Expedited processing shall not be available for structured settlement purchase company filings.

(3) The documents presented for filing shall be written in English, shall be of sufficient quality for legible reproduction by microfilm, and shall be typed or printed on white, letter-size (8 1/2" x 11") paper in black or blue ink only.

Authority O.C.G.A § 51-12-73.

590-7-29-.05 Returned Documents

(1) **Documents must be complete.** The Secretary of State may return any documents that are not complete and appropriate for filing. The returned documents shall be accompanied by a Deficient Document Notice with an explanation of the rejection or deficiency, and an acknowledgement of the receipt by the Secretary of State for the filing fee, if applicable.

(2) **Correcting deficient filings.** The documents may be corrected and returned to the Secretary of State for processing. The filer must attach to the corrected and returned documents the Deficient Document Notice issued by the Secretary of State. If the corrected documents are returned to the Secretary of State by the filer within sixty (60) days of the date of the Deficient Document Notice, the filing date will be the date the corrected and completed filing is received by the Secretary of State.

(3) **Abandoned filings.** If the filing is not returned to and received by the Secretary of State within sixty (60) days of the date of the Deficient Document Notice, it will be deemed abandoned and all records pertaining to the filing may be destroyed. A new filing, including payment of the filing fees to the Secretary of State, will be required to complete the filing.

Authority O.C.G.A § 51-12-73.

590-7-29-.06 Renewal of Structured Settlement Purchase Company Registration

(1) A structured settlement purchase company registration shall be effective for a term of one (1) year from the date of issuance; and, upon renewal application filed within sixty (60) days prior to the expiration of such term on a form to be furnished by the Secretary of State, the registration may be renewed for a like term. The fee for renewal is listed in the fee schedule published and maintained by the Secretary of State, and the fee payment, payable to the Secretary of State, shall accompany the application for renewal of the registration. Also accompanying the renewal application shall be a copy of the bond, letter of credit, or cash bond in compliance with the provisions of the Georgia Structured Settlement Protection Act (O.C.G.A. 51-12-71, et seq.).

(2) A structured settlement purchase company registration may be renewed for successive periods of one (1) year in like manner.

(3) The Secretary of State may send a renewal notification to a structured settlement purchase company registrant within sixty (60) days preceding the expiration of the registration for informational purposes. The renewal notification will be sent by mail or electronic methods, such as email, to the last known address of the registrant. Renewal notifications will not be sent to those registrants with expired, cancelled, inactive, or terminated registrations.

(4) A structured settlement purchase company registration expires if it is not renewed by its expiration date. An expired registration may not be renewed, reactivated, or reinstated. If the registrant wishes to continue to be registered as an active structured settlement purchase company in Georgia, then that registrant must apply for a new structured settlement purchase company registration.

Authority O.C.G.A § 51-12-73.