



National Association of Settlement Purchasers

January 2017

Dear Members,

Last year marked another milestone for the structured settlement purchasing industry, as lawmakers in several key states – at the behest of and in consultation with leaders in the industry – crafted and passed legislation that increases standards and injects greater transparency for consumers in the secondary market. The National Association of Settlement Purchasers (NASP) grew its presence around the country, and continues to promote industry best practices.

The progress achieved in Florida, Tennessee, and Virginia also led to necessary amendments to the National Conference of Insurance Legislators (NCOIL) Model statute in 2016. This year, efforts are underway in Ohio to conform the state to the new NCOIL statute. We are optimistic this will be achieved during the 2017 legislative year.

NASP Guiding Principles

As we begin the New Year, it is also important to reaffirm the principles that guide our association, and underline our continued commitment to maintaining the standards expected of both current and potential members.

NASP is dedicated to ensuring the secondary market for structured settlement transfers remains fair, competitive, and transparent by:

- Supporting efforts to enhance the quality and character of the industry
- Safeguarding the rights of settlement recipients to readily access their funds through an efficient and fair judicial process
- Promoting consumer choice and the flexibility of individuals to access their financial benefits when their circumstances deem appropriate
- Improving awareness and understanding of how the secondary market works

Membership Requirements

These principles serve as the foundation for our organization. As a result, when companies apply to join the organization, NASP implements a stringent application process to vet potential members.

Firms that join NASP are required to disclose the details of their business practices by providing an approximation of how many transfers they complete in a calendar year, explaining how the company finances its acquisition of structured settlements, and describing how the company markets its services to customers.

Members must comply with all NASP standards, including the use of NASP's anti-fraud database, protecting confidential information, and comporting all of its activities with applicable law. They must also inform NASP if their company is currently servicing a portfolio of structured settlement secondary market transactions.

And most importantly, no company can be a member of NASP if any of its affiliates, owners, or employees have been convicted of or charged with a crime, or have been the subject of a criminal action or investigation by regulatory authorities. Members submit to any and all background checks (including criminal) of its owners, managers, and employees, and also provide consent to future annual checks.

For over twenty years, NASP has been a leader in setting standards and implementing best practices in the secondary market for structured settlements. NASP's commitment to these principles will be no different in 2017.

Patricia LaBorde,
President
National Association of Settlement Purchasers



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