

Structured Settlements

*Financial Security
For The Family*

One Woman's Story of Financial Protection

In 1973, Shirley Adams of Memphis, Tennessee gave birth to a brain-damaged daughter due to medical malpractice. Seven years later, she and her husband settled their lawsuit for \$250,000.

Despite the attorney's advice to invest prudently, Mrs. Adams says her husband used it for his construction company. Soon, that company was bankrupt and the money for Mrs. Adams' daughter was gone.

The Adams divorced and although Mrs. Adams retained custody of her daughter, she was awarded no child support.

Yet her story does not end there. In 1987, a manufacturing defect caused her daughter's wheelchair to malfunction, seriously injuring her.

This time, Ms. Adams insisted that her daughter's settlement from the manufacturer be placed in a structured settlement. Ms. Adams now receives payments – **guaranteed and tax-free** – to help meet her daughter's needs.

Today, Ms. Adams is convinced of the benefits from her daughter's structured settlement. "Taking care of Tiffany requires constant attention, not to mention the financial need," Ms. Adams says, "This structured settlement protects Tiffany from other people completely taking advantage of her for the whole amount of the settlement."

Financial problems stemming from accident or death affect an entire family. A spouse suddenly confronts the loss of a breadwinner's salary while having to cover the mortgage, family expenses, an aging parent's care – or her own retirement. Children's education may be at risk. Structured settlements offer a solution to this uncertainty.

My spouse has been in a terrible accident. How can structured settlements protect my family?

Structured settlements offer a family several important benefits: long-term financial security, tax-free income and peace of mind. Your structured settlement payments come from a regulated, financially secure source. Moreover, since all payments are completely free from federal and state income tax, they produce higher income than most conventional investments. The combination of high security and higher returns means greater financial security, freeing you to spend more time with your loved ones.

If we choose a structured settlement, how long will our payments last?

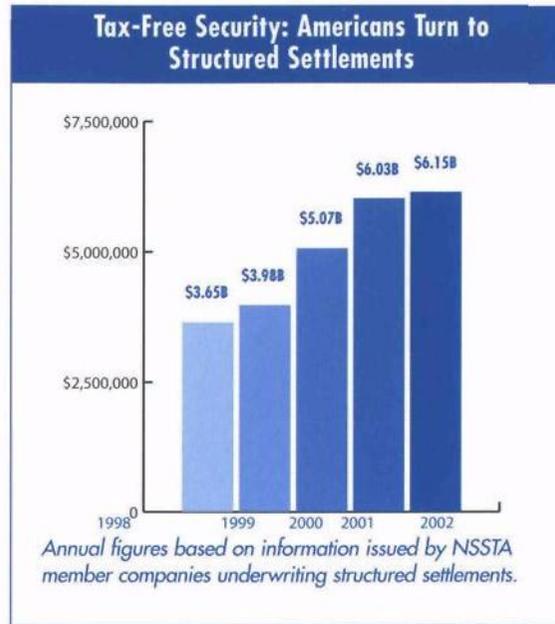
As long as you need them to last. If your spouse is seriously injured, you can choose a structured settlement that guarantees payments for the rest of his or her life. If the injury is less serious, you might opt for a structured settlement that pays larger amounts, but only for a certain time (perhaps 10 or 20 years). Whichever option you select, you and your attorney have the freedom to create a payment stream that's designed specifically for the needs of you and your family.

Can I receive payments from a structured settlement even though it's my spouse who has been injured?

Absolutely! Structured settlements are frequently designed so that payments are guaranteed for the lifetimes of both the accident victim and spouse. Sometimes called a "joint life" structure, these are highly effective in ensuring that married couples maintain financial security. In addition, you may have claims of your own from your spouse's injury that can also be compensated with a structured settlement.

My spouse's injury does not seem to be life threatening, but this may change. Is there a structure for this?

Yes. You have the option of lifetime payments, with a minimum number of years guaranteed. This is often called "life with period certain." Under this scenario, payments are guaranteed as long as your spouse lives. But if tragedy strikes early, these tax-free payments continue coming to you for the length of the guaranteed period.



We have children. How could we use a structured settlement to meet their needs?

Many parents incorporate funding for children's education in their structured settlement. These regular payments are ideal for funding a child's car, wedding or home. Structure payments are also popular for parents needing funds for education, such as expensive college bills or grade school tutoring. Tutoring payments can be particularly helpful if a parent's injuries keep him or her from spending time with the child.

But what if my children won't attend college for several years?

That's fine. With a structured settlement, you can build in future lump sum payments timed to when your children will be going off to college.

The Experts Speak

"The pressures associated with recovery from an accident can cause anguish for a family. A structured settlement allows a family to focus on recovery with the knowledge their settlement will be there to help them through the years to come. That is why I have been comfortable recommending structured settlements for more than ten years."

Donna Davis

Past President, Tennessee Trial Lawyers Association

"Women need to be careful about planning for their future financial needs. Wives and mothers should be especially proactive if someone from their family is involved in a tragedy. Structured settlements are an effective tool to provide this financial security, which most families desperately need after a serious accident or death."

Nancy Starnes

National Organization on Disability

"Structured settlements provide the crucial financial protection that allows families to concentrate on rebuilding their lives."

Margaret Moses Branch

Founding President, New Mexico Women's Bar Association