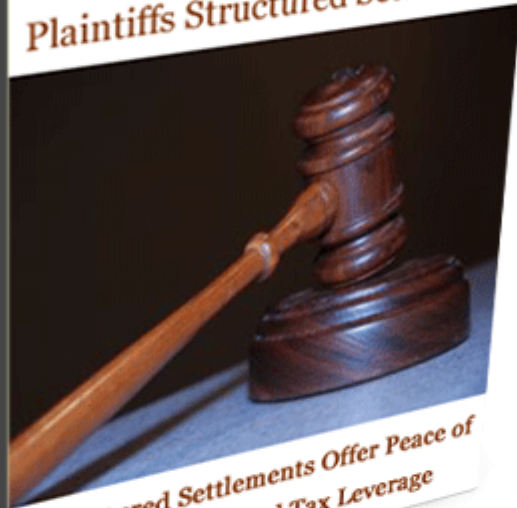


**A Primer on  
Plaintiffs Structured Settlement**



**Structured Settlements Offer Peace of  
Mind, Safety and Tax Leverage**

# A Primer on Plaintiffs Structured Settlements

Structured settlements offer peace of mind, safety, and tax leverage.



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## **An Option When Your Life is Dramatically Disrupted**

As hard as you may try to plan, the unexpected can still come along and sweep you off your feet. A terrible accident, a tragic illness, an injury on the job or any number of unexpected events can completely throw your life into a uncontrollable downward spiral.

If one of these major events occur in your life and is caused by another party, you may be entitled to compensation. Attorneys all over the country promise to deliver financial compensation for injuries, accidents, and medical conditions due to negligence of a third party. A lump sum of money may seem like it may resolve the issues in your life that were caused by this unfortunate event. But what if you have on-going medical bills or are unable to return to work?

After receiving your settlement, you may quickly discover that you can't cover your medical bills and living expenses as long as you thought when you first heard that big number.

Tax relief is one reason that many plaintiffs choose to accept a structured settlement. By accepting a structured settlement the payments of the total amount due to you will be made to you by another party instead of being made to you all at one time. Unlike other options available, earnings on your structured settlement are tax free.

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You've probably seen thousands of commercials from local attorneys speaking about structured settlements and personal injury claims. The most common use of a structured settlement is to compensate personal injury victims in the settlement of a legal claim.

A structured settlement is an agreement of payment between you, the plaintiff, and insurance company intermediary and the defendant. The insurance company agrees to pay you a guaranteed rate of return and certain future payments in conjunction with (or in the place of) a cash settlement.

### ***Don't Settle on Your Future***

Have you brought a lawsuit against a company or an individual that you claim caused you permanent harm as a result of their negligence or intentional misconduct?

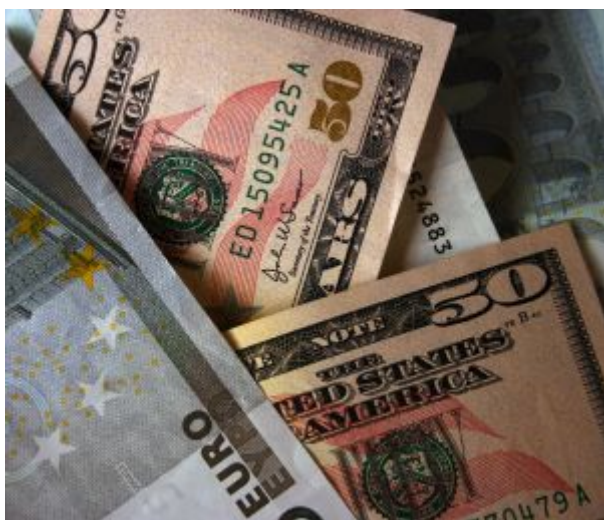
Most often, when people win a judgment or settle their lawsuit they want the full amount paid to them in a lump sum. In a way, it's a validation for all the pain and suffering they have endured.

Unfortunately, a lot of these victims do not take into consideration the tax implications and the long-term expenses they may endure due to the injury. Long-term money management skills are essential to ensure that the money from the settlement continues to provide care as long as the victim needs it.

Instead of taking the entire settlement or judgment in cash, you have the option to accept a structured settlement for all or a portion of your recovery in order to generate guaranteed income for the rest of your life or a designated period of time.

***Quick Summary***

A structured settlement *pays you in installments over time* instead of a single lump sum. Installment payments can be structured in a number of ways to suit your needs and to protect you from inflation. They can range from a simple yearly payment to complex arrangements consisting of an initial lump sum payment, monthly indexed installments, deferred payments, and special provisions relating to the future care or death of the insured.



**Benefits of  
Structured  
Settlements for  
Plaintiffs**

Accepting a big cash payday from a settlement can be greatly impacted by tax responsibilities. Adversely, structured settlement payments are exempt from taxation. Unlike typical annuities that generate taxable interest, both the principal and interest generated from structured settlement annuities written in the resolution of a legal claim involving personal physical injuries are completely exempt from federal, state, and local taxation.

As part of a settlement plan, structured settlements can be tailored specifically to meet your future needs.

- Future college tuition payments and expenses
- Ongoing medical bills
- A steady income to support you during retirement

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- Future living expenses
- Or many other future needs

Depending on your short and long-term goals, your payments from a structured settlement can be customized to meet your future needs. Your structured settlement can include monthly payments, lump sum payments, annual payments, or a combination of each. This enables you to have relief in the knowledge that your income stream is created to meet your actual current needs and the needs you anticipate for the future.

The process normally flows from a defendant that would purchase an annuity from an annuity or insurance company for a dollar amount that is paid up front. The annuity then provides regularly scheduled payments as specified by you and your attorney under the terms of the structured settlement, either directly to you or some other agreed upon payment structure.

### ***Advocated by the Legal Industry***

A structured settlement is a proven, effective solution for the needs of many plaintiffs who have been the victims of unfortunate accidents, injuries and medical complications. Claims professionals, plaintiff attorneys, judges and defense attorneys advocate the use of structured settlements because they effectively meet a claimant's need for security, as well as provide more benefits over time than a single, BIG PAYDAY. The periodic payment concept can be customized to your special situation.

## ***Is a Structured Settlement Right For You?***

Some of the most common reasons plaintiffs choose to accept a structured settlement over a large cash deposit include:

- ✓ Temporarily or permanently disabled
- ✓ Don't trust themselves to invest the lump sum properly
- ✓ The victim is a minor or someone judged to be unable to make responsible decisions regarding the allocation of a large sum of money.
- ✓ Wrongful death case where the surviving spouse and/or children need monthly or annual income,
- ✓ Ongoing medical expenses,
- ✓ The need for admittance to a permanent care facility
- ✓ College funds, retirement, down payment on a home, or mortgage payments
- ✓ No longer able to work and need to replace lost monthly/annual income.

### ***The Unfortunate Unexpected***

Rachel Smith was a mother of four children when she drove to pick her husband up from work that day. The other family car was at the auto mechanic shop, so Rachel and her husband needed to follow a daily plan to share the use of the one remaining vehicle. It was only temporary, but the situation would have permanent impact on their family life.

After picking up her husband, a delivery truck smashed into the passenger's side of the car. Rachel's husband was killed instantly. Rachel survived, only to be permanently disabled and left to raise four children alone and without any way to generate income.

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A structured settlement saved Rachel from despair and depression. Her medical expenses would be covered for the rest of her life, her children's education and expenses would be rationed out at certain age intervals in their lives. The stress of financial worry would not get in the way of properly mourning the family member they lost that tragic day.



## **More to Consider About Structured Settlements**

A structured settlement is a great option for long-term viability, but it's not an option for everyone. You must understand that once you agree to the settlement plan, you can't change the terms of the structured settlement. Literally, you have to live with whatever you agree to. You cannot change it at some later date.

A good settlement planner, loyal to you, the plaintiff, is vital to help negotiate structured settlement terms that meet your needs, such as protection from rising inflation. In situations where your life expectancy has significantly decreased, you may want a settlement that guarantees a minimum payment even if you die before the guarantee period expires. This allows you to protect your family or beneficiaries from being left without financial resources.

Still, structured settlements are flexible in the beginning (during the negotiation period) and can be structured to meet many needs and life circumstances. When you discuss your needs with your family members, attorney and tax advisors, consider carefully how you expect to live your life with this disease or injury.

Consider the expenses that you were expecting to endure before you encountered this life altering event:

- Where you planning on purchasing a new home that would increase your monthly expenses?

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- Are your children approaching college age?
- How much will the cost of medication impact your monthly bills.
- Are you going to need special additions to your home in order to make in comfortable for a newly disabled family member?
- Are you approaching retirement age?

Maybe you are very good at managing money. You may have been a financial advisor or an investor before this tragic situation changed your life. Investing on your own may be a better idea for you. By accepting a lump sum settlement, and investing it own your own, you have more control of getting this money to work for you to meet your future needs.

It is important to consider life expectancy in association with any structured settlement, and to consider whether it is appropriate to enter into an annuity where payments will cease upon death.

Sometimes, after negotiating a particular settlement figure, the defense will overstate the value of a structured settlement. As a result you actually end up getting significantly lower dollar value than was agreed upon once you accept the terms of the settlement.

For the people who aren't that great with money, structured settlements are probably the best route. When you are awarded a BIG CASH settlement, family members that you haven't conversed with in years will show up at your doorstep. It's hard to say "no" to family. Before you know it, all of that large settlement has rapidly dissipated.

Since many personal injury victims are no longer able to work or can't work in the same capacity that they had endured before the injury, a structured settlement as part of a well thought out settlement plan may provide you with

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security and guaranteed income for years into the future; even for your lifetime if desired.

“Money is one of the most important subjects of your entire life. Some of life’s greatest enjoyments and most of life’s greatest disappointments stem from your decisions about money. Whether you experience great peace of mind or constant anxiety will depend on getting your finances under control.”

*-Robert G. Allen,  
Business, Finance and Motivational Author*

## **Need Help Deciding if Structured Settlements are for You?**

Before you make any decisions, consult with the professionals who have had experience dealing with structured settlements. Interview professionals who are most likely to assist you. It is important to make sure you are working with a professional that has your best interests at heart.

Before accepting a structured settlement offer from the defense, or from a broker loyal to the defense, make sure that you consult a professional who is going to be more loyal to you as the plaintiff. There are settlement assistant professionals and planners who can help you evaluate the pros and cons of a structured settlement for your particular situation.

They will also help you survey all of the annuity marketplace options available to obtain the best possible annuity rates with the highest rated companies.

The Amicus Capital Services offers settlement-structuring services as part of our package of attorney finance services. Rather than taking on the headache of finding and negotiating with a reputable structured settlement broker, why not let us do it? We can analyze your client's needs and tailor the structure to him or her and offer advice and guidance; find a secure investment; and offer tax advice. We offer competitive rates and seamless integration with any services you may already be receiving from us.

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In a world where injured plaintiffs are often re-victimized by those who seek to take advantage of their hard-won compensation, a structured settlement just makes sense. The Amicus Capital Services can make it easier for you to offer one to your clients. To learn more or request a proposal, call us at (877) 9-AMICUS, submit your information using the form to the right, or send an e-mail to [info@amicuscapitalservices.com](mailto:info@amicuscapitalservices.com).