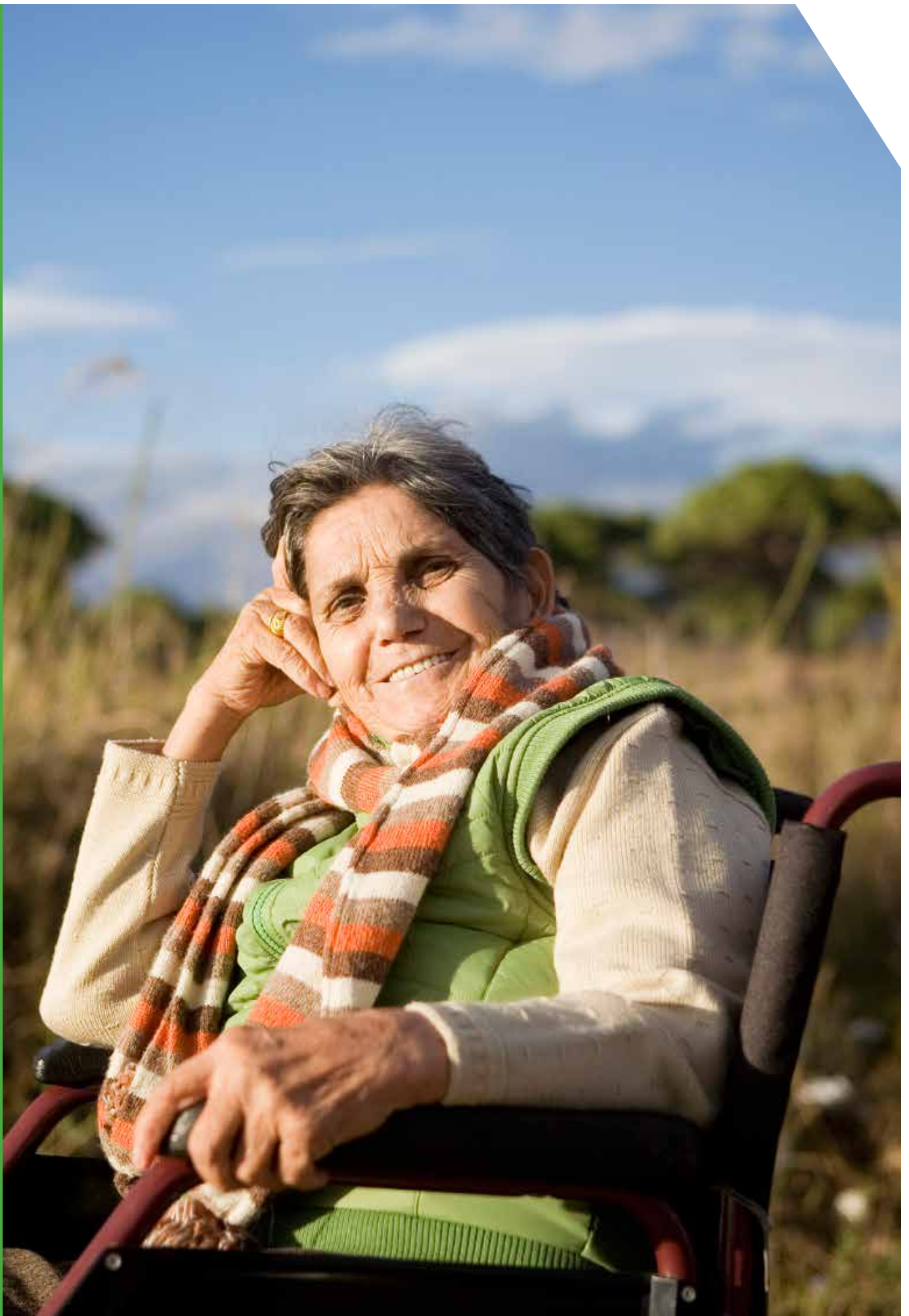




# NFP Structured Settlements

**Personal injury plaintiffs oftentimes find themselves in uncharted territory. While the process can be new and uncertain, you can make your settlement secure, assured and long-lasting.**



**This brochure introduces you to structured settlements – a strategy that can help you achieve your financial goals – and NFP Structured Settlements, a passionate team of experts that has been helping people like you find lasting confidence since structured settlements came into existence.**

**NFP Structured Settlements recognizes that every case is different. We will work to maximize your settlement, but, more importantly, we will work alongside you to ensure that your settlement is tailored to meet your specific needs.**

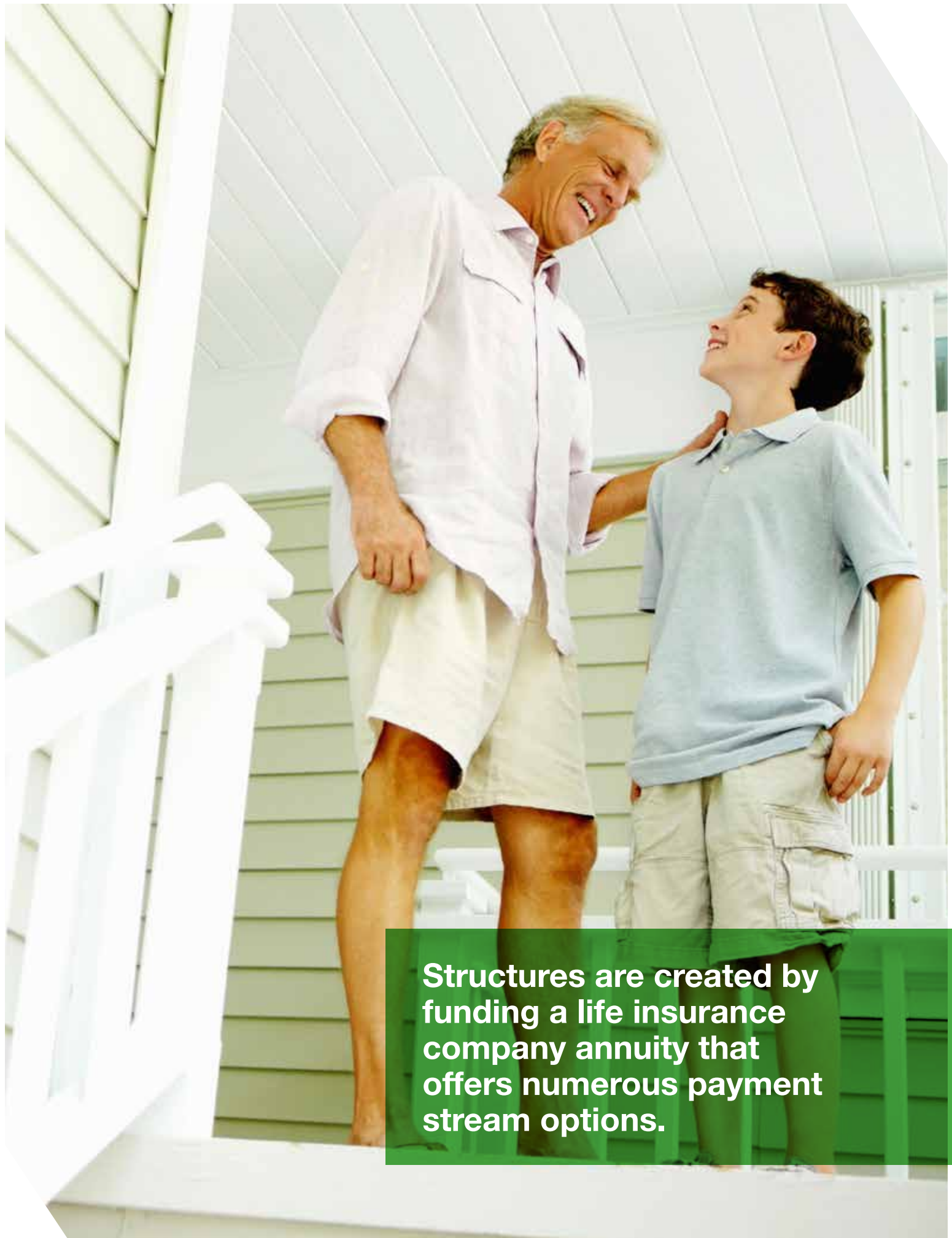
## **Structured Settlements Explained**

Structured settlements are an increasingly favored method for plaintiffs in personal injury cases to receive compensation. Often referred to as “structures,” they involve receiving settlement proceeds over a period of time in installments, rather than in a single lump sum. All periodic payments from a structure are completely tax-free because of Internal Revenue Code (IRC) Section 104(a)(2).

Structures are created by funding a life insurance company annuity that offers an unlimited number of payment stream options. Payments can be equal, or amounts can vary over time. They can begin immediately or be deferred until you require them, and they can continue as long as you choose. You select the design that suits your needs, and payments are guaranteed\* not to change no matter what happens with interest rates or the stock market.

At NFP Structured Settlements, we help develop customized income streams based on a highly detailed analysis of your specific circumstances. The structure usually provides up-front money for immediate concerns, such as medical expenses, special equipment, other out-of-pocket expenses and attorney fees. All future costs are also considered, including long-term care, lost wages, education, spousal support, retirement, mortgage payments and any other potential needs.

\*guarantees are subject to the claims paying ability of the issuing insurance company.



**Structures are created by funding a life insurance company annuity that offers numerous payment stream options.**



**Structured settlement payments can protect your child, by providing funds at the age of majority and spreading the rest over a period of time that you determine.**

# Why To Consider a Structure

## It Provides Financial Security

A structure provides guaranteed\* tax-free income. Payments may be guaranteed for a specific period of time or as long as you live. Alternatively, the return on most other investments from a lump-sum settlement is never guaranteed, and risk can quickly become an undesired reality.

## It Is Tax-free and Does Not Have Any Administrative or Management Fees

Pursuant to IRC Section 104(a)(2), all structured settlement payments are tax-free. Furthermore, they do not involve administrative or management fees. Lump-sum cash settlements are also initially tax-free, but the interest earned on investing that money is usually fully taxable. In addition, cash settlements are often subject to management and administrative fees, as well as the alternative minimum tax. It can be challenging for even the most sophisticated investor to match the after-tax return of a structured settlement.

## It Eliminates the Burden of Dealing with a Large Cash Settlement

Successfully managing a lump sum involves great risk. As a result, many plaintiffs have lost all or a portion of their settlements. A common belief within our industry is up to 90 percent of single lump-sum cash settlements are fully depleted within five years, regardless of their amount.

## It Offers Virtually Unlimited Flexibility

Structured settlements are designed to meet your specific needs. Tax-free payments can be scheduled for any length of time, even a lifetime. Plans can include monthly, quarterly or annual payments, as well as future lump sums, in amounts and on dates of your choice. They can begin immediately or be deferred to some future date. If income needs are expected to grow, you can also receive increasing payments with a cost of living adjustment.

## It Protects You and Your Family

A properly designed structured settlement can provide you with confidence and security. You may design your structure to include a monthly check for everyday needs. You can also fund future obligations, such as your children's education or your own retirement on a tax-free basis.

## Capital Protection for Minors

Structured settlement payments can protect your child, by providing funds at the age of majority and spreading the rest over a period of time that you determine. Court approval of the settlement is more easily obtained by presenting a well-designed structured settlement.

## Estate Protection for Heirs

During the planning process, you determine the minimum number of guaranteed payments to be received. If you die before that number of payments has been made, your estate or heirs may receive all remaining payments tax-free.

\*guarantees are subject to the claims paying ability of the issuing insurance company.  
NFP and its subsidiaries do not provide tax or legal advice. Please consult with your tax or legal advisor regarding your personal situation.

**One of the main reasons for structuring your settlement is to help ensure that you always have the money you need — when you need it.**



## It Is Backed by Highly-rated Insurance Companies

An annuity agreement contractually guarantees your payments. The annuity contracts available through NFP Structured Settlements are all offered by insurance companies rated A (Excellent) or higher by A.M. Best Company, Inc. These annuities are also subject to strict state regulatory requirements, as well as federal reserving guidelines, providing multiple layers of protection.\*

**A Cautionary Note:** The law only gives you one chance to structure your settlement, and that chance happens before you accept the settlement money. In addition, the amounts and timing of all future payments are decided at the time of settlement and usually cannot be changed. That is just one of the important reasons you need to get the most beneficial structure possible — and why you should choose NFP Structured Settlements.

## Why Structure Through NFP Structured Settlements

Our consultants are some of the most hardworking and resourceful in the industry. We are passionate about helping you make the most of your settlement money, and our team of attorneys, insurance professionals, financial planners and paralegals is well-prepared to do so.

Just as important, we are sensitive to the fact that you may also be adjusting to difficult changes. Our personal approach has proven effective for tens of thousands of people. We do it by offering:

### More Attention to Your Individual Needs

One of the main reasons for structuring your settlement is to help make certain that you always have the money you need — when you need it. That means that your structured settlement consultant has to fully understand your personal situation to be able to address current and future needs.

When it comes to accounting for your unique circumstances, our goal is to ensure that no one is more thorough and deeply involved than NFP Structured Settlements. We conduct a detailed analysis to determine what expenses and needs you may face now and in the future. Throughout the process, we work closely with you to make sure you understand your needs and your choices.

This is your settlement, which will obviously impact your life and future. We do not take that responsibility lightly.

\*An "A" (Excellent) rating is the third highest of the active-company ratings. A.M. Best Company, Inc. ("A.M. Best") ratings for insurance companies range from "A++" to "S." A.M. Best indicates that A- (Excellent) ratings are assigned to those companies that in A.M. Best's opinion have an excellent ability to meet their ongoing obligations to policyholders. A.M. Best has 13 active-company insurance company ratings and reflect the current and independent opinion of a company's ability to meet its obligations to policyholders, and are derived by evaluating a company's balance sheet strength, operating performance and business profile. A "B+" rating is the sixth highest of the active-company ratings. The A.M. Best rating scale is A++ (Superior), A+ (Superior), A (Excellent), A- (Excellent), B++ (Very Good), B+ (Very Good), B (Adequate), B- (Adequate), C++ (Fair), C+ (Fair), C (Marginal), C- (Marginal) and D (Poor). A.M. Best's ratings are not a warranty of an insurer's current or future ability to meet obligations to policyholders, nor are they a recommendation of a specific policy, contract, rate or claim practice.

Guarantees are subject to the claims paying ability of the issuing insurance company.

## **Complete Financial Resources**

As part of NFP, a leading national distributor of benefits, life insurance and wealth management solutions, we can also provide you with other important financial resources complementary to your structured settlement.

These services include financial planning, trust services and wealth management. We assist clients with special needs trusts, spendthrift trusts and Medicare set-aside trusts.

Working in conjunction with our NFP partner firm, DiMeo Schneider & Associates, LLC ([www.dimeoschneider.com](http://www.dimeoschneider.com)), we can provide cost-effective approaches to investing and managing the cash portion of settlement monies. Since its inception in 1995, DiMeo has established itself as a leading investment management firm to both institutions and individuals, with over \$40 billion under advisement (as of June 30, 2012) and significant expertise in asset allocation and investment selections. Our unique relationship with DiMeo enables us to leverage this expertise to develop attractive investment portfolios while carefully considering the future income and medical needs of our clients.

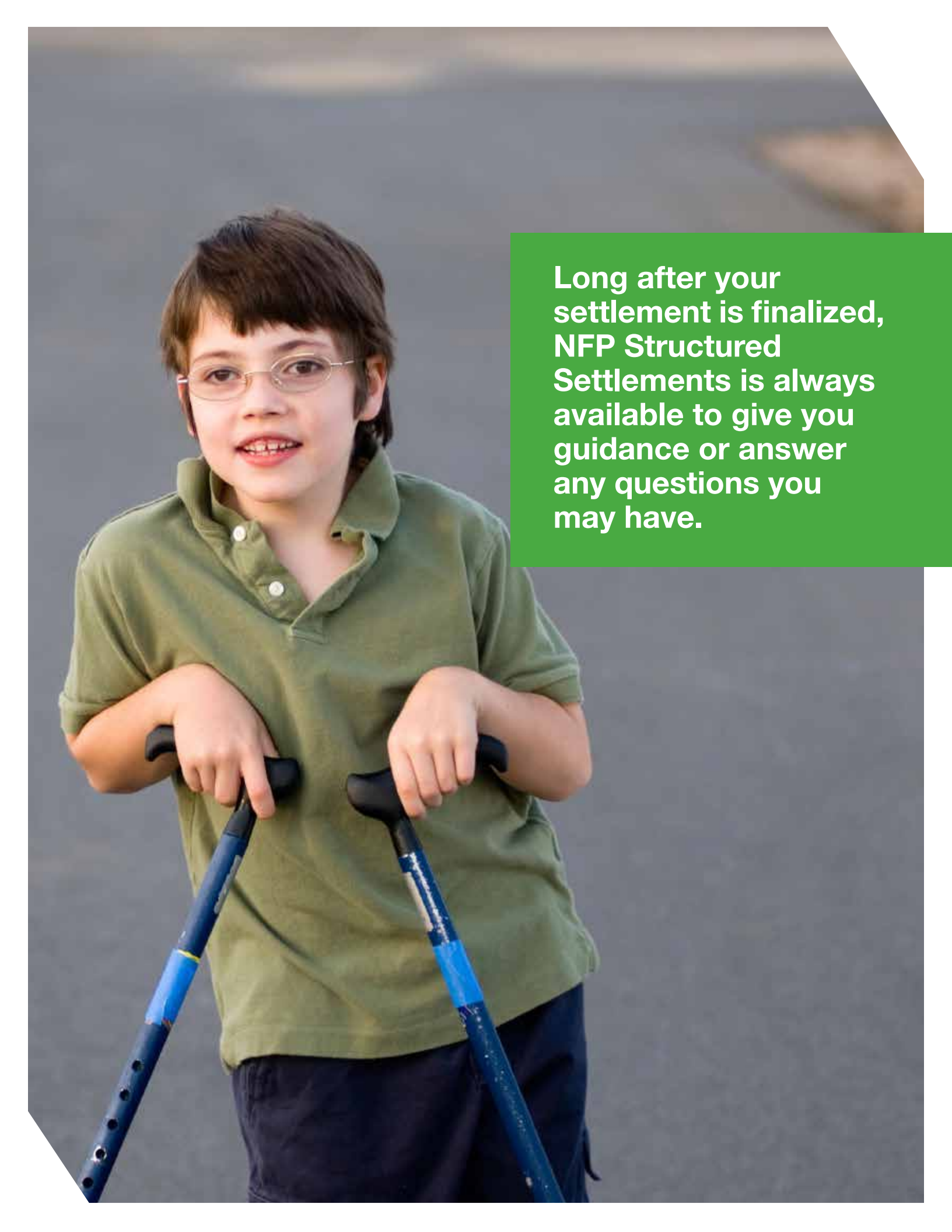
## **Connections to Other Kinds of Support**

At NFP Structured Settlements, we care about our clients as individuals. We recognize the many medical and emotional challenges you may be facing. Even though we may not be able to directly help you with non-financial matters, we do our best to guide you to experts who can.

Many of our clients benefit from our relationship with National Care Advisors (NCA), a nurse consulting organization that assists clients with special needs. NCA can help identify the costs associated with your unique care needs, as well as provide personalized care management designed to meet those needs. Its core focus is to make quality of life not only possible, but sustainable over a lifetime. For more information about NCA, ask us or visit [www.nationalcareadvisors.com](http://www.nationalcareadvisors.com).

## **Caring, Ongoing Service**

Long after your settlement is finalized, NFP Structured Settlements is always available to give you guidance or answer any questions you may have. We pride ourselves on the highest level of service before, during and after your settlement.

A young boy with short brown hair and glasses is smiling at the camera. He is wearing a green polo shirt and dark pants. He is holding a blue and black four-wheeled scooter. The background is a blurred outdoor setting.

**Long after your settlement is finalized, NFP Structured Settlements is always available to give you guidance or answer any questions you may have.**

**We help calculate the long-term cost of your needs based on factors such as your medical care and basic living expenses for you and your family.**



# What Happens Next

When you decide to structure your settlement, NFP Structured Settlements can guide you through the entire process. Although every settlement is unique, it usually proceeds in this manner:

## 1. Analyzing Economic Damages

NFP Structured Settlements gets involved while the amount of your settlement (the amount of settlement money you will receive) is being negotiated. We help calculate the long-term cost of your needs based on factors such as your medical care and basic living expenses for you and your family.

## 2. Designing Your Structure

NFP Structured Settlements works with you and/or your lawyer to understand the payments necessary for your current and future needs. Together, we will design a structure suitable to your financial objectives.

## 3. Working to Secure the Best Rates

After your future cash flow is decided, NFP Structured Settlements provides structured settlement quotes from highly rated companies. The company or companies with competitive rates are chosen to fund your future payments according to the schedule you and NFP Structured Settlements design.

## 4. \*Checking the Legal Details

NFP Structured Settlements' legal department reviews all documentation for compliance with Internal Revenue Service requirements. After all documents are double-checked for accuracy, we submit them to all parties prior to finalizing your contract.

## 5. Buying the Annuities

The defendant pays for the structured settlement directly to the annuity provider or providers to purchase the contract(s) that will fund your future payments.

## 6. Receiving Your Payments

You receive all future payments from the insurance company or companies. Meanwhile, your structure begins earning tax-free interest immediately.

## 7. Enjoying Ongoing Support

NFP Structured Settlements continues to be here for you, to answer future questions and help you any way we can. You will receive prompt, personal service every time you call.

\*NFP and its subsidiaries do not provide tax or legal advice. Please consult with your tax or legal advisor regarding your personal situation.





## Contact NFP Structured Settlements

Put your mind at ease by getting the facts along with careful, personal service. More information can be found at [www.nfpstructures.com](http://www.nfpstructures.com), and we are always happy to speak with you by phone or in person.

**Call us anytime at  
800-229-2228 to ask  
questions or set up an  
appointment.**

## About NFP

NFP's benefits, insurance and wealth management businesses provide a full range of advisory and brokerage services to companies and individuals, helping them preserve their assets and prosper over the long term. Our advisors partner with clients to help provide client-focused, and comprehensive solutions, backed by NFP's national scale and resources. NFP is a leader in the delivery of benefits solutions for companies of all sizes and in the delivery of life insurance and wealth management solutions for high net worth individuals. Our leading, independent broker/dealer offers a full range of options from some of the nation's top investment companies.

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