
ANNUITY ANALYSIS for STRUCTURED SETTLEMENTS
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Information About Payment Magnitudes and Scheduling:

No. of payments per year?

How much per payment?

Years delay before payment #1: [

Years guaranteed, if any: [

Relevant Rates of Return: (Press AltR for Help Screen)

Assume[

The above implies a periodic rate of

Information on Subject Person:

9.37500000000013

5

10

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Period

- 1
- 2
- 3
- 4
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- 40
- 41
- 42
- 43

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Sheet1

(License Granted for Non-commercial Distribution)

payment
h per p
elay be
uarante

s per year?
ayment?
fore paymen
ed, if any:

9.38]% return during [

an annual rate of

Over each year, \$
treated as its \$
(This simplifies the Exhibit without affecting the results.)

Starting Age? [

What category? [

% Annualized Rate
Years Delay Before Start
Guaranteed Periods

"Bottom Line" value is approx \$ Line" valu

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Age

Annual
Payment

33	#NAME?
34	#NAME?
35	#NAME?
36	#NAME?
37	#NAME?
38	#NAME?
39	#NAME?
40	#NAME?
41	#NAME?
42	#NAME?
43	#NAME?
44	#NAME?
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69	#NAME?
70	#NAME?
71	#NAME?
72	#NAME?
73	#NAME?
74	#NAME?
75	#NAME?

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MORTALITY TABLES BY SEX AND RACE

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Sheet1

Year	WhMale=1
0	13.4
1	1.0
2	0.8
3	0.6
4	0.5
5	0.4
6	0.4
7	0.4
8	0.3
9	0.3
10	0.2
11	0.2
12	0.3
13	0.5
14	0.8
15	1.1
16	1.3
17	1.6
18	1.7
19	1.8
20	1.9
21	1.9
22	2.0
23	1.9
24	1.9
25	1.8
26	1.7
27	1.7
28	1.6
29	1.6
30	1.6
31	1.6
32	1.6
33	1.7
34	1.8
35	1.9
36	2.0
37	2.1
38	2.3
39	2.5
40	2.7
41	2.9
42	3.2
43	3.6
44	4.0
45	4.4
46	4.9
47	5.5

Sheet1

48	6.1
49	6.7
50	7.5
51	8.3
52	9.1
53	9.9
54	10.7
55	11.5
56	12.5
57	13.7
58	15.3
59	17.1
60	19.1
61	21.1
62	23.2
63	25.0
64	26.9
65	28.8
66	30.8
67	33.2
68	36.0
69	39.2
70	42.6
71	46.3
72	50.3
73	54.8
74	59.8
75	65.3
76	71.1
77	77.4
78	84.0
79	91.0
80	98.3
81	105.9
82	113.7
83	121.3
84	128.4
85	200.0
100	400.0

[NOTE: Entries for 85 and over are just rough "fillers."]

Sheet1

[Prelim. Ver. 4/13/84]

901 804-924-3456

<<< Press AltM for Menu >>>

t #1: [12]
[\$300.00]
[5] (0 if none.)
[10]

12] periods.

0.750% and [Press F9 to
9.375% calculate.]

\$3600.00 are received, but any in-year flow is
-\$0.00 lumpsum equivalent rec'd at yr. start.

33] (Use nearest birthday.)

- 1 - White Male
- 2] 2 - White Female
- 3 - Other Male
- 4 - Other Female
- 5 - Manual Input

DETAILED CALCULATIONS AILED CALCULATIONS

e is approx \$ #NAME?

Discount Factor	Pres. Value	Discounted	Death Rate per 1000
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Sheet1

[illegible]

(Manually enter est. death rates for Special categ. #5.)

Sheet1

WhFem=2	NwMale=3	NwFem=4
10.6	23.3	19.0
0.7	1.4	1.2
0.6	1.1	1.0
0.5	0.9	0.8
0.4	0.8	0.6
0.3	0.7	0.5
0.3	0.6	0.4
0.3	0.5	0.3
0.2	0.4	0.3
0.2	0.4	0.3
0.2	0.4	0.2
0.2	0.4	0.3
0.2	0.5	0.3
0.3	0.6	0.3
0.3	0.8	0.4
0.4	0.9	0.4
0.5	1.1	0.5
0.5	1.3	0.6
0.6	1.6	0.6
0.6	1.9	0.7
0.6	2.3	0.8
0.6	2.6	0.9
0.6	2.9	1.0
0.6	3.1	1.1
0.6	3.2	1.1
0.6	3.4	1.2
0.6	3.5	1.2
0.6	3.6	1.3
0.6	3.7	1.3
0.7	3.7	1.4
0.7	3.8	1.4
0.7	3.8	1.5
0.8	4.0	1.6
0.8	4.2	1.7
0.9	4.4	1.9
0.9	4.7	2.0
1.0	5.1	2.2
1.1	5.4	2.4
1.2	5.9	2.7
1.3	6.3	2.9
1.5	6.9	3.2
1.7	7.4	3.5
1.9	7.9	3.8
2.1	8.3	4.1
2.3	8.6	4.5
2.5	8.9	4.8
2.8	9.2	5.2
3.1	9.9	5.6

Sheet1

3.3	10.9	6.2
3.7	12.1	6.8
4.0	13.5	7.4
4.4	14.9	8.1
4.7	16.2	8.8
5.1	17.3	9.5
5.5	18.4	10.2
5.9	19.4	10.8
6.4	20.6	11.6
7.0	22.1	12.5
7.8	24.0	13.6
8.6	26.4	15.0
9.6	29.1	16.5
10.6	31.8	18.1
11.5	33.9	19.2
12.3	34.9	19.6
13.1	35.2	19.5
13.8	34.9	19.1
14.8	34.9	19.0
16.0	36.1	20.0
17.4	39.0	22.5
19.1	43.3	26.2
20.9	48.4	30.3
22.9	52.5	34.4
25.4	59.8	39.0
28.2	63.9	44.0
32.0	68.9	49.5
36.0	73.9	55.0
40.3	79.1	60.6
44.9	84.4	65.7
49.6	89.8	70.0
54.7	94.8	73.1
60.2	98.6	74.3
66.3	100.0	72.8
73.3	97.3	67.3
81.3	87.9	56.8
90.8	68.9	40.0
200.0	200.0	200.0
400.0	400.0	400.0

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Fraction Adjusted For Actual
StillAlive Prob.Alive <= Cumulative

Sheet1

[illegible]

Other=5

[illegible]

Evaluation of a settlement usually requires doing two separate sets of calculations, one to see how much the future flow of payments is worth to the plaintiff and another to see how much the same stream of payments is worth to the defendant. The advantages of structured settlements depend precisely on the fact that these values differ! For instance, if the recipient of \$100,000 in damages could only earn 10% on it while the payor (e.g. an insurance company) can earn 15%, then each year's delay in payment provides \$5,000 of "profits" for the parties to bargain over.

Hence, use a source such as the Wall Street Journal to estimate what return the plaintiff can make on a safe investment. That interest rate is used to calculate the equivalent lump sum from the plaintiff's perspective. One must guess at the payor's rate to estimate how much the settlement really "costs." Alternatively, just "play" with interest rate assumptions to see how low the rate could be to equal the cost of \$X payable immediately.

Sheet1

/REPARAMS1~~{GOTO}PARAMS1~@na~{GOTO}PARAMS5~@NA~{GOTO}PARAMS6~@NA~
{GOTO}PARAMS4~@NA~{GOTO}PARAMS2~@NA~{GOTO}PARAMS3~@NA~{HOME}{CALC}/XQ~
/XMM4~

Sheet top

Go to Spreadsheet top.

{HOME}

{GOTO}RHELP~

/XMM11~

Return

Exit back to interest rates

{GOTO}RSECT~

HELP SCREEN FOR INTEREST RATE ENTRIES

Sheet1

Enter Parameters

Enter new or revised parameters

{GOTO}PAR_AREA~{GOTO}PARAMS1~

Calculate

Recalculate the sheet

{GOTO}SHEET~{CALC}

Sheet top

Go to Spreadsheet top.

{HOME}

Enter Parameters

Enter new or revised parameters

{GOTO}PAR_AREA~{GOTO}PARAMS1~

Sheet1

Display	Restart
Display the calculations sheet	Erase parameters and calculations
{GOTO}SHEET~	/XGm1~

Print

Print the table of calculations

{GOTO}SHEET~/P{?}RSHEET~{RIGHT}{RIGHT}{RIGHT}{RIGHT}{RIGHT}{RIGHT} P{?}