

ADDENDUM

[IN COMPLIANCE WITH CAL. INS. CODE § 10136(c) (2010)]

The following information is being provided to the You in compliance with the provisions of Cal. Ins. Code § 10136(c) (2010):

1 Effective Date of Agreement. This Transfer Agreement is not effective until the date on which a court enters a final order approving this Transfer Agreement and payment to the You pursuant to this Transfer Agreement will be delayed up to 30 days or more after the date You sign this Transfer Agreement in order for the court to review and approve this Transfer Agreement.

2 Payments Sold. The amounts and due dates of the structured settlement payments to be transferred are as follows:

[REDACTED]

3 Aggregate Amount of Payments to be Transferred.

You have agreed to sell to the transferee future payments totaling [REDACTED], [REDACTED], [REDACTED].

4 Expenses. The aggregate amount of all expenses, if any, to be deducted from the purchase price paid to you in exchange for the payments to be transferred are \$0.00. An itemized list of these expenses are:

5 Net Purchase Price. The net amount paid to You, net of all expenses, in exchange for the payments to be transferred is \$1,370,124.12.

You have agreed to sell to the transferee future payments totaling [REDACTED], [REDACTED] dollars [REDACTED] in exchange for the purchase price of One Million, Three Hundred Seventy Thousand, One Hundred Twenty-four and 12/100 dollars (\$1,370,124.12).

6 Discounted Present Value. The present value of the amount You are selling is \$ [REDACTED]. This is the value of Your structured settlement in current dollars.

Those future payments have a discounted present value equal to [REDACTED], [REDACTED] and [REDACTED] dollars (\$ [REDACTED]), calculated by applying the discount rate of [REDACTED] percent utilized by the Internal Revenue Service to value annuities in probate proceedings.

7 Federal Rate. The discounted present value is determined by applying the most recently published (discount) rate of [REDACTED] as of [REDACTED].

8 Effective Equivalent Interest Rate. YOU WILL BE PAYING THE EQUIVALENT OF AN INTEREST RATE OF [REDACTED] PER YEAR.

Based on the net amount that You will receive from Us and the amounts and timing of the structured settlement payments that You are transferring to Us, if the transferred structured settlement payments were installment payments on a loan, with each payment applied first to accrued unpaid interest and then to principal, it would be as if You were paying interest to Us of [REDACTED] % per year, assuming funding on the effective date of transfer.

If you did not sell your right to receive structured settlement payments, but instead borrowed the net amount of \$1,370,124.12 and paid that loan back, in installments with each of the payments you are now selling, the equivalent interest rate you would be paying for that loan would be 5.99% per year.

9 Quotient. The quotient, which is obtained by dividing the net payment amount by the discounted present value of the payments, is 43.2%.

10 Independent Professional Advice. You should obtain independent professional advice regarding any federal and state income tax consequences arising from the proposed transfer. We cannot refer you to any specific adviser for that purpose.

11 Retained Jurisdiction. The court approving this transfer agreement retains continuing jurisdiction to interpret and monitor implementation of the agreement as justice may require.

12 Unfair Treatment. If You believe You were treated unfairly or were misled as to the nature of the obligations You assumed entering into this agreement, You should report those circumstances to your local district attorney or the office of the Attorney General.

[SIGNATURES TO FOLLOW]

You have the right to cancel this agreement without any cost or obligation until the date the court approves this agreement. You will receive notice of the court hearing date when approval may occur. You must cancel in writing and send your cancellation to:
[REDACTED]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives effective as of the date first set forth above.

SELLER:

DocuSigned by:
[REDACTED]
[REDACTED]

Date: [REDACTED]

PURCHASER: [REDACTED]

[REDACTED]
By: [REDACTED]
Name: [REDACTED]
Title: [REDACTED]
Date: [REDACTED]