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**RESULTS OF NEW AMERICAN GENERAL LIFE COMPANIES STUDY
ILLUSTRATE NEED TO EDUCATE AMERICANS ON STRUCTURED SETTLEMENTS**

*Responses to Custom Scenarios and Real-Life Experiences Reveal Ill-Informed Choices
Could Jeopardize Long-Term Consumer Financial Health*

AMARILLO, Texas, April 17, 2008 —American General Life Companies announced today results of a new study that polled more than 1,000 Americans on custom scenarios and real-life experiences involving financial settlements received from personal injury and accidental death cases. The results illustrate that without education on structured settlements, the majority of consumers run the risk of making choices that may jeopardize their long-term financial health.

Custom Scenarios Paint a Picture of Need

As part of the study, which was sponsored by American General Life Companies, those polled were asked to respond to two hypothetical scenarios. The first scenario involved being in a car accident where significant injuries occurred and resulted in a lawsuit award of \$750,000. Survey participants were not provided details and information on structured settlements before responding to questions. Notable results from this scenario included:

- 65 percent indicated they would elect a lump sum as settlement payment
- 49 percent of those who made that election said they did so because they believed they could make their own long-term financial decisions and plans
- 26 percent of respondents who elected a lump-sum payment made that choice because they wanted to allocate money to pay off large bills and reduce debt

The second scenario involved responding to a situation where a spouse is killed on the job and a \$2.5 million settlement is awarded as part of legal proceedings. Before responding to this scenario, those

polled were provided details and information on structured settlements, including how the products differ from a lump-sum payment.

Equipped with that understanding, 73 percent of survey participants indicated they would elect a structured settlement as the means for distribution of the financial award.

“It’s clear that our study underscores a need for the financial services industry to better educate consumers on the benefits and attributes of structured settlement products,” said Bobby Steele, president, American General Life Companies Structured Settlements division. “Knowledge, in this case, is definitely power.”

Real-Life Experiences Reveal an Alarming Trend

Of the more than 1,000 people polled, 206 survey participants indicated that either they themselves or a family member was involved in a personal injury case. Of that group, approximately 185 respondents indicated that the case resulted in a financial settlement. Notable results from this group included:

- 86 percent of those who had real-life experience with a financial settlement indicated that they elected a lump-sum payment as the method of distribution
- Of those who elected a lump-sum payment, 57 percent said they were unaware of structured settlement products, with 64 percent also indicating that their attorney did not inform them of the structured option
- 57 percent of those who said they elected a lump-sum payment indicated that their entire settlement is already depleted

“Without a complete picture offered by an attorney or financial advisor, many survey participants viewed a lump sum as the more attractive option,” said Steele. “Alarmingly, what was first viewed as a positive, ultimately turned negative as the majority of those polled depleted their settlement.”

Another compelling statistic from the study was that 71 percent of those polled who elected a structured settlement did so to provide a regimented stream of income designed to cover expenses.

“Ultimately, those who choose a structured settlement are providing themselves with more economic freedom,” added Steele. “Both the timing and amount of the payments can be customized to meet individual needs, including covering regular expenses and major life events such as mortgage payments, loan payoffs, college tuition and ongoing medical procedures.”

About the Study

The structured settlements research was conducted in September 2007 by Esearch.com, Inc. The survey had a margin of error of plus or minus 3.10 percent at a 95 percent level of confidence. For more information on the study, as well as details about structured settlements, visit

www.americangeneral.com/structuredsettlements.

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