

LOS ANGELES JURY AWARDS \$9.2 MILLION, INCLUDING \$6 MILLION IN PUNITIVE DAMAGES, TO LIVING CANCER VICTIM

Featured Case

Los Angeles, California: Robert W. Johnson & Associates was retained to provide economic testimony quantifying the present cash value of economic damages and punitive damages.

Citation: Larry Stewart v. A.W. Chesterton Company, et al., Superior Court of the State of California, County of Los Angeles - Central District, Case No. BC 384224. Plaintiff's attorneys Simona Farrise of Farrise Law Firm, Santa Barbara, California and Carolin Shining of Paul and Hanley, Berkeley, California. The judge was the Honorable Alan S. Rosenfield.

Case Synopsis: Plaintiff, a hardworking 59-year-old career plumber, husband, father and grandfather, was exposed to defendant Union Carbide Corporation's asbestos when he worked on various construction projects in the Los Angeles, California area during the 1970s. From 1963 through at least 1985, Union Carbide Corporation mined deadly asbestos from a California ore deposit, processed it into raw asbestos fibers at its King City, California milling operation, and ultimately sold millions of

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HOW CAN YOU BENEFIT FROM STRUCTURED ATTORNEY FEES?

Structured Attorney Fees provide a unique opportunity for attorneys to accumulate wealth, with unmatched rates of return.

Structuring is the ideal vehicle to achieve greater wealth accumulation. You can *defer taxes, receive unmatched rates of return* and, most importantly, be able to *pay yourself first*.

As an attorney, you already know that your fees can be unpredictable. You cannot be sure when cases will arrive or when they will conclude, which makes it challenging to manage your cash flow. When your fees do arrive, taxes can take a huge bite from your income.



Structured Attorney Fees allow you to:

- Defer up to 100% of your pre-tax income
- Contribute as much income as you like
- Increase your guaranteed flow of income
- Even out your cash flow

Moreover, structuring your fees gives you a chance to plan for the "big things" in your life. For you, the "big thing" might be buying that next big house, or sending your child to Stanford,

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We are proud to announce that James A. Mills is now providing expert testimony.



JURY AWARDS \$9.2 MILLION TO LIVING CANCER VICTIM

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pounds of that raw chrysotile asbestos under the brand name Calidria asbestos.

Plaintiff and his wife were devastated in December 2007 when they learned that he suffered from mesothelioma, a fatal cancer only caused by asbestos exposure, and doctors told him he had but a very short time to live.

Expert Testimony: First, Mr. Johnson was asked to calculate Mr. Stewart's economic damages. In calculating the earnings loss, Mr. Johnson reviewed Mr. Stewart's payroll information and union data as a journeyman foreman and plumber and projected the income loss out to the end of his work-life capacity, age 65. He next projected Social Security and pension income losses to the end of Mr. Stewart's normal life expectancy. Finally, Mr. Johnson calculated the loss of household services due to Mr. Stewart's injuries. The total present value of Mr. Stewart's economic damages was \$1,305,366.

Second, Mr. Johnson was then asked to return at a later date to testify as to punitive damages. In this phase, Mr. Johnson's primary task was to



frame, in economic terms, the financial condition of Union Carbide Corporation. The financial condition encompasses the areas of financial health, wealth and economic status. Mr. Johnson reviewed Union Carbide's financial documents and testified that the firm had \$7.5 billion in Sales, \$1.1 billion in Net Income, \$6.1 billion in Net Worth and \$3.625 billion in Cash.

Result: On November 18, 2008, the jury of 7 men and 5 women awarded \$9,200,000, including \$6,000,000 in punitive damages, after a 5 week trial. Defendant Union Carbide Corporation, maker and seller of dangerous chemicals and agents, and a wholly owned subsidiary of Dow Chemical, was found to be at least 85% responsible for plaintiff's cancer. Although Union Carbide Corporation has been held liable in other asbestos cases, the award of punitive damages here is believed to be the very first time the chemical maker has been assessed an amount of punitive damages for an asbestos claim. The case is being appealed by defendant.

Attorney's Comments: According to Plaintiff's counsel Carolin Shining, "Mr. Johnson was wonderful in coming down the night before to prepare with us on the punitive damages phase. The judge only gave us a day to prepare for the punitive damages phase. Mr. Johnson went the extra mile in helping us prepare."

The Proper Perspective

"Little else is requisite to carry a state to the highest degree of opulence from the lowest barbarism, but peace, easy taxes, and a tolerable administration of justice: all the rest being brought about by the natural course of things." --Adam Smith

HOW CAN YOU BENEFIT FROM STRUCTURED ATTORNEY FEES?

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or buying out your partner when they retire. Whatever the “big thing” might be for you, the important point is that structuring your fees gives you the ability to achieve it – easily, painlessly, and with an unmatched rate of return.

How do structured settlements compare to traditional investments?

Structured Attorney Fees have been around since the mid 1990's. Unfortunately, attorneys have been reluctant to structure their fees because they have not been able to accurately compare this investment with other investment vehicles. Robert W. Johnson & Associates has developed the Tax Equivalent Guaranteed Return (**T.E.G.R.SM**) methodology to simplify this comparison for you.

What is the **T.E.G.R.SM**? The **T.E.G.R.SM** is the guaranteed rate of return that any other investment needs in order to match the pre-tax payout of Structured Attorney Fees.

Pre-Tax Comparison

It is important to remember that with Structured Attorney Fees you are working with 100% of your money because you invest on a pre-tax basis. It is also important to understand that the results are **guaranteed**. With a traditional investment, you are typically working with 60% - 65% of your money after-taxes, and the results usually are **not guaranteed**.

Unmatchable Rates of Return

Structuring your fees gives you an unmatched rate of return, with annual **Tax Equivalent Guaranteed Returns** that can reach:

- 20+% for a 5-year investment
- 15+% for a 10-year investment
- 10+% for a 20-year investment

A Long-Term Scenario: Funding Retirement

An attorney planning to retire has just settled a case with \$500,000 in fees. The attorney has the option to either (a) structure their \$500,000 fee, or (b) pay the tax and invest the balance.

(a) If the attorney structures their fee, the \$500,000 will pay out \$38,229 annually, before tax, over 20 years, **guaranteed**.

(b) On the other hand, if the attorney pays the 40% tax (\$200,000) and invests the \$300,000 balance, the investment would need to generate a **T.E.G.R.SM of 11.23%** to match the structure's **guaranteed** total payout.

Clearly, few investments are likely to yield a steady return of 11.23% over 20 years, whereas the structure is **guaranteed**, no matter what happens. The structured approach is the obvious choice to maximize the return on the initial fee.

The benefits are clear:

- **Unbeatable, guaranteed returns**
- **Increased cash flow and lower taxes**
- **100% tax deferral**
- **Unlimited contribution allowance**

You can use the structure as an investment vehicle to meet almost any financial goal.

Structured Attorney Fees beat every other guaranteed investment vehicle for investing and maximizing the benefit from your hard-earned fees. It not only makes more money, but it is unhindered by down-turns in the economy and the stock market.

You provide the vision and we'll provide the investment vehicle.

All you need to do is contact us at (800) 541-7435 and we'll help you get started.

2009 Year End Verdict & Settlement Summary

Verdicts			
Attorney	Case	Case Type	Verdict
Todd R. McPharlin	Lucinda Naugle v. Philip Morris USA, Inc.	PI - Punitive Damages	\$300,590,000
Garo Mardirossian	Pannu v. Land Rover	PI - Auto Accident	\$21,654,000
Simona Farris / Carolyn Shining	Larry Stewart v. A.W. Chesterton Company, et al.	PI - Auto Accident	\$9,200,000
Todd F. Nevell	Raya, et al. v. Fresh Express, et al.	WD - Electrocutation	\$5,000,000
Robert F. Vaage	Howard, et al. v. Kaiser, et al.	PI - Medical Malpractice	\$5,000,000
Steven J. Karen	Sanchez, et al. v. Lampinen, M.D., et al.	WD - Medical Malpractice	\$2,500,000
Gordon D. Greenwood / Philip A. Harley	Robert F. Smith v. Chrysler, et al.	PI - Mesothelioma	\$2,500,000
Cynthia Bernet-McGuinn	Sousa, et al. v. Teaching Living Concepts, Inc.	PI - Auto Accident	\$2,152,000
Anthony S. Petru / John Furstenthal	Sylvester Weaver v. BNSF Railroad Company	PI - Railroad	\$1,437,000
Anthony S. Petru / John Furstenthal	Conley v. UPRR	PI - Smoke Inhalation	\$1,400,000
Dawn L. Hassell	Bruce Murphy v. 2121 Leavenworth LLC, et al.	PI - Fall	\$890,000
Stan Levanthal	Ehlert v. Ken Fowler Motors, Inc., et al.	PI - Motorcycle v. Auto	\$610,000
Verdicts Sub-Total			\$352,933,000

Settlements			
Attorney	Case Name	Case Type	Settlements
Cythnia Bernet-McGuinn / Miles B. Cooper / Karen Stromeyer	John Doe and Jane Doe v. Roe Driver, et al.	PI - Motorcycle v. Auto	\$1,500,000
John E. Hill	Walton, et al. v. Safway Services Inc., et al.	WD - Fall	\$1,300,000
David Amell	Confidential	Personal Injury & Wrongful Death	46,800,000
Kevin Burke			
Benjamin Goldstein			
Dean Hanley			
Otto Haselhoff			
Anthony Petru			
Daniel Rodriguez			
Lance Stevens			
Kenneth C. Vogelstein			
Settlements Sub-Total			\$49,600,000

Totals		\$402,533,000
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About Robert W. Johnson & Associates: A nationally recognized, full service, consulting firm that specializes in illustrating and quantifying damages. Services include: court-qualified expert witness testimony in quantifying the loss of enjoyment of life (pain and suffering) in personal injury cases and quantifying the loss of love, care, comfort, society, consortium, etc. to the survivors in

wrongful death cases. Other litigation support services include analysis and placement of structured settlements, generating wage loss reports that include the present value of future medical expenses and illustrating the loss of quality of life with the LIFE ACTIVITY CALENDAR®.