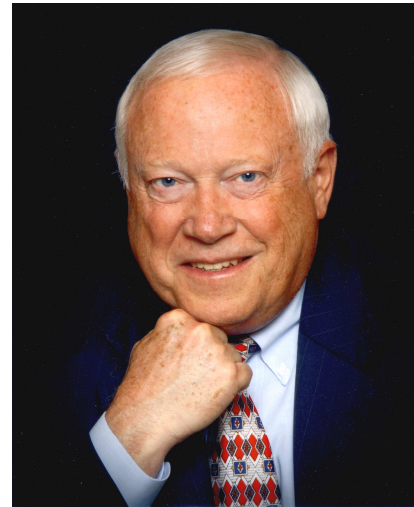


# RISK LAW FIRM

A nationwide practice of helping injury victims through their attorneys

## Biography: Richard B. Risk, Jr.

Dick has devoted his law practice to issues relating to settlement planning. He works with attorneys of injury victim claimants to help their clients make wise financial decisions to rehabilitate themselves from their injuries, make adjustments in their life style necessitated by their injury, and refocus their life goals. His services are engaged by plaintiffs' attorneys and structured settlement producers across the country to create and administer qualified settlement funds (QSFs), advise on tax issues relating to settlements, and serve as counsel or expert witness in litigation to secure the rights of injury victims and their fair and ethical treatment. He is considered an authority nationally on structured settlement law.



He has written court documents establishing more than 250 qualified settlement funds and has personally administered the majority of them. He frequently gets invited to oversee the resolution of personal physical injury and environmental litigation with very high damage amounts. One attorney client wrote: *"A negligent defendant responsible for causing injury to our clients should not be able to dictate the terms of a structured settlement. Qualified settlement funds are a vehicle for the plaintiff to take control of the settlement process. Dick Risk has assisted us and several of our clients in navigating the complex waters of QSFs."*

He has had several articles published in law journals in multiple states and for 11 years (1996-2007) edited and published the nationally acclaimed newsletter, *Structured Settlements*<sup>TM</sup>. He has testified before the Internal Revenue Service on proposed tax regulations, before the National Association of Insurance Commissioners on proposed model rules, and has been a faculty member for numerous professional education seminars throughout the country. In December 2010, he presented by invitation for the University of Tulsa's Faculty and Alumni Showcase Series.

Dick is a founder and director of the Society of Settlement Planners (SSP), a national public policy and educational organization formed in 2001 and dedicated to assisting injury victims, claimants and attorneys in resolving their legal financial claims, and advocating the injury victim's right to choose settlement planning advisors and financial and guarantee providers. He has been overall coordinator of the SSP's annual educational seminar for several years and, as one part of each seminar, has moderated tax issues panels, including as panelists senior officials of the U.S. Treasury Department and the Internal Revenue Service. He also chaired the development and was co-author of the Standards of Professional Conduct for Settlement Planners. The first president of the SSP said in a message to the membership: *"Dick has been a leader in the battle for plaintiffs' rights in this industry. ... Indeed, a major portion of this industry's movement toward accepting plaintiff specialists in the last few years can be credited to his efforts."* The SSP has recognized him more than once with special awards for his

“tireless work and valuable contributions” and in 2010 bestowed on him the honor of being its first and only Life Member.

He consulted with Texas Tech University faculty in the development of the Registry of Settlement Planners’ educational component, and was among the first 10 graduates of the program, receiving the Registered Settlement Planner (RSP) designation. He is a member of the American Bar Association (ABA), American Association for Justice (AAJ), the Oklahoma Bar Association (OBA), and past barrister member of the American Inns of Court.

Dick knew there was something wrong with the way the insurance industry in general handled structured settlements. He was introduced to structured settlements more than 25 years ago (early 1986), when they were first coming into use. Soon after he placed his first annuity as a structured settlement consultant, he realized that many liability insurance companies and self-insured corporations who used structured settlements as a negotiating tool to settle physical injury claims were secretly profiting from them at the expense of the victims. When he became a vocal critic of his own industry, they ostracized him. Each time he attempted to clean up the industry through legislation, the powerful insurance lobbyists thwarted his efforts.

Undaunted, Dick knew there was still one viable avenue available to him—the courts. But, there was a problem—he wasn’t a lawyer. To resolve that issue, he entered law school at the University of Tulsa at age 57, as a part-time student, graduating three years later by spending his summers abroad, including with TU’s study program in Dublin, Ireland; Miami University’s program in London, and Tulane’s program in Amsterdam. While in law school, he was an honor roll student, an intern for two judges and a law firm, a member of Phi Delta Phi legal honors fraternity, and on the staff of the Tulsa Law Review (nee Tulsa Law Journal), which published his comment, *Structured Settlements: The Ongoing Evolution from a Liability Insurer’s Ploy to an Injury Victim’s Boon*, 36 Tulsa L.J. 865 (2001). That article foretold what would become his mission as a lawyer.

Too old at age 60 to join a law firm as a junior associate with the prospect of someday becoming a partner, Dick set out on his own as a solo practitioner. While developing his nationwide niche law practice, he collected facts about the structured settlement industry and developed theories of damages to a class of people who had settled their injury claims and were cheated in the process. A couple years later, Dick was able to convince a class action firm of the merits of his case, and he signed three individuals as class representative plaintiffs. Eventually, the litigation team grew to four law firms, including Dick’s solo practice, and they filed a class action in U.S. District Court, District of Connecticut (Civ. No. 3:05-cv-01681-JCH), in late 2005 against one of the nation’s largest financial services groups, alleging mail and wire fraud and violations of the Racketeer Influenced and Corrupt Organizations Act (RICO). After nearly five years of legal wrangling and a trip to the Second Circuit, U.S. Court of Appeals, where class certification was affirmed, and after two separate mediations early in 2010, the defendants maintained their innocence of wrongdoing, but they agreed to settle the claims of some 23,000-plus class members for \$72.5 million. His class action lawsuit was followed by the insurer’s exit from the structured settlement annuity marketplace. Some other insurers have revised their structured settlement policies to allow plaintiffs more rights in structuring their settlements.

Dick is a 1963 graduate of Oklahoma State University, receiving a B.A. in Radio and Television, with postgraduate studies at Boston University (Public Communications), The University of Tulsa (Business Administration and Law) and the University of Oklahoma (Public Administration). He received a juris doctorate from The University of Tulsa College of Law in 2001 and is admitted to practice law in all federal and state jurisdictions in Oklahoma. He is certified by the Supreme Court of Oklahoma as a mediator.

Prior to becoming an attorney, Dick served in the Senior Executive Service of the United States in a sub-Cabinet position as a bureau head in the administration of President Reagan. He was an executive with two publicly held corporations, and served as a staff officer, general's aide and commander in the U.S. Air Force during the Vietnam era, receiving multiple decorations for meritorious service and the Air Force Outstanding Unit Award for a squadron that he commanded in Thailand. He and his wife Carroll have two adult children and two grandsons. They divide their time between homes in Tulsa, Oklahoma, and St. Petersburg, Florida, where he serves in the U.S. Coast Guard Auxiliary. ■

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## Endorsements

“A negligent defendant responsible for causing injury to our clients should not be able to dictate the terms of a structured settlement. Qualified Settlement Funds are a vehicle for the Plaintiff to take control of the settlement process. Dick Risk has assisted us and several of our clients in navigating the complex waters of QSFs. He has educated us on the benefits of such funds, prepared opinion letters and drafted court documents to establish the fund. Dick’s advice and work is cost effective and delivered on time. His capable and professional work has allowed us to maximize recoveries for many clients and I am pleased to recommend him to my colleagues around the country.”

**Robert F. Spohrer, Esq. — Trial Lawyer, Member of Inner Circle of Advocates, Listed in Best Lawyers in America, Spohrer Wilner Maxwell & Matthews, Jacksonville, Florida**

“I have been representing injured victims or the families of deceased victims for the past 29 years. During this period, I have had numerous occasions to consult with professionals to assist in protecting the assets recovered as a result years of hard work of hard work. My involvement with Dick Risk in a traumatic birth trauma case involving a severely injured infant was an eye-opening experience. Dick was a professional beyond reproach. His knowledge of the law concerning QSFs and the details involved in protecting the assets of this young person were invaluable. I thought I was somewhat knowledgeable in this area; how wrong I was. Dick's ability to explain the specifics gave me a clear understanding of how easily things can go wrong if not handled by someone with Dick's abilities and knowledge.”

**George F. McNally, Esq. — Past President, Nevada Trial Lawyers Association, The McNally Law Firm, Ltd., Reno, Nevada**

“As Montana’s Insurance Commissioner and a member of [the National Association of Insurance Commissioner’s] executive committee, I will continue to work with folks like Dick Risk to secure a fair new model law and make sure existing laws are enforced.”

**John Morrison, J.D. — Auditor, Securities Commissioner and Insurance Commissioner, State of Montana, Helena, Montana**

“I want to thank you for all your advice, guidance and recommendations in connection with this settlement. As you know this was a very complex case involving six wrongful deaths and over 100 beneficiaries, most of whom resided outside the United States. Many of these beneficiaries were minors who lived in countries where there were no laws which provided clear guidance on how to handle the distributions in those countries. Additionally we received the settlement proceeds in several installments over many months. By setting up a Qualified Assignment Trust and thru the use of annuities we were able to protect the rights of all the beneficiaries. We appreciate the professional manner in which you handled this process. We could not have navigated thru this complex maze without your assistance.”

**Robert A. Krause — The Spence Law Firm, LLC, Jackson, Wyoming**

“Dick has distinguished himself by becoming the single-most prolific thinker and writer on subjects and topics germane to the structured settlement industry ... widely regarded as the industry’s most zealous champion of consumer rights in the settlement process ... instrumental in a project designed to have the Treasury Department issue guidance that would enable more injury victims to protect themselves in all types of settlements.”

**Jack L. Meligan — President, Settlement Professionals, Inc, Founding President, Society of Settlement Planners, West Linn, Oregon**

“Here are the articles we’ve referred to in the past [on IRC § 130 qualified assignments from single-claimant qualified settlement funds]. The last page is just the first page of a 46-page law review article by Richard Risk. [Three of the four articles cited by the IRS official in a letter to a requestor for tax guidance were written by Risk.]”

**Terrance McWhorter — Office of Associate Chief Counsel (Income Tax and Accounting), Internal Revenue Service, U.S. Department of the Treasury, Washington, DC**

“Mr. Risk is one of the leading advocates and a pioneer in a nationwide effort seeking the protection of the rights of injured claimants in settling their claims. ... On a daily basis, he is educating the public, researching issues and providing policy input. Mr. Risk is a tireless advocate for the consumer.”

**Bruno R. Mazzotta — Vice President and Director, Society of Settlement Planners, Structured Settlement Advisors, LLC, St. Louis, Missouri**

“A relatively new concept is the qualified settlement fund. It really takes the insurance company who is paying the money into the settlement out of the picture and eliminates some of the abuses that we had where insurance companies come in and want to fund this themselves. It’s sort of like they’re getting back what they’re paying out. I think a plaintiff’s attorney does a disservice to his client when he allows the insurance company to do that. After all, if they are telling you they want to pay so much money, then what difference should it make to them where it goes, if they are truly wanting to resolve the matter? It’s something that we lawyers need to be aware of. We need to have the benefit of those who are at the cutting edge of these qualified settlement funds, such as Dick Risk.”

**Edwin W. Ash, Esq. — Fellow of the American College of Trial Lawyers, Listed in *Best Lawyers in America*, Ash Law Firm, Tulsa, Oklahoma**

“Our office has come to use the process called a qualified settlement fund. Over these years of working with insurance carriers or large companies, when it comes time to settle and if the choice is made to structure, they want to continue their participation in the business of my client. Very frankly, I’ve resented that. With the qualified settlement fund, it allows me and [the broker I select] to manage the settlement, without benefit of interference from a defendant or his carrier, to offer a high quality settlement to my client. ... After all, my duty continues in that phase and even after the settlement and, I may add, Mr. Risk has that same duty and it, too, continues after the settlement is made. [The QSF] has been a great asset in the handling of our cases. It gets the defendant away from the negotiating table at the time he should leave, which is the time he places money out there. I have been very satisfied with it, and it has all worked to the benefit of our client.

**James E. Frasier, Esq. — Past President, Oklahoma Trial Lawyers Association, Frasier Frasier & Hickman, LLP, Tulsa, Oklahoma**

“We were asked to assist the plaintiff law firm in settling a case (\$5.0+ million) that was on appeal involving a blind and disabled minor child. The defendant, the State of California, wanted out quickly and was not being cooperative. The State of California didn’t want anything to do with a structured settlement. The child’s mother wanted to insure her daughter would be taken care of for life and not outlive her money. The plaintiff attorneys also wanted to take advantage of the tax-deferred benefits from structuring their fees to both themselves and their firm. We presented these settlement needs to Richard Risk and he promptly explained to us that a

Qualified Settlement Fund (QSF) was the vehicle that would allow us to fulfill each party's request. First, for the State of California, the QSF would allow them to cash-out quickly and with minimal paperwork. Second, for the plaintiff, the QSF would allow the mother to preserve the ability of her daughter to receive the lifetime tax-free benefits from a structured settlement. Third, for the plaintiff attorneys, the QSF would allow the attorneys to preserve their ability to structure their fees (to both themselves and their firm) and receive significant tax-deferred benefits. Mr. Risk walked us through the QSF process, providing the necessary documents, answering all of the parties' questions (promptly and accurately) and was always available for last-minute adjustments. I would not hesitate to use him in the future."

**Robert W. Johnson — Forensic Economist, President, Robert W. Johnson & Associates, Los Altos, CA**

"As a Director and Founding Member of the Society of Settlement Planners, a non-profit organization dedicated to assisting injury victims, claimants and attorneys in resolving their legal financial claims, and advocating the injury victim's right to choose settlement planning advisors and the concomitant financial and guarantee providers, I can proudly proclaim Richard "Dick" B. Risk, Jr., Esq., as the consummate consumer advocate for the members of our organization and those we serve. I have worked closely with Dick on a host of legal issues and on a wide variety of cases. Without exception, I have been impressed with Dick's consistent and persistent tenacity in protecting the consumers' rights. I can tell you that there are a lot of people claiming to be experts on 468B QSFs in this country, but Dick is truly at the very top of the list. Dick has been a valuable resource to many of my dearest clients and a good friend of mine for many years now. All of us on the plaintiff side should be glad Dick is on our side and so willing to share his knowledge to help defeat the defense-imposed abuses of the structured settlement industry."

**Charles J. Derenne — President (2006) and Director, Society of Settlement Planners, Premier Settlements, Milwaukee, Wisconsin**

"Thanks for your help. I could not have done it without you. ... You are worth every penny."

**Joseph W. Tombs, J.D. — Partner, Amicus Financial Advisors, LLP, Lubbock, Texas, and President, Registry of Settlement Planners (RSP)**

"Dick, you are a gem. I've never sounded smarter [referring to letter drafted by Risk for the attorney].

**Steven B. Goff, Esq. — Trial Lawyer, River Falls, Wisconsin**

"We'll do it again soon, I'm sure. It was great to work with someone of your standing and passion."

**Paul K. Isaac, J.D., President, Settlement Professionals of Buffalo (New York)**

"Your input on our recent settlement with a QSF was invaluable. I look forward to working with you on future cases."

**Stephen E. Barnes, Esq. — Trial Lawyer, Barnes Firm, P.C., Buffalo, New York ■**

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