

ORIGINAL

IN THE OHIO COURT OF CLAIMS

FILED
COURT OF CLAIMS
OF OHIO

2016 FEB 17 PM 3:21

KWAME AJAMU
and
WILEY BRIDGEMAN,

Plaintiffs,

v.

THE STATE OF OHIO,

Defendant.

Case No. 2015-00149-WI

Judge Patrick M. McGrath

**SETTLEMENT AGREEMENT AND
RELEASE OF ALL CLAIMS**

1. **Parties.** This Settlement Agreement is made by and between (i) Kwame Ajamu and Wiley Bridgeman ("Plaintiffs") and (ii) the State of Ohio ("Defendant").
2. **Name of Action.** Plaintiffs have asserted claims against Defendant in an action now pending in the Court of Claims, captioned *Kwame Ajamu, et al. v. State of Ohio* and identified as Ohio Court of Claims Case No. 2015-00149-WI.
3. **Final Settlement.** This Settlement Agreement is made as a compromise between the parties as a complete and final settlement of their claims, differences, and causes of action with respect to the dispute described in paragraph 2 above.
4. **Facts May Later Prove Different.** It is understood by Plaintiffs and Defendant that the facts upon which this Settlement Agreement is made may later prove to be other than or different from the facts now known by either or them or believed by either of them to be true. Each of the parties to this Agreement expressly accepts and assumes the risk of the facts proving to be so different, and each of the parties agree that all the terms of this Settlement Agreement shall be in all respects effective and not subject to termination or rescission by reason of any such difference in facts.
5. **Agreement Is Binding.** The parties agree that the terms of this compromise and Settlement Agreement bind the parties hereto, their assigns, and their successors in interest.
6. **Compromise of Claims.** Plaintiffs understand that this settlement is a compromise of disputed claims, and payment under this Agreement is not to be construed as an admission of liability on the part of Defendant. The sources of the claims by Plaintiffs are the injuries to Plaintiffs arising from their wrongful incarceration. Under established protocols, Plaintiffs were shackled and restrained; their persons were searched on a daily basis; and their freedom of movement was restricted on a daily basis.

7. **Entire Agreement; Release.** This Agreement contains the entire agreement between the parties with regard to the matters set forth here. There are no other understandings or agreements, verbal or otherwise, in relation to this Agreement between the parties except as expressly set forth here. Plaintiffs do hereby release, hold harmless from any liability, and forever discharge the State of Ohio and its agents, servants, employees and officers, personally and in any other capacity, from any and all claims, actions, causes of action, demands, costs, loss of services, expenses, and any and all other damages which the undersigned ever had, now have, or may have, or claim to have, against the State of Ohio or its agents, servants, employees or officers, on account of or in any way arising out of the incidents, claims, and/or causes of action that were or could have been alleged in Court of Claims Case No. 2015-00149-WI. Plaintiffs are not waiving their rights to pursue claims against cities and counties, or claims against city or county officers, employees, servants, or agents. The terms of this Agreement may not be altered, except by a writing signed by the parties and their counsel.

8. **Payment for Plaintiff Kwame Ajamu.** Plaintiff Kwame Ajamu and Defendant hereby resolve Ajamu's claims in this case for the total sum of One Million, Nine Hundred Seventy-Nine Thousand, Ninety-Nine and 99/100 Dollars (\$1,979,099.99). No interest on this amount shall be paid. No representation is made by Defendant as to the tax consequences of payment of this amount.

A. **Breakdown of Amounts for Ajamu Under R.C. § 2743.48.** Cash and Periodic Payments with a present value of \$1,979,099.99 referred to in the paragraph above is comprised of the following amounts under R.C. § 2743.48:

- i. \$647,578.80 for 4,554 days of imprisonment in a state correctional institution under R.C. § 2743.48(E)(2)(b);¹
- ii. \$1,300,000.00 related to lost wages or salary under R.C. § 2743.48(E)(2)(c);
- iii. \$8,245.00 for fees incurred by Ajamu's attorney Terry H. Gilbert under R.C. § 2743.48(E)(2)(a) and (F)(2);
- iv. \$9,506.25 for fees incurred by Ajamu's attorney David E. Mills under R.C. § 2743.48(E)(2)(a) and (F)(2);
- v. \$4,764.00 for fees incurred by Ajamu's attorney Jacqueline Greene under R.C. § 2743.48(E)(2)(a) and (F)(2);
- vi. \$9,005.94 for expenses incurred under R.C. § 2743.48(E)(2)(a);
- vii. \$0.00 for costs recovered under R.C. § 2743.48(E)(2)(d).

¹ These 4,554 days are 50% of the total 9,108 days that the parties agree Ajamu was wrongfully imprisoned. He was previously compensated through a preliminary judgment for the other 50% under R.C. § 2743.48(B)(4).

B. Payment Instructions for Ajamu Amounts. The total sum of \$1,979,099.99 referred to above shall be paid as follows:

- i. **Direct Payment for Ajamu.** Defendant shall pay the sum of One Million, Three Hundred Thousand and 00/100 Dollars (**\$1,300,000.00**) to “Terry H. Gilbert, Attorney at Law, IOLTA for payment to Kwame Ajamu” for damages caused by wrongful imprisonment.

Send to:

Terry H. Gilbert
Friedman & Gilbert
55 Public Sq., Suite 1055
Cleveland, OH 44113

- ii. **Payment to Berkshire Hathaway for Periodic Payments to Ajamu.** Defendant shall pay the sum of Six Hundred Forty-Seven Thousand Five Hundred Seventy-Eight and 80/100 Dollars (**\$647,578.80**) to “BHG Structured Settlements, Inc.” for a Structured Settlement Annuity to fund the Periodic Payments in **Paragraph 10.A.** below;

Send to:

Sylvia Wildner
NFP Structured Settlements
55 Public Square, Suite 2050
Cleveland, OH 44113

- iii. **Payment for Plaintiff’s Fees and Expenses.** Defendant shall pay the sum of Twenty-Seven Thousand, Eight Hundred Seventy-One and 19/100 Dollars (**\$27,871.19**) to “Terry H. Gilbert, Attorney at Law, IOLTA for Ajamu fees and expenses.”

Send to:

Terry H. Gilbert
Friedman & Gilbert
55 Public Sq., Suite 1055
Cleveland, OH 44113

- iv. **Payment for Expert Lynch.** Defendant shall pay the sum of One Thousand Four Hundred and 00/100 Dollars (**\$1,400.00**) to “Gerald J. Lynch, Ph.D.”

Send to:

Gerald J. Lynch, Ph.D.
Krannert School of Mgmt.
Purdue University
403 W. State St. RAWL 4039
West Lafayette, IN
47907-2056

- v. **Payment for Expert Growick.** Defendant shall pay the sum of Two Thousand Two Hundred Fifty and 00/100 Dollars (\$2,250.00) to "Bruce S. Growick, Ph.D."

Send to:

Bruce S. Growick
Vocational Experts of Ohio
200 E. Campus View Blvd., Suite 200
Columbus, OH 43235

9. **Payment for Plaintiff Wiley Bridgeman.** Plaintiff Wiley Bridgeman and Defendant hereby resolve Bridgeman's claims in this case for the total sum of Two Million, Three Hundred Ninety-Nine Thousand, Five Hundred Eighty-Four and 19/100 Dollars (\$2,399,584.19). No interest on this amount shall be paid. No representation is made by Defendant as to the tax consequences of payment of this amount.

- A. **Breakdown of Amounts for Bridgeman Under R.C. § 2743.48.** Cash and Periodic Payments with a present value of \$2,399,584.19 referred to in the paragraph above is comprised of the following amounts under R.C. § 2743.48:

- i. \$969,093.00 for 6,815 days of imprisonment in a state correctional institution under R.C. § 2743.48(E)(2)(b);²
- ii. \$1,400,000.00 related to lost wages or salary under R.C. § 2743.48(E)(2)(c);
- iii. \$8,245.00 for fees incurred by Ajamu's attorney Terry H. Gilbert under R.C. § 2743.48(E)(2)(a) and (F)(2);
- iv. \$9,506.25 for fees incurred by Ajamu's attorney David E. Mills under R.C. § 2743.48(E)(2)(a) and (F)(2);
- v. \$4,764.00 for fees incurred by Ajamu's attorney Jacqueline Greene under R.C. § 2743.48(E)(2)(a) and (F)(2);
- vi. \$7,975.94 for expenses incurred under R.C. § 2743.48(E)(2)(a);

² These 6,815 days are 50% of the total 13,630 days that the parties agree Bridgeman was wrongfully imprisoned. He was previously compensated through a preliminary judgment for the other 50% under R.C. § 2743.48(B)(4).

vii. \$0.00 for costs recovered under R.C. § 2743.48(E)(2)(d).

B. Payment Instructions for Bridgeman Amounts. The total sum of \$2,399,584.19 referred to above shall be paid as follows:

i. **Direct Payment for Bridgeman.** Defendant shall pay the sum of One Million, Eight Hundred Sixty-Nine Thousand, Ninety-Three and 00/100 Dollars (**\$1,869,093.00**) to “Terry H. Gilbert, Attorney at Law, IOLTA for payment to Wiley Bridgeman” for damages for caused by wrongful imprisonment.

Send to:

Terry H. Gilbert
Friedman & Gilbert
55 Public Sq., Suite 1055
Cleveland, OH 44113

ii. **Payment to Berkshire Hathaway for Periodic Payments to Bridgeman.** Defendant shall pay the sum of Five Hundred Thousand and 00/100 Dollars (**\$500,000.00**) to “BHG Structured Settlements, Inc.” for a Structured Settlement Annuity to fund the Periodic Payments in **Paragraph 10.B.** below;

Send to:

Sylvia Wildner
NFP Structured Settlements
55 Public Square, Suite 2050
Cleveland, OH 44113

iii. **Payment for Plaintiff’s Fees and Expenses.** Defendant shall pay the sum of Twenty-Seven Thousand, Eight Hundred Seventy-One and 19/100 Dollars (**\$27,871.19**) to “Terry H. Gilbert, Attorney at Law, IOLTA for Bridgeman fees and expenses.”

Send to:

Terry H. Gilbert
Friedman & Gilbert
55 Public Sq., Suite 1055
Cleveland, OH 44113

iv. **Payment for Expert Lynch.** Defendant shall pay the sum of Seven Hundred and 00/100 Dollars (**\$700.00**) to “Gerald J. Lynch, Ph.D.”

Send to:
Gerald J. Lynch, Ph.D.
Krannert School of Mgmt.
Purdue University
403 W. State St. RAWL 4039
West Lafayette, IN
47907-2056

- v. **Payment for Expert Growick.** Defendant shall pay the sum of One Thousand Nine Hundred Twenty and 00/100 Dollars (**\$1,920.00**) to "Bruce S. Growick, Ph.D."

Send to:
Bruce S. Growick
Vocational Experts of Ohio
200 E. Campus View Blvd., Suite 200
Columbus, OH 43235

10. **Schedule of Periodic Payments.**

- A. Periodic payments to be made to **Kwame Ajamu** ("Payee") according to the schedule as follows (the "Periodic Payments"):

\$3,000.00 payable monthly for life, guaranteed for 20 years (240 payments), beginning on 07/01/2016, and continuing for the lifetime of Kwame Ajamu, with the last guaranteed payment on 06/01/2036.

It is further agreed that Defendant will assign any obligation to make such monthly payments to BHG Structured Settlements, Inc., pursuant to a Qualified Assignment and Release Agreement.

- B. Periodic payments to be made to **Wiley Bridgeman** ("Payee") according to the schedule as follows (the "Periodic Payments"):

\$3,300.00 payable monthly, for only 15 years (180 payments), guaranteed, beginning on 07/01/2016, with the last guaranteed payment on 06/01/2031.

It is further agreed that Defendant will assign any obligation to make such monthly payments to BHG Structured Settlements, Inc., pursuant to a Qualified Assignment and Release Agreement.

11. **Periodic Payments After Death of Payees.**

- A. **Ajamu.** Any payments to be made after the death of Kwame Ajamu under the terms of this Settlement Agreement shall be made to such person or entity as shall be designated in writing to the Assignee, BHG Structured Settlements, Inc., by Kwame Ajamu. If no person or entity is so designated the Payee, or if the person designated is not living at the time of Kwame Ajamu's death, such payments shall be made to the Estate of Kwame Ajamu. No such designation, nor any revocation thereof, shall be effective unless it is in writing and delivered to the Assignee. The designation must be in a form acceptable to the Assignee before such payments are made.
- B. **Bridgeman.** Any payments to be made after the death of Wiley Bridgeman under the terms of this Settlement Agreement shall be made to such person or entity as shall be designated in writing to the Assignee, BHG Structured Settlements, Inc., by Wiley Bridgeman. If no person or entity is so designated the Payee, or if the person designated is not living at the time of Wiley Bridgeman's death, such payments shall be made to the Estate of Wiley Bridgeman. No such designation, nor any revocation thereof, shall be effective unless it is in writing and delivered to the Assignee. The designation must be in a form acceptable to the Assignee before such payments are made.

12. **Representations Regarding Tax Consequences.** Plaintiffs assert that all sums set forth in this Agreement constitute damages on account of personal physical injuries or physical sickness, within the meaning of Section 104(a)(2) of the Internal Revenue Code of 1986, as amended. Plaintiffs further assert that the sums set forth in this Agreement also constitute compensation under the Wrongful Conviction Tax Relief Act of 2015. Defendant makes no representation as to the tax consequences of payment of any of the sums set forth above.

13. **Restrictions Regarding the Periodic Payments.** Plaintiffs acknowledge that the Periodic Payments cannot be accelerated, deferred, increased, or decreased by the Plaintiffs and/or any Payee; nor shall the Plaintiffs and/or any Payee have the power to sell, mortgage, encumber, or anticipate the Periodic Payments, or any part thereof, by assignment or otherwise.

14. **Defendant Will Make Qualified Assignments of Its Obligation to Make Periodic Payments.** Plaintiffs acknowledge and agree that Defendant will make "qualified assignments," within the meaning of Section 130(c) of the Internal Revenue Code of 1986, as amended, of Defendant's liability to make the Periodic Payments set forth in Paragraph 10.A. and Paragraph 10.B. to **BHG Structured Settlements, Inc.** ("the Assignee"). The Assignee's obligation for payment of the Periodic Payments shall be no greater than that of Defendant (whether by judgment or agreement) immediately preceding the assignment of the Periodic Payments obligation.

15. **Defendant's Assignment of Obligation for Periodic Payments Shifts That Obligation to Assignee.** Plaintiffs agree that once the assignments are made of the duties and obligations to make the Periodic Payments by Defendant to BHG Structured Settlements, Inc. under this Settlement Agreement, all the duties and responsibilities with respect to the Periodic Payments obligation otherwise imposed on Defendant by this Settlement Agreement shall instead be binding solely upon BHG Structured Settlements, Inc. Such assignments shall be accepted by Plaintiffs without right of rejection and shall completely release and discharge Defendant from the Periodic Payments obligation assigned to the Assignee. Plaintiffs recognize that the Assignee shall be the sole obligor with respect to the Periodic Payments obligation, and that all other releases with respect to the Periodic Payments obligation that pertain to the liability of Defendant shall thereupon become final, irrevocable, and absolute. Upon such assignments, Defendant shall be released from any and all obligations to make such Periodic Payments, and BHG Structured Settlements, Inc. shall at all times remain directly and solely responsible for, and shall receive credit for, the future payments.
16. **Funding of Periodic Payments Through Purchase of Annuity Policy.**
- A. **Payments under Paragraph 10.A (Ajamu—Berkshire Hathaway).** Defendant, or, when assigned, through the Assignee, reserves the right to fund the liability to make the Periodic Payments in **Paragraph 10.A.** through the purchase of an annuity policy from **Berkshire Hathaway Life Insurance Company of Nebraska** ("Annuity Issuer"). Defendant or, when assigned, the Assignee, shall be the sole owner of the annuity policy and shall have all rights of ownership. Defendant or, when assigned, the Assignee, may have **Berkshire Hathaway Life Insurance Company of Nebraska** mail payments directly to the Payee. The Payee shall be responsible for maintaining a current mailing address for Payee with **Berkshire Hathaway Life Insurance Company of Nebraska.**
- B. **Payments under Paragraph 10.B (Bridgeman—Berkshire Hathaway).** Defendant, or, when assigned, through the Assignee, reserves the right to fund the liability to make the Periodic Payments in **Paragraph 10.B.** through the purchase of an annuity policy from **Berkshire Hathaway Life Insurance Company of Nebraska** ("Annuity Issuer"). Defendant or, when assigned, the Assignee, shall be the sole owner of the annuity policy and shall have all rights of ownership. Defendant or, when assigned, the Assignee, may have **Berkshire Hathaway Life Insurance Company of Nebraska** mail payments directly to the Payee. The Payee shall be responsible for maintaining a current mailing address for Payee with **Berkshire Hathaway Life Insurance Company of Nebraska.**
17. **Discharge of Obligation to Make Periodic Payment.** The obligation of Defendant or, when assigned, the Assignee, to make each Periodic Payment shall be discharged upon the mailing of a valid check in the amount of such payment to the designated address of the Payees named above, or the deposit by electronic funds transfer in the amount of such payment to an account designated by the Payees named above. If a Payee notifies the

Annuity Issuer that any check or electronic funds transfer was not received, the Annuity Issuer shall initiate a stop-payment action and, upon confirmation that such check was not previously negotiated or electronic funds transfer deposited, shall process a replacement payment.

18. **Reliance by Plaintiffs.** Plaintiffs have negotiated this Settlement Agreement. Plaintiffs warrant, represent, and agree that Defendant has not provided any advice as to the legal and income-tax consequences arising out of this Agreement. Accordingly, Plaintiffs release and forever holds harmless Defendant, any and all counsels or consultants for Defendant, from any claim, cause of action, or other rights of any kind that Plaintiffs may assert because of legal, income-tax, or other consequences of this Agreement.
19. **Journal Entry.** Plaintiffs agree to be bound by a journal entry dismissing with prejudice the above-described claim known as Ohio Court of Claims Case No. 2015-00149-WI.
20. **Approval By Attorney General.** The parties acknowledge and agree that this Settlement Agreement shall not be binding on any of the parties until it has been duly presented to the Ohio Attorney General, as required by Ohio Revised Code Section 2743.15(A), and Rule 7(A) of the Rules of the Court of Claims, for the Attorney General's approval, and the Ohio Attorney General has approved the Settlement Agreement. The parties further acknowledge that the signature of the Assistant Attorney General on this settlement is on behalf of Defendant and is not to be construed as the approval of the Attorney General. If the Attorney General shall fail or refuse to approve the settlement, this Settlement Agreement shall be null and void and without force or effect, and none of the parties shall be bound to the Agreement.
21. **Approval By Court of Claims.** The parties acknowledge and agree that this Settlement Agreement shall not be binding on any of the parties until it has been duly presented to the Ohio Court of Claims as required by Ohio Revised Code Section 2743.15(A), and Rules 7(A) and (B) of the Rules of the Court of Claims, for the Court's approval, and the Court has approved the Settlement Agreement. If the Court shall fail or refuse to approve the Settlement Agreement, this Settlement Agreement shall be null and void and without any force or effect, and none of the parties shall be bound to it.
22. **Signing.** The undersigned have read this Settlement Agreement, understand all of its terms, and, if signing on behalf of a principal, have authority to sign settlement documents on the principal's behalf, and have executed this Settlement Agreement voluntarily.
23. **Qualified Assignments Attached.** The Qualified Assignment and Release Agreements referred to throughout this Agreement (e.g., as referenced in Paragraph 10) are attached to this Agreement and incorporated herein.

(CONTINUED ON THE NEXT PAGE)

IN WITNESS WHEREOF, the parties have executed this Settlement Agreement on the day and date indicated by their respective signatures.

MIKE DEWINE
Ohio Attorney General

Peter E. DeMarco 2/17/16
Date
Principal Assistant Attorney General
Amy S. Brown (0079650)
Senior Assistant Attorney General
OHIO ATTORNEY GENERAL'S OFFICE
Ohio Court of Claims Defense Section
150 East Gay St., Floor 18
Columbus, OH 43215
(614) 466-7447
Peter.DeMarco@OhioAttorneyGeneral.gov
Amy.Brown@OhioAttorneyGeneral.gov

COUNSEL FOR DEFENDANT

Terry H. Gilbert 2/12/16
Date
Terry H. Gilbert (OH 0021948)
Jacqueline Greene (OH 0092733)
FRIEDMAN & GILBERT
55 Public Sq., Suite 1055
Cleveland, OH 44113
(216) 241-1430
tgilbert@f-glaw.com
jgreene@f-glaw.com

David E. Mills (0075400)
THE MILLS LAW OFFICE LLC
1300 West Ninth Street, Suite 636
Cleveland, OH 44113
(216) 929-4747
dm@MillsFederalAppeals.com

COUNSEL FOR PLAINTIFFS

Kwame Ajamu 2/12/16
Date
Kwame Ajamu, Plaintiff

Sworn and subscribed in my presence:

MICHELLE M. MACALA
Notary Public - State of Ohio
My Commission Expires 10-3-17
Michelle M. Macala 2/12/16
NOTARY PUBLIC Date

Wiley Bridgeman 2/12/2016
Date
Wiley Bridgeman, Plaintiff

Sworn and subscribed in my presence:

MICHELLE M. MACALA
Notary Public - State of Ohio
My Commission Expires 10-3-17
Michelle M. Macala 2/12/16
NOTARY PUBLIC Date

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FILED
COURT OF CLAIMS
OF OHIO

Qualified Assignment and Release Agreement
In Accordance With
Internal Revenue Code Section 130

“Claimant(s)”: Wiley Bridgeman

“Assignor”: The State of Ohio

“Settlement Agreement”: _____
[Exact title of Settlement Agreement or Order]

“Governing Law”: Ohio

“Assignee”: BHG STRUCTURED SETTLEMENTS, INC.

“Annuity Issuer”: _____

“Effective Date”: _____

“Payee(s)”: As shown in Addendum No. 1, Description of Periodic Payments

Annuity Contract No: _____

This Qualified Assignment and Release Agreement (“Agreement”) is made and entered into as of the Effective Date by and among the undersigned parties with reference to the following facts:

- A. Claimant(s) and Assignor are parties to or are otherwise subject to the above-referenced Settlement Agreement under which Assignor has liability to make certain periodic payments to the designated Payee(s) as specified in Addendum No. 1 of this Agreement (the “Periodic Payments”). Where no Payee(s) other than Claimant(s) are shown in Addendum No. 1, it is understood that any references herein to Payee(s) shall apply to Claimant(s).
- B. Assignor and Assignee wish to effect a “qualified assignment” within the meaning and subject to the conditions of Section 130(c) of the Internal Revenue Code of 1986, as amended (the “Code”).
- C. This Agreement will be effective contingent upon Assignee’s receipt of the full premium to fund the Periodic Payments contained herein.

Now, therefore, in consideration of the foregoing and for other good and valuable consideration, the parties agree as follows:

1. **Assignment and Assumption; Release of Assignor.** Assignor hereby assigns to Assignee, and Assignee hereby accepts and assumes, all of Assignor’s liability to make the Periodic Payments. Each Claimant hereby accepts and consents to such assignment by Assignor and assumption by Assignee. Effective on the Effective Date, each Claimant hereby releases and discharges Assignor from all liability to make the Periodic Payments, including the failure of Assignee to make any of the Periodic Payments and/or Annuity Issuer to fund any of the Periodic Payments for any reason whatsoever.
2. **Nature of Periodic Payments.** Claimant asserts that the Periodic Payments constitute damages on account of personal physical injuries or physical sickness, within the meaning of Section 104(a)(2) of the Internal Revenue Code of 1986, as amended, and compensation under the Wrongful Conviction Tax Relief Act of 2015. Assignor State of Ohio makes no representation as to the tax consequences of the Periodic Payments.
3. **Extent of Assignee’s Liability.** Assignee’s liability to make the Periodic Payments shall be no greater than the liability of Assignor as

of the Effective Date. Assignee is not required to set aside specific assets to secure the Periodic Payments. Claimant(s), Payee(s) and Successor Payee(s) have no rights against Assignee greater than those of a general creditor. Assignee assumes no liability other than the liability to make the Periodic Payments. Assignee's liability to make the Periodic Payments shall be unaffected by any bankruptcy, insolvency, liquidation or rehabilitation of Assignor.

4. **Qualified Funding Asset.** Assignee will fund the Periodic Payments by purchasing from Annuity Issuer a "qualified funding asset," as defined in Section 130(d) of the Code, in the form of an annuity contract (the "Annuity") issued by Annuity Issuer and providing for payments corresponding to the Periodic Payments. Assignee shall be designated as the owner of the Annuity. All rights of legal ownership and control of the Annuity shall (subject to paragraph 9 of this Agreement) be and remain vested exclusively in Assignee; provided, however, that the Annuity shall be used by Assignee to fund the Periodic Payments and shall at all times be designated by Assignee on its records as being taken into account, under Section 130 of the Code, with respect to this Agreement. Notwithstanding anything to the contrary contained in this Agreement, neither any Claimant, any Payee, nor any Successor Payee (as defined in paragraph 8 of this Agreement) shall have any rights with respect to the Annuity or the payments thereunder that would cause any amount attributable to the Annuity to be currently includable in the recipient's income or would otherwise affect the determination of when any recipient is treated as having received any payment for income tax purposes, or would otherwise prevent this Agreement from satisfying all of the conditions for a "qualified assignment" within the meaning of Section 130(c) of the Code.

5. **Delivery of Payments.** Assignee may instruct Annuity Issuer to send payments directly to Payee or Successor Payee, or to deliver payments by electronic funds transfer ("EFT") to an FDIC-insured depository institution in the United States for credit (directly or indirectly) to an insured account in the name of such Payee or Successor Payee. Such direction of payments under the Annuity shall not be deemed to afford Claimant, Payee or any Successor Payee any rights of ownership or control of the Annuity.

Each Claimant, Payee and any Successor Payee shall at all times keep Annuity Issuer

apprised of such Claimant's, Payee's or Successor Payee's current mailing address and telephone number and, if Payee or Successor Payee receives payments by EFT, the name, address, ABA routing number and telephone number of the applicable U.S. financial institution and the account name and account number to which the payments are to be credited. Such notices shall be in a form provided by Annuity Issuer and must be received at least thirty (30) days prior to the date payment is due.

6. **Discharge of Liability.** Assignee's liability to make each Periodic Payment to any Payee or Successor Payee designated to receive such payment shall be fully discharged upon:

- i. the mailing of a valid check on or before the due date for such payment to the address of record specified by Payee or Successor Payee; or
- ii. the initiation of an EFT payment on or before the due date for such payment to the United States financial institution account designated by Payee or Successor Payee

If Payee or Successor Payee does not receive a scheduled payment by check, Payee or Successor Payee shall notify Assignee. Upon receipt of such notification, Assignee shall initiate a stop payment action for such check and upon confirmation that such check was not previously negotiated shall promptly mail a replacement check; or

If Payee or Successor Payee does not receive a scheduled EFT payment, Payee or Successor Payee shall notify Assignee. Upon receipt of such notification, Assignee shall initiate a trace for such payment and upon confirmation that such payment was not credited to the account shall promptly issue a replacement EFT payment.

7. **Acceleration, Transfer of Payment Rights.** None of the Periodic Payments and no rights to or interest in any of the Periodic Payments (all of the foregoing being hereinafter collectively referred to as "Payment Rights") can be

- i. Accelerated, deferred, increased or decreased by any recipient of any of the Periodic Payments; or
- ii. Sold, assigned, pledged, hypothecated or otherwise transferred or encumbered, either directly or indirectly, unless such sale, assignment, pledge, hypothecation or other transfer or encumbrance (any

such transaction being hereinafter referred to as a "Transfer") has been approved in advance in a "Qualified Order" as defined in Section 5891(b)(2) of the Code (a "Qualified Order") and otherwise complies with applicable state law, including without limitation any applicable state structured settlement protection statute.

No Claimant, Payee or Successor Payee shall have the power to effect any Transfer of Payment Rights except as provided in sub-paragraph (ii) above, and any other purported Transfer of Payment Rights shall be wholly void, invalid and unenforceable. If Payment Rights under this Agreement become the subject of a Transfer approved in accordance with sub-paragraph (ii) above the rights of any direct or indirect transferee of such Transfer shall be subject to the terms of this Agreement and any defense or claim in recoupment arising hereunder.

8. **Contingent Beneficiaries.** Any Periodic Payments to be made after the death of any Claimant, Payee or Successor Payee shall be made to such party as shall have been designated in, or in accordance with, the Settlement Agreement or, if the Settlement Agreement does not provide for such designation, then to the party designated in conformity with this paragraph 8. Any party so designated is referred to in this Agreement as a "Contingent Beneficiary." If no Contingent Beneficiary is living at the time of the death of a Claimant, Payee or Successor Payee, payment shall be made to the decedent's estate unless otherwise provided in the Settlement Agreement. As used in this Agreement the term "Successor Payee" refers to a Contingent Beneficiary or an estate that has become entitled to receive Periodic Payments following the death of a Claimant, Payee or a Successor Payee. Except where a designation has been made in the Settlement Agreement, no designation or change of designation of a Contingent Beneficiary shall be effective unless such designation or change (i) is requested in a written request submitted to Assignee in accordance with Assignee's customary procedures for processing such requests; and (ii) is confirmed by Assignee. However, Assignee will not be liable for any payment made prior to receipt of the request or so soon thereafter that payment could not reasonably be stopped. Except for a designation that is expressly identified in the Settlement Agreement as irrevocable, any designation of a Contingent Beneficiary shall be deemed to be revocable; and no party

that is designated as a Contingent Beneficiary (other than a party irrevocably designated as a Contingent Beneficiary in the Settlement Agreement) shall, solely by virtue of its designation as a Contingent Beneficiary, be deemed to have any cognizable interest in any Periodic Payments.

9. **Termination of Settlement Agreement / Failure to Satisfy Section 130(c).** If at any time prior to completion of the Periodic Payments, the Settlement Agreement is declared terminated in a final, non-appealable order of a court of competent jurisdiction (or in the case of a workers' compensation settlement, a final order of the applicable workers' compensation authority) or if it is determined in any final order or ruling that the requirements of Section 130(c) of the Code have not been satisfied in connection with this Agreement: (i) the assignment by Assignor to Assignee of the liability to make the Periodic Payments and Assignee's acceptance of such assignment shall be of no force or effect; (ii) Assignee shall be conclusively deemed to be acting as the agent of Assignor; (iii) the Annuity shall be owned by Assignor; (iv) in the event the Settlement Agreement is not terminated, Assignor shall retain the liability to make the Periodic Payments; (v) Assignee shall have no liability to make any Periodic Payments; and (vi) the parties hereto agree to cooperate in taking such actions as may be necessary or appropriate to implement the foregoing.

10. **Governing Law; Binding Effect.**

- i. This Agreement shall be governed by and interpreted in accordance with the internal laws of the state identified as Governing Law above; provided, however, that any Transfer of Payment Rights under this Agreement, with respect to Payee and Assignee only, may be subject to the laws of other states in addition to the state designated above.
- ii. This Agreement shall be binding upon the parties hereto and their respective successors, heirs, executors, administrators and permitted assigns, including without limitation any party asserting an interest in Payment Rights.

11. **Advice, Comprehension of Agreement.** In entering into this Agreement, each Claimant warrants, represents and agrees that Claimant is solely relying on the attorneys and advisors of such Claimant's own choosing, and not upon Assignor, Assignee

or their advisors, for advice regarding the legal, government benefits and tax consequences of this Agreement. Each Claimant further warrants, represents and agrees that the terms of this Agreement have been completely read by and explained to such Claimant and are fully understood and voluntarily accepted by such Claimant. Furthermore, each Claimant hereby releases and discharges Assignor, Assignee, Annuity Issuer, their affiliates and their respective employees and advisors ("Releasees") from any and all claims, rights, damages, costs or expenses of any nature whatsoever that such Claimant now has or may have in the future against such Releasees (i) with respect to the present and future taxation of this Agreement or the Periodic Payments; or (ii) the impact that this Agreement or the Periodic Payments may have on Claimant's eligibility for, and the quantum of, any governmental benefit payments.

12. **Future Cooperation.** All parties agree to cooperate fully and to execute any and all supplementary documents and take all additional actions, which are not inconsistent with its terms, which may be necessary or appropriate to give full force and effect to the terms and intent of this Qualified Assignment and Release Agreement. Pursuant to its obligations under this paragraph 12, and without limitation, Assignor shall promptly provide Assignee with copies of any required court approval with respect to the underlying settlement and executed copies of all required settlement documents.
13. **Description of Periodic Payments.** The Periodic Payments are as set forth in attached **Addendum No. 1**, which is hereby incorporated in and made a part of this Agreement.

In the event of any conflict between this Agreement and the Settlement Agreement with respect to the Periodic Payments or the assignment made herein, the terms and conditions of this Agreement shall prevail.

This Qualified Assignment and Release Agreement may be signed in one or more counterparts.

Assignor: The State of Ohio

Assignee: BHG Structured Settlements, Inc.

By: *Paul G. De*

By: _____
Authorized Representative

Title: AA G

Title: _____

Claimant(s) or Payee(s):

By: *Wiley Bridgeman* ^{1/12/2014}
Wiley Bridgeman

Attorney for Claimant(s):

By: *Tom H. Glat*

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Addendum No. 1
Description of Periodic Payments

Payee: Wiley Bridgeman

Benefit(s): \$3,300.00 payable monthly, for only 15 years (180 payments), guaranteed, beginning on 07/01/2016, with the last guaranteed payment on 06/01/2031.

INITIALS

Assignor: PEO

Assignee: _____

Claimant or Payee: WJB

Attorney for Claimant: THS

of the Effective Date. Assignee is not required to set aside specific assets to secure the Periodic Payments. Claimant(s), Payee(s) and Successor Payee(s) have no rights against Assignee greater than those of a general creditor. Assignee assumes no liability other than the liability to make the Periodic Payments. Assignee's liability to make the Periodic Payments shall be unaffected by any bankruptcy, insolvency, liquidation or rehabilitation of Assignor.

4. **Qualified Funding Asset.** Assignee will fund the Periodic Payments by purchasing from Annuity Issuer a "qualified funding asset," as defined in Section 130(d) of the Code, in the form of an annuity contract (the "Annuity") issued by Annuity Issuer and providing for payments corresponding to the Periodic Payments. Assignee shall be designated as the owner of the Annuity. All rights of legal ownership and control of the Annuity shall (subject to paragraph 9 of this Agreement) be and remain vested exclusively in Assignee; provided, however, that the Annuity shall be used by Assignee to fund the Periodic Payments and shall at all times be designated by Assignee on its records as being taken into account, under Section 130 of the Code, with respect to this Agreement. Notwithstanding anything to the contrary contained in this Agreement, neither any Claimant, any Payee, nor any Successor Payee (as defined in paragraph 8 of this Agreement) shall have any rights with respect to the Annuity or the payments thereunder that would cause any amount attributable to the Annuity to be currently includable in the recipient's income or would otherwise affect the determination of when any recipient is treated as having received any payment for income tax purposes, or would otherwise prevent this Agreement from satisfying all of the conditions for a "qualified assignment" within the meaning of Section 130(c) of the Code.

5. **Delivery of Payments.** Assignee may instruct Annuity Issuer to send payments directly to Payee or Successor Payee, or to deliver payments by electronic funds transfer ("EFT") to an FDIC-insured depository institution in the United States for credit (directly or indirectly) to an insured account in the name of such Payee or Successor Payee. Such direction of payments under the Annuity shall not be deemed to afford Claimant, Payee or any Successor Payee any rights of ownership or control of the Annuity.

Each Claimant, Payee and any Successor Payee shall at all times keep Annuity Issuer

apprised of such Claimant's, Payee's or Successor Payee's current mailing address and telephone number and, if Payee or Successor Payee receives payments by EFT, the name, address, ABA routing number and telephone number of the applicable U.S. financial institution and the account name and account number to which the payments are to be credited. Such notices shall be in a form provided by Annuity Issuer and must be received at least thirty (30) days prior to the date payment is due.

6. **Discharge of Liability.** Assignee's liability to make each Periodic Payment to any Payee or Successor Payee designated to receive such payment shall be fully discharged upon:
- i. the mailing of a valid check on or before the due date for such payment to the address of record specified by Payee or Successor Payee; or
 - ii. the initiation of an EFT payment on or before the due date for such payment to the United States financial institution account designated by Payee or Successor Payee

If Payee or Successor Payee does not receive a scheduled payment by check, Payee or Successor Payee shall notify Assignee. Upon receipt of such notification, Assignee shall initiate a stop payment action for such check and upon confirmation that such check was not previously negotiated shall promptly mail a replacement check; or

If Payee or Successor Payee does not receive a scheduled EFT payment, Payee or Successor Payee shall notify Assignee. Upon receipt of such notification, Assignee shall initiate a trace for such payment and upon confirmation that such payment was not credited to the account shall promptly issue a replacement EFT payment.

7. **Acceleration, Transfer of Payment Rights.** None of the Periodic Payments and no rights to or interest in any of the Periodic Payments (all of the foregoing being hereinafter collectively referred to as "Payment Rights") can be
- i. Accelerated, deferred, increased or decreased by any recipient of any of the Periodic Payments; or
 - ii. Sold, assigned, pledged, hypothecated or otherwise transferred or encumbered, either directly or indirectly, unless such sale, assignment, pledge, hypothecation or other transfer or encumbrance (any

such transaction being hereinafter referred to as a "Transfer") has been approved in advance in a "Qualified Order" as defined in Section 5891(b)(2) of the Code (a "Qualified Order") and otherwise complies with applicable state law, including without limitation any applicable state structured settlement protection statute.

No Claimant, Payee or Successor Payee shall have the power to effect any Transfer of Payment Rights except as provided in sub-paragraph (ii) above, and any other purported Transfer of Payment Rights shall be wholly void, invalid and unenforceable. If Payment Rights under this Agreement become the subject of a Transfer approved in accordance with sub-paragraph (ii) above the rights of any direct or indirect transferee of such Transfer shall be subject to the terms of this Agreement and any defense or claim in recoupment arising hereunder.

8. **Contingent Beneficiaries.** Any Periodic Payments to be made after the death of any Claimant, Payee or Successor Payee shall be made to such party as shall have been designated in, or in accordance with, the Settlement Agreement or, if the Settlement Agreement does not provide for such designation, then to the party designated in conformity with this paragraph 8. Any party so designated is referred to in this Agreement as a "Contingent Beneficiary." If no Contingent Beneficiary is living at the time of the death of a Claimant, Payee or Successor Payee, payment shall be made to the decedent's estate unless otherwise provided in the Settlement Agreement. As used in this Agreement the term "Successor Payee" refers to a Contingent Beneficiary or an estate that has become entitled to receive Periodic Payments following the death of a Claimant, Payee or a Successor Payee. Except where a designation has been made in the Settlement Agreement, no designation or change of designation of a Contingent Beneficiary shall be effective unless such designation or change (i) is requested in a written request submitted to Assignee in accordance with Assignee's customary procedures for processing such requests; and (ii) is confirmed by Assignee. However, Assignee will not be liable for any payment made prior to receipt of the request or so soon thereafter that payment could not reasonably be stopped. Except for a designation that is expressly identified in the Settlement Agreement as irrevocable, any designation of a Contingent Beneficiary shall be deemed to be revocable; and no party

that is designated as a Contingent Beneficiary (other than a party irrevocably designated as a Contingent Beneficiary in the Settlement Agreement) shall, solely by virtue of its designation as a Contingent Beneficiary, be deemed to have any cognizable interest in any Periodic Payments.

9. **Termination of Settlement Agreement / Failure to Satisfy Section 130(c).** If at any time prior to completion of the Periodic Payments, the Settlement Agreement is declared terminated in a final, non-appealable order of a court of competent jurisdiction (or in the case of a workers' compensation settlement, a final order of the applicable workers' compensation authority) or if it is determined in any final order or ruling that the requirements of Section 130(c) of the Code have not been satisfied in connection with this Agreement: (i) the assignment by Assignor to Assignee of the liability to make the Periodic Payments and Assignee's acceptance of such assignment shall be of no force or effect; (ii) Assignee shall be conclusively deemed to be acting as the agent of Assignor; (iii) the Annuity shall be owned by Assignor; (iv) in the event the Settlement Agreement is not terminated, Assignor shall retain the liability to make the Periodic Payments; (v) Assignee shall have no liability to make any Periodic Payments; and (vi) the parties hereto agree to cooperate in taking such actions as may be necessary or appropriate to implement the foregoing.
10. **Governing Law; Binding Effect.**
- i. This Agreement shall be governed by and interpreted in accordance with the internal laws of the state identified as Governing Law above; provided, however, that any Transfer of Payment Rights under this Agreement, with respect to Payee and Assignee only, may be subject to the laws of other states in addition to the state designated above.
 - ii. This Agreement shall be binding upon the parties hereto and their respective successors, heirs, executors, administrators and permitted assigns, including without limitation any party asserting an interest in Payment Rights.
11. **Advice, Comprehension of Agreement.** In entering into this Agreement, each Claimant warrants, represents and agrees that Claimant is solely relying on the attorneys and advisors of such Claimant's own choosing, and not upon Assignor, Assignee

or their advisors, for advice regarding the legal, government benefits and tax consequences of this Agreement. Each Claimant further warrants, represents and agrees that the terms of this Agreement have been completely read by and explained to such Claimant and are fully understood and voluntarily accepted by such Claimant. Furthermore, each Claimant hereby releases and discharges Assignor, Assignee, Annuity Issuer, their affiliates and their respective employees and advisors ("Releasees") from any and all claims, rights, damages, costs or expenses of any nature whatsoever that such Claimant now has or may have in the future against such Releasees (i) with respect to the present and future taxation of this Agreement or the Periodic Payments; or (ii) the impact that this Agreement or the Periodic Payments may have on Claimant's eligibility for, and the quantum of, any governmental benefit payments.

12. **Future Cooperation.** All parties agree to cooperate fully and to execute any and all supplementary documents and take all additional actions, which are not inconsistent with its terms, which may be necessary or appropriate to give full force and effect to the terms and intent of this Qualified Assignment and Release Agreement. Pursuant to its obligations under this paragraph 12, and without limitation, Assignor shall promptly provide Assignee with copies of any required court approval with respect to the underlying settlement and executed copies of all required settlement documents.
13. **Description of Periodic Payments.** The Periodic Payments are as set forth in attached **Addendum No. 1**, which is hereby incorporated in and made a part of this Agreement.

In the event of any conflict between this Agreement and the Settlement Agreement with respect to the Periodic Payments or the assignment made herein, the terms and conditions of this Agreement shall prevail.

This Qualified Assignment and Release Agreement may be signed in one or more counterparts.

Assignor: The State of Ohio

By: *Paul O*

Title: AA6

Assignee: BHG Structured Settlements, Inc.

By: _____
Authorized Representative

Title: _____

Claimant(s) or Payee(s):

By: *Kwame Ajanu*
Kwame Ajanu

Attorney for Claimant(s):

By: *Tracy H. Gallant*

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Addendum No. 1

Description of Periodic Payments

Payee: Kwame Ajamu

Benefit(s): \$3,000.00 payable monthly for life, guaranteed for 20 years (240 payments), beginning on 07/01/2016, and continuing for the lifetime of Kwame Ajamu, with the last guaranteed payment on 06/01/2036.

INITIALS

Assignor: *PKD*

Assignee:

Claimant or Payee: *KA*

Attorney for Claimant: *TAB*

IN THE OHIO COURT OF CLAIMS

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OF OHIO

2016 FEB 17 PM 3:23

KWAME AJAMU, et al.

Plaintiffs

v.

STATE OF OHIO

Defendant

Case No. 2015-00149-WI

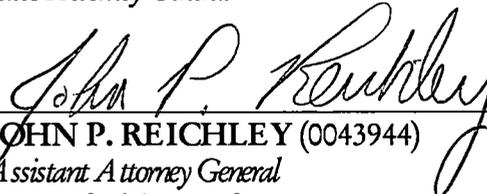
Judge Patrick M. McGrath
Magistrate Holly T. Shaver

OHIO ATTORNEY GENERAL'S
APPROVAL OF SETTLEMENT
AGREEMENT AND RELEASE

Pursuant to Ohio Revised Code §2743.15(A), the undersigned designee of the Ohio Attorney General has reviewed the Settlement Agreement and Release in the above-captioned action and hereby approves it this 17th day of February, 2016.

MICHAEL DE WINE

Ohio Attorney General



JOHN P. REICHLEY (0043944)

Assistant Attorney General

Court of Claims Defense

150 East Gay Street, 18th floor

Columbus, OH 43215

Phone (614) 466-7447

Fax (614) 644-9185

John.Reichley@ohioattorneygeneral.gov

IN THE OHIO COURT OF CLAIMS

KWAME AJAMU, et al.

Plaintiffs

v.

STATE OF OHIO

Defendant

Case No. 2015-00149-WI

Judge Patrick M. McGrath
Magistrate Holly T. Shaver

JOURNAL ENTRY
APPROVING SETTLEMENT

This Court, being fully advised as to the premises, approves and confirms the settlement agreement and release entered into by and between the parties and ORDERS the case be DISMISSED with prejudice to all parties. Court costs are assessed against Defendant. No interest shall be paid on the settlement of the claims of the Plaintiffs which total One Million, Nine Hundred Seventy-Nine Thousand Ninety-Nine and 99/100 Dollars (\$1,979,099.99) for Plaintiff Kwame Ajamu and Two Million, Three Hundred Ninety-Nine Thousand, Five Hundred Eighty-Four and 19/100 Dollars (\$2,399,584.19) for Plaintiff Wiley Bridgeman. It is further ORDERED that the above-mentioned amounts be distributed as set forth below.

It is further ORDERED that a settlement warrant of One Million, Three Hundred Thousand Dollars and No Cents (\$1,300,000.00) be drawn on the account of the State of Ohio payable to "Terry H. Gilbert, Attorney at Law, IOLTA for payment to Kwame Ajamu" and sent to Terry H. Gilbert, attorney for Plaintiff.

It is further ORDERED that a separate second settlement warrant of Six Hundred Forty-Seven Thousand, Five Hundred Seventy-Eight Dollars and Eighty Cents (\$647,578.80) be drawn on the account of the State of Ohio, payable to "RHG Structured Settlements, Inc." to fund the periodic payments to Plaintiff Kwame Ajamu as set forth in Paragraph 10(A) of the settlement

agreement and be sent to Sylvia Wildner, NFP Structured Settlements, 55 Public Square, Suite 2050, Cleveland, Ohio 44113.

It is further ORDERED that a separate third settlement warrant of One Million, Eight Hundred Sixty-Nine Thousand Ninety-Three Dollars (\$1,869,093.00) be drawn on the account of the State of Ohio payable to "Terry H. Gilbert, Attorney at Law, IOLTA for payment to Wiley Bridgeman" and sent to Terry H. Gilbert, attorney for Plaintiff.

It is further ORDERED that a separate fourth settlement warrant of Five Hundred Thousand Dollars (\$500,000.00) be drawn on the account of the State of Ohio, payable to "BHG Structured Settlements, Inc." to fund the periodic payments to Wiley Bridgeman set forth in Paragraph 10(B) of the settlement agreement and be sent to Sylvia Wildner, NFP Structured Settlements, 55 Public Square, Suite 2050, Cleveland, Ohio 44113.

It is further ORDERED that a separate fifth settlement warrant of Fifty-Five Thousand, Seven Hundred Forty-Two Dollars and Thirty-Eight Cents (\$55,742.38) be drawn on the account of the State of Ohio, payable to "Terry H. Gilbert, Attorney at Law, IOLTA for Ajamu/Bridgeman fees and expenses" sent to Terry H. Gilbert, attorney for Plaintiff.

It is further ORDERED that a separate sixth settlement warrant of Two Thousand, One Hundred Dollars and No (\$2,100.00) be drawn on the account of the State of Ohio and be payable to Gerald J. Lynch, and be sent to Gerald J. Lynch, Krannert School of Management, Purdue University, 403 West State Street, RAWL 4039, West Lafayette, Indiana 47907-2056.

It is further ORDERED that a separate seventh settlement warrant of Four Thousand, One Hundred Seventy Dollars and No Cents (\$4,170.00) be drawn on the account of the State of Ohio and be payable to Bruce S. Growick and be sent to Bruce S. Growick, Vocational Experts of Ohio, 200 East Campus View Blvd., Suite 200, Columbus, Ohio 43235.

DATE

JUDGE, Court of Claims of Ohio

Entry cc:

TERRY H. GILBERT
JACQUELINE GREENE
Friedman & Gilbert
55 Public Square, Suite 1 055
Cleveland, Ohio 44113-1901

PETER E. DEMARCO
AMY S. BROWN
Assistant Attorneys General
Court of Claims Defense Section
150 East Gay Street, 18th Floor
Columbus, Ohio 43215

DAVID E. MILLS
The Mills Law Office LLC
1300 West Ninth Street, Suite 636
Cleveland, Ohio 44113