

01-262-CD
JOSEPH BATLEY et al -vs- GLENN A. LORD et al

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

JOSEPH BAILEY and PEGGY BAILEY, as parents and natural guardians of LYNDI BAILEY, a minor,

No. 01-262-CO

Plaintiffs

**PRAECIPE FOR A WRIT OF SUMMONS
IN A CIVIL ACTION**

vs.

GLENN A. LORD; KELLY LOU SCRIBE; GREGORY L. MARTELL; and MARCIE C. WAYLAND,

Filed on behalf of:
PLAINTIFFS

Defendants

Counsel of record for this party:

GEOFFREY S. CASHER, ESQUIRE
E-mail address: gcasher@edgarsnyder.com

PA I.D. No. 35309

EDGAR SNYDER & ASSOCIATES, LLC
100 West High Street
Ebensburg, PA 15931-1539

(814) 472-9000

FILED

FEB 23 2001

William A. Shaw
Prothonotary

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

JOSEPH BAILEY and PEGGY No.
BAILEY, as parents and natural
guardians of LYNDI BAILEY, a minor,

Plaintiffs

vs.

GLENN A. LORD; KELLY LOU
SCRIBE; GREGORY L. MARTELL;
and MARCIE C. WAYLAND,

Defendants

PRAECIPE FOR WRIT OF SUMMONS
IN A CIVIL ACTION

TO: William A. Shaw, Prothonotary

Kindly issue a Writ Of Summons In A Civil Action in the within matter directed against
the Defendants, Glenn A. Lord; Kelly Lou Scribe; Gregory L. Martell; and Marcie C. Wayland,
whose last known addresses are as follows:

Glenn A. Lord 8 High Street Clearfield PA 16830	Kelly Lou Scribe P. O. Box 502 Hyde PA 16843	Gregory L. Martell 218 E. Walnut Street, Apt. 1 Clearfield PA 16830	Marcie C. Wayland 218 E. Walnut Street, Apt. 1 Clearfield PA 16830
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EDGAR SNYDER & ASSOCIATES, LLC

By 
Geoffrey S. Casher
Attorney for Plaintiffs

FILED

FEB 23 2001

By William A. Shaw
Prothonotary

Pd. \$80.00

Writ to atty

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY PENNSYLVANIA
CIVIL ACTION

SUMMONS

**Joseph Bailey and
Peggy Bailey, as parents and natural
guardians of Lyndi Bailey, a minor**

Vs.

NO.: 2001-00262-CD

**Glenn A. Lord,
Kelly Lou Scribe,
Gregory L. Martell, and
Marcie C Wayland**

**TO: GLENN A. LORD
 KELLY LOU SCRIBE
 GREGORY L. MARTELL
 MARCIE C WAYLAND**

To the above named Defendant(s) you are hereby notified that the above named Plaintiff(s) has/have commenced a Civil Action against you.

Date: 02/23/2001

William A. Shaw
Prothonotary

Issuing Attorney:

Geoffrey S. Casher Esq
Clearfield, PA 16830

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

IN RE: LYNDI BAILEY, a minor, by No. 01-262-CD
and through her parents and natural
guardians, JOSEPH BAILEY and
PEGGY BAILEY,

Petitioners

**PETITION FOR APPROVAL OF
SETTLEMENT OF MINOR'S CLAIM**

Filed on behalf of:
PETITIONERS

Counsel of record for this party:

GEOFFREY S. CASHIER, ESQUIRE
E-mail address: gcasher@edgarsnyder.com

PA I.D. No. 35309

FILED

MAR 08 2001

William A. Shaw
Prothonotary

EDGAR SNYDER & ASSOCIATES, LLC
100 West High Street
Ebensburg, PA 15931-1539

(814) 472-9000

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

IN RE: LYNDI BAILEY, a minor, by No.
and through her parents and natural
guardians, JOSEPH BAILEY and
PEGGY BAILEY,

Petitioners

Petition for Approval of Settlement of Minor's Claim

AND NOW, come the Petitioners, Joseph and Peggy Bailey, as parents and natural guardians of Lyndi Bailey, a minor, by and through their attorneys, EDGAR SNYDER & ASSOCIATES, LLC and GEOFFREY S. CASHER, ESQUIRE, for approval of settlement of a minor's personal injury claim.

1. The minor, Lyndi Bailey, was injured on March 15, 1999 as a result of an accident in which Lyndi Bailey was a passenger in a vehicle driven by Gregory Martell, and which was owned by Marcie Wayland of Clearfield, Pennsylvania. At the time of the accident, Mr. Martell was making a left turn onto Route 322 in Clearfield Borough, Clearfield County, when Glenn A. Lord of Clearfield, Pennsylvania, passed a stopped vehicle and struck the Wayland vehicle in the left front area.

2. As of the date of the accident, the minor, Lyndi Bailey, resided with and continues to reside with her parents and natural guardians, Joseph and Peggy Bailey, of 8D Lawrence Park, Clearfield, Pennsylvania 16830.

3. As of the date of the within accident, the minor, Lyndi Bailey, was nine years

of age, with a date of birth of June 28, 1989.

4. The minor, Lyndi Bailey, was transported to Clearfield Hospital by ambulance, where it was determined that she sustained a laceration of the forehead and abrasions to the nose, as well as, she bit her tongue. The laceration of the forehead required at least eleven sutures. Attached you will find medical records from Dr. Jay Arlick and Dr. Robert Louton.

5. Counsel for the Petitioners negotiated a settlement with the defendant insurance company for the amount of \$16,000.

6. The defendant's insurance company, Allstate Insurance Company, has proposed through Ringler & Associates a structured settlement in which the minor would receive guaranteed semi-annual payments beginning at the age of eighteen, which date is June 28, 2007, in the amount of \$1,340.00 for seven years. Total payout for said settlement would be \$24,760.00. A copy of the proposed settlement agreement and release verifying the structured settlement is attached hereto for consideration of the Court.

7. It is requested that the settlement for the minor, Lyndi Bailey, apportion as follows:

Fee to Edgar Snyder & Associates	\$4,000.00
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Costs Advanced:

Investigation	\$199.50
Medical Records	170.62
Vehicle Report	10.00
Filing Fees	148.60
	\$528.72

Amount to Structured Settlement Account	\$ 10,000.00
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Balance to Client	\$ 1,471.28
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TOTAL	\$ 16,000.00
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8. Petitioners request that the net proceeds to the minor be placed in the structured settlement, as per settlement agreement and release, which guarantees semi-annual payments of \$1,340.00 every six months for a period of seven years, once the minor achieves the age of eighteen, which commences on June 28, 2007. It is further requested that an order be entered approving said settlement and that said settlement shall not be changed or withdrawn unless authorized by Order of Court of Common Pleas or until the minor achieves the age of eighteen and said structured settlement begins.

WHEREFORE, counsel for the Petitioners requests that this Honorable Court approve the proposed structured settlement and distribution as set forth in this Petition, and as per the settlement agreement and release from Allstate Insurance Company, and Ringler Associates.

Respectfully submitted:

EDGAR SNYDER & ASSOCIATES



Geoffrey S. Casner
Attorney for Petitioners

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

IN RE: LYNDI BAILEY, a minor, by No.
and through her parents and natural
guardians, JOSEPH BAILEY and
PEGGY BAILEY,

Petitioners

ORDER OF COURT

AND NOW, to wit, this 5 day of April, 2001, it is hereby ordered that
the claims of the Minor Petitioner, Lyndi Bailey, may be settled for the sum of Sixteen Thousand
and 00/100 Dollars (\$16,000.00).

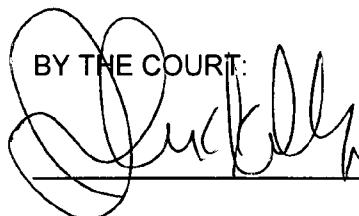
a. IT IS FURTHER ORDERED that the settlement proceeds of Sixteen Thousand and
00/100 (\$16,000.00) shall be distributed by payment of the sum of One Thousand Four Hundred
Seventy One and 28/100 Dollars (\$1,471.28) to Joseph and Peggy Bailey, as parents and natural
guardians of the Minor, Lyndi Bailey. Said check to be forwarded directly by Geoffrey S. Casher,
Esquire, to a bank which is federally insured or whose deposits are backed by the full faith and
credit of the United States government, and that said funds be deposited in an account in the
Minor's own name with an express restriction that no funds may be withdrawn until the Minor
achieves the age of eighteen (18), unless otherwise authorized by and Order of the Court of
Common Pleas of Blair County.

b. IT IS FURTHER ORDERED, that the sum of Ten Thousand and 00/100 Dollars
(\$10,000) shall be used to establish a structured settlement through Ringler & Associates to
provide the minor with guaranteed semi-annual payments beginning at age eighteen in the amount
of \$1,340.00 for seven years. Total payout for said settlement shall be \$24,760.00.

b. IT IS FURTHER ORDERED, that the sum of Four Thousand and 00/100 Dollars (\$4,000.00) shall be paid to the law firm of Edgar Snyder & Associates, LLC for it fees. Costs totaling Five Hundred Twenty Eight Dollars and 72/100 (\$528.72) are also approved.

c. Petitioners, Joseph and Peggy Bailey, are the persons authorized to execute all necessary documents on behalf of the Minor, Lyndi Bailey, to settle the personal injury claim.

d. Attorney Geoffrey S. Casher shall provide this Court with proof of the deposit of the settlement proceeds to the Minor, within thirty (30) days of this signed Order of Court.

BY THE COURT:
 J.

FILED

APR 05 2001

William A. Shaw
Prothonotary

VERIFICATION

We, Joseph Bailey and Peggy Bailey, as parents and natural guardians of Lyndi Bailey, a minor, Petitioners herein, hereby verify that the averments of fact contained in the foregoing Petition for Approval of Settlement of Minor's Claim are true and correct and based upon our personal knowledge, information or belief. We understand that these averments of fact are made subject to the penalties of 18 Purdon's Consolidated Statutes Section 4904, relating to unsworn falsification to authorities.

Joseph Bailey
Joseph Bailey, as parent and natural guardian of Lyndi Bailey, a minor.

Peggy Bailey
Peggy Bailey, as parent and natural guardian of Lyndi Bailey, a minor.

Date:

2/18/01

PARENT'S RELEASE AND INDEMNITY AGREEMENT

Claim No. 0941319003 A21

In consideration of the payment, to the undersigned, of the sum of **Sixteen Thousand Dollars (\$16,000.00)** the receipt of which is hereby acknowledged, the undersigned parent of **Lyndi Bailey**, a minor, do forever release, discharge and covenant to hold harmless **Glen A. Lord, Kelly Lou Scribe and Allstate Insurance** and any other person, firm or corporation charged or chargeable with responsibility or liability, their heirs, administrators, executors, successors and assigns, from any and all claims, demands, damages, costs, expenses, loss of service, actions and causes of action, belonging to the said minor or to the undersigned arising out of any act or occurrence up to the present time, and particularly on account of all personal injury, disability, property damages, loss of damages of any kind sustained or that may hereafter be sustained by the said minor or by the undersigned, in consequence of an accident that occurred on or about the **15th day of March, 1999** at or near State Route 322, Clearfield Borough, PA.

The undersigned do hereby bind me and my heirs, administrators, executors, successors and assigns to repay to the said **Glen A. Lord, Kelly Lou Scribe and Allstate Insurance** and to any other person, firm or corporation charged with responsibility or liability, their heirs, administrators, executors, successors and assigns, any additional sum of money that any of them may hereafter be compelled to pay on account of the injuries to said minor because of the said accident.

To procure the payment of the said sum, I hereby declare: that no representations about the nature and extent of the said injuries, disabilities or damages made by any physician, attorney or agent of any party released, nor any representations regarding the nature and extent of legal liability or financial responsibility of any of the parties released have induced me to make this release and indemnity agreement; that in determining the amount of the said sum there has been taken into consideration not only the ascertained injuries, disabilities and damages, but also the possibility that the injuries sustained may be permanent and progressive and recovery therefrom uncertain and indefinite, so that consequences not now anticipated may result from the said accident.

The undersigned agree, as a further consideration and inducement for this release and indemnity agreement, that it shall apply to all unknown and unanticipated injuries and damages directly and indirectly resulting from the said accident, as well as to those now disclosed.

The undersigned understand that the parties hereby released admit no liability of any sort by reason of said accident and that said payment in compromise is made to terminate further controversy respecting all claims for damages that said minor or the undersigned have heretofore asserted or might personally or through personal representatives hereafter assert because of said accident.

I further understand that I as an individual, and on behalf of my heirs and assigns, will indemnify and save harmless the said releasees from any and all claims, demands, liens, losses or cause of action, of any kind or character arising by reason of the injuries and demands sustained as a result of said accident, casualty or events, and without being limited thereto, specifically agree to indemnify and save harmless said releases from any and all liens filed, now, or hereinafter or amended.

Signed and sealed this 26th day of Feb 20 01

In the presence of

Maureen C. Sibley

X Peggy Bailey (SEAL)
Peggy Bailey as Parent/Legal Guardian
Of Lyndi Bailey

X _____ (SEAL)

STATE OF PA

COUNTY OF Clearfield

On this 26th day of Feb, 20 01, before me personally appeared Peggy Bailey, to me known to be the person(s) who executed the foregoing instrument, and acknowledged that she executed the same as free act and deed.

My commission expires _____

Karen L. Stach
Notary Public

RECOORDER OF DEEDS

My Commission Expires
First Monday in January, 2004

Settlement Agreement and Release

This Settlement Agreement and Release (the "Settlement Agreement") is made and entered into this _____ day of _____, 2000, by and between [among]:

"Claimant"	- Peggy Bailey, Individually and as parent and natural guardian of Lyndi Bailey, a Minor
"Insureds"	- Glenn A. Lord and Kelly Scribe
"Insurer"	- Allstate Insurance Company

Recitals

A. On or about March 15, 1999, Lyndi Bailey was injured in an accident occurring on State Route 322 in Clearfield Borough, Pennsylvania. The Claimant alleges that the accident and resulting physical and personal injuries arose out of certain alleged negligent acts or omissions of the Insureds, and has made a claim seeking monetary damages on account of those injuries.

B. The Insurer is the liability insurer of the Insureds, and as such, would be obligated to pay any claim made or judgment obtained against the Insureds which is covered by its policy with the Insureds.

C. The parties desire to enter into this Settlement Agreement in order to provide for certain payments in full settlement and discharge of all claims which have, or might be made, by reason of the incident described in Recital A above, upon the terms and conditions set forth below.

Agreement

The parties agree as follows:

1.0 Release and Discharge

1.1 In consideration of the payments set forth in Section 2, the Claimant hereby completely releases and forever discharges the Insureds and the Insurer from any and all past, present, or future claims, demands, obligations, actions, causes of action, wrongful death claims, rights, damages, costs, losses of services, expenses and compensation of any nature whatsoever, whether based on a tort, contract or other theory of recovery, which the Claimant now has, or which may hereafter accrue or otherwise be acquired, on account of, or may in any way grow out of the incident described in Recital A above, including, without limitation, any and all known or unknown claims for bodily and personal injuries to the Claimant, or any future wrongful death claim of the Claimant's representatives or heirs, which have resulted or may result from the alleged acts or omissions of the Insureds.

1.2 This release and discharge shall also apply to the Insureds' and the Insurer's past, present and future officers, directors, stockholders, attorneys, agents, servants, representatives, employees, subsidiaries, affiliates, partners, predecessors and successors in interest, and assigns and all other persons, firms or corporations with whom any of the former have been, are now, or may hereafter be affiliated.

1.3 This release, on the part of the Claimant, shall be a fully binding and complete settlement among the Claimant, the Insureds and the Insurer, and their heirs, assigns and successors.

1.4 The Claimant acknowledges and agrees that the release and discharge set forth above is a general release. The Claimant expressly waives and assumes the risk of any and all claims for damages which exist as of this date, but of which the Claimant does not know or suspect to exist, whether through ignorance,

oversight, error, negligence, or otherwise, and which, if known, would materially affect the Claimant's decision to enter into this Settlement Agreement. The Claimant further agrees that the Claimant has accepted payment of the sums specified herein as a complete compromise of matters involving disputed issues of law and fact. The Claimant assumes the risk that the facts or law may be other than the Claimant believes. It is understood and agreed to by the parties that this settlement is a compromise of a doubtful and disputed claim, and the payments are not to be construed as an admission of liability on the part of the Insureds, by whom liability is expressly denied.

2.0 Payments

In consideration of the release set forth above, the Insurer on behalf of the Insureds agrees to pay to the individual(s) named below ("Payee(s)") the sums outlined in this Section 2 below:

2.1 Payments due at the time of settlement to the Claimant and her attorney:

The sum of Six Thousand Dollars (\$6,000.00) on or before fourteen days from receipt of this fully and properly executed document and upon the approval by a Court of competent jurisdiction. The Claimant agrees to pay from said sum attorney fees, costs and expenses incurred by or on her behalf in connection with the settlement set forth herein, including payments to subrogees, if applicable.

2.2 Periodic Payments. The Insurer agrees to make payment to Lyndi Bailey in the following manner:

(i) Guaranteed Semi-Annual Payments:

Commencing on June 28, 2007, One Thousand Three Hundred Forty Dollars (\$1,340.00) every six months

for Seven (7) years guaranteed.

All sums set forth herein constitute damages on account of personal injuries and sickness, within the meaning of Section 104(a)(2) of the Internal Revenue Code of 1986, as amended.

3.0 Claimant's Rights to Payments

The Claimant acknowledges that the Periodic Payments cannot be accelerated, deferred, increased or decreased by the Claimant or any Payee; nor shall the Claimant or any Payee have the power to sell, mortgage, encumber, or anticipate the Periodic Payments, or any part thereof, by assignment or otherwise.

4.0 Payee's Beneficiary

Any payments to be made after the death of Lyndi Bailey, hereinafter referred to as the "Payee," pursuant to the terms of this Settlement Agreement, shall be made to such person or entity so designated by the Payee, or if the person designated is not living at time of the Payee's death, such payments shall be made to the estate of the Payee. The Payee may request in writing that the Assignee change the payee and/or beneficiary designation under this Agreement. The Assignee will do so but will not be liable, however, for any payment made prior to receipt of the request or so soon thereafter that payment could not reasonably be stopped.

5.0 Consent to Qualified Assignment

5.1 The Claimant acknowledges and agrees that the Insurer will make a "qualified assignment", within the meaning of Section 130(c) of the Internal Revenue Code of 1986, as amended, of the Insurer's liability to make the Periodic Payments set forth in Section 2.2 to Allstate Settlement Corporation ("the Assignee"). The Assignee's obligation for payment of the Periodic Payments

shall be no greater than that of the Insurer (whether by judgment or agreement) immediately preceding the assignment of the Periodic Payments obligation.

5.2 Such assignment shall be accepted by the Claimant without right of rejection and shall completely release and discharge the Insureds and the Insurer from the Periodic Payments obligation assigned to the Assignee. The Claimant recognizes 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 the Insurer shall thereupon become final, irrevocable and absolute.

6.0 Right to Purchase an Annuity

The Insurer, itself or through its Assignee, will fund the liability to make the Periodic Payments through the purchase of an annuity policy from Allstate Life Insurance Company. The Insurer or the Assignee shall be the sole owner of the annuity policy and shall have all rights of ownership. The Insurer or the Assignee may have Allstate Life Insurance Company mail payments directly to the Payee(s). The Claimant shall be responsible for maintaining a current mailing address for Payee(s) with Allstate Life Insurance Company.

7.0 Discharge of Obligation

The obligation of the Insurer and/or 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 Payee(s) named in Section 2 of this Settlement Agreement.

8.0 Attorney's Fees

Each party hereto shall bear all attorney's fees and costs arising from the actions of its own counsel in connection with this Settlement Agreement, the matters and documents referred to herein, and all related matters.

9.0 Representation of Comprehension of Document

In entering into this Settlement Agreement the Claimant represents that she has relied upon the advice of her attorney, who is the attorney of her own choice, concerning the legal and income tax consequences of this Settlement Agreement; that the terms of this Settlement Agreement have been completely read and explained to the Claimant by her attorney; and that the terms of this Settlement Agreement are fully understood and voluntarily accepted by the Claimant.

10.0 Warranty of Capacity to Execute Agreement

The Claimant represents and warrants that no other person or entity has, or has had, any interest in the claims, demands, obligations, or causes of action referred to in this Settlement Agreement, except as otherwise set forth herein; that the Claimant has the sole right and exclusive authority to execute this Settlement Agreement and receive the sums specified in it; and that the Claimant has not sold, assigned, transferred, conveyed or otherwise disposed of any of the claims, demands, obligations or causes of action referred to in this Settlement Agreement.

11.0 Confidentiality

The parties agree that neither they nor their attorneys nor representatives shall reveal to anyone, other than as may be

mutually agreed to in writing, any of the terms of this Settlement Agreement or any of the amounts, numbers or terms and conditions of any sums payable to Payee(s) hereunder.

12.0 Governing Law

This Settlement Agreement shall be construed and interpreted in accordance with the laws of the Commonwealth of Pennsylvania.

13.0 Additional Documents

All parties agree to cooperate fully and execute any and all supplementary documents and to take all additional actions which may be necessary or appropriate to give full force and effect to the basic terms and intent of this Settlement Agreement.

14.0 Entire Agreement and Successors in Interest

This Settlement Agreement contains the entire agreement between the Claimant, the Insureds and the Insurer with regard to the matters set forth in it and shall be binding upon and inure to the benefit of the executors, administrators, personal representatives, heirs, successors and assigns of each.

15.0 Counterparts

This Agreement may be executed in counterparts, each of which so executed shall be deemed an original, and such counterparts together shall constitute but one and the same instrument, which shall be sufficiently evidenced by any such counterpart containing the signatures of all parties hereto.

16.0 Effectiveness

This Settlement Agreement shall become effective immediately following execution by each of the parties and upon the approval by a Court of competent jurisdiction.

Claimant

Peggy Bailey, Individually and
as parent and natural guardian of
Lyndi Bailey, a Minor

By: Peggy Bailey

Date: 2/18/01

Claimant's Attorney

Geoffrey Casher

By: _____

Date: _____

Insurer

Allstate Insurance Company

By: _____

Title: _____

Date: _____

FILED

MAR 08 2001

O 1181NDCC

William A. Shaw

Prothonotary

WAS

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

IN RE: LYNDI BAILEY, a minor, by No. 01-262-CD
and through her parents and natural
guardians, JOSEPH BAILEY and
PEGGY BAILEY,

PROOF OF DEPOSIT

Petitioners

Filed on behalf of:
PETITIONERS

Counsel of record for this party:

GEOFFREY S. CASHER, ESQUIRE
E-mail address: gcasher@edgarsnyder.com

PA I.D. No. 35309

EDGAR SNYDER & ASSOCIATES, LLC
100 West High Street
Ebensburg, PA 15931-1539

(814) 472-9000

FILED
MAY 11 2001

William A. Shaw
Prothonotary

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

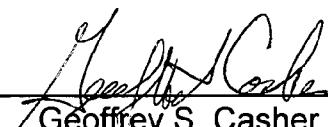
IN RE: ZYNDI BAILEY, a minor, by No. 01-262-CD
and through her parents and natural
guardians, JOSEPH BAILEY and
PEGGY BAILEY,

Petitioners

PROOF OF DEPOSIT

Kindly file the enclosed Proof of Deposit of settlement proceeds, which consists
of a photocopy of a Certificate of Deposit, pursuant to the Order of Court dated April 2,
2001.

EDGAR SNYDER & ASSOCIATES, LLC

By 
Geoffrey S. Casher
Attorney for Petitioners

NO WITHDRAWALS SHALL BE MADE UNTIL LYNDI BAILEY ACHIEVES THE AGE OF 18 YEARS ON JUNE 28, 2007, OR
UNLESS OTHERWISE ORDERED BY COURT.

CERTIFICATE OF TIME DEPOSIT - NON-NEGOTIABLE AND NON-TRANSFERABLE

CERTIFICATE NUMBER 222879/0000000001

ISSUED TO NAME(S) AND ADDRESS(S) OF DEPOSITOR(S) ("you, your")

Lyndi Bailey, A Minor
Joseph And Peggy Bailey, Guardians
8D Lawrence Park Vlg
Clearfield PA 16830-1046

NAME AND ADDRESS OF ISSUER/FINANCIAL INSTITUTION ("we, us")

County National Bank
1231 Old Town Road
Clearfield, PA 16830

0000006 Old Town Road

OWNERSHIP TYPE: Individual

S.S.#/ITIN.	ISSUE DATE	MATURITY DATE	<input checked="" type="checkbox"/> AUTOMATICALLY RENEWABLE	TERM	AMOUNT OF CERTIFICATE
187-70-0321	05/08/2001	08/08/2003	<input type="checkbox"/> SINGLE MATURITY	027 Months	\$ 1,471.28

IN THE AMOUNT OF ONE THOUSAND FOUR HUNDRED SEVENTY ONE DOLLARS AND TWENTY EIGHT CENTS DOLLARS

INTEREST RATE. The deposit evidenced by this Certificate will earn an annual interest rate of 4.62 % Annual Percentage Yield 4.70 %
Interest Payment Frequency Quarterly which will be credited to account number paid to depositor(s) by check

added to principal of this Certificate.

Interest will be calculated on a basis of 365 days Other Actual/365 Interest will be compounded Quarterly

EARLY WITHDRAWAL PENALTY: Terms greater than 12 months = 90 day loss of interest

Grace Period - Automatically Renewable Certificate: 10 days. If this Certificate is withdrawn during the grace period, the interest rate will be the same rate of interest that would have been paid on this Certificate if renewed interest will not be paid during the grace period

Post-Maturity Interest - Single Maturity Certificate: The interest rate paid on the deposit after the Maturity Date will be % interest will not be paid after the Maturity Date

TERMS AND CONDITIONS

1. **GENERAL TERMS.** Words or phrases preceded by a are applicable only if the is marked. Phrases containing a blank space which is not filled in or completed with an N/A are not applicable.
2. **PAYMENT AT MATURITY.** The deposit is payable upon presentation of this Certificate on a maturity date. If this is a joint account, payment is subject to the terms discussed in paragraph 3 below.
3. **JOINT ACCOUNT.** If this Certificate is noted as a joint tenancy with right of survivorship, on the death of one party named on the Certificate, all sums from this Certificate vest in and belong to the surviving party(ies) as his or her separate property and estate. In the event this Certificate is noted as a joint tenancy without right of survivorship, on the death of one party named on the Certificate, Financial Institution will distribute the deceased party's share in accordance with state law. The Financial Institution is under no obligation to permit withdrawals by anyone other than the persons described above.
4. **IN TRUST FOR OR PAYABLE ON DEATH ACCOUNT.** If this Certificate is noted as an In Trust For or Payable on Death account, the trustee(s) may change the named beneficiary(ies) at any time by a written direction to us. The trustee(s) reserves the right to withdraw all or part of the deposit at any time. Such payment or withdrawal shall constitute a revocation of the trust agreement as to the amount withdrawn. The beneficiary(ies) acquires the right to withdraw only if: (i) all of the trustees die, and (ii) the beneficiary of all of the trustees, such beneficiaries will own this account in equal shares without right of survivorship.
5. **INTEREST.** The Certificate bears simple interest at the rate and basis set forth on the face of the Certificate. Interest will not be compounded unless called for on the face of the Certificate. Interest will be paid according to the payment frequency set forth on the face of the Certificate and in the manner indicated on the face. Withdrawal of interest prior to maturity will affect the annual percentage yield. For any renewals of the Certificate, interest will be paid at the rate then in effect at the Financial Institution for similar deposits and any such renewals will be for a time period equal to the original term and subject to these terms and conditions. Except for any Grace Period discussed in Paragraph 10 or any Post-Maturity Interest discussed in Paragraph 11, no interest will be paid on a deposit after the Maturity Date.
6. **TRANSFERABILITY.** No right in, or title to the deposit on the Certificate is transferable, except on the books of the Financial Institution.
7. **GOVERNING LAWS.** All terms of this Certificate are subject to the applicable present and future laws and regulations of this State and of the United States or any agency or instrumentality of this State and of the United States, and all rules, regulations and practices now or hereafter adopted by the Financial Institution with respect to this Certificate.
8. **WITHDRAWAL PRIOR TO MATURITY.** Depositor has contracted to keep the funds evidenced by this Certificate on deposit from the Issue Date until the Maturity Date of this Certificate. Acceptance of a request by Depositor for a withdrawal of some or all of the funds prior to the Maturity Date is at the discretion of the Financial Institution.
9. **EARLY WITHDRAWAL PENALTIES.** If the Financial Institution allows a withdrawal, either partial or total, each time it allows such a withdrawal, Depositor will be assessed an early withdrawal penalty as set forth on the face of this Certificate. In no event shall such penalty be less than seven (7) days simple interest on the certificate amount.
10. **AUTOMATICALLY RENEWABLE CERTIFICATES** renew automatically on the Maturity Date. If the deposit is withdrawn during the Grace Period set forth on the face of this Certificate, the Financial Institution will not charge an early withdrawal penalty. If interest is paid on the deposit until withdrawal during the Grace Period, it shall be Grace Period interest described on the face of this Certificate.
11. **SINGLE MATURITY CERTIFICATES** are not automatically renewable and mature on the Maturity Date set forth on the face of this Certificate. No interest will be paid on the deposit after maturity unless set forth on the face of this Certificate under Post-Maturity Interest.

TAXPAYER IDENTIFICATION NUMBER CERTIFICATION

Under penalties of perjury, I certify that (1) the number provided on this form is my correct taxpayer identification number (TIN), and that (2) I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and that (3) I am a U.S. person (including a U.S. resident alien).

(Note: You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return.)

Applied for TIN. Under penalties of perjury, I certify that a TIN has not been issued to me and I have applied or intend to apply for a TIN. I understand that if I do not provide a certified TIN to this institution within 60 days, the institution is required by federal regulation to withhold 31 percent of any interest payments made to me until I provide the certified TIN to the institution.

Exemption. Under penalties of perjury, I certify that I qualify for exemption from withholding on interest and dividends under one or more definitions of "Payee Exempt From Backup Withholding" or "Payments Exempt From Backup Withholding" as set forth in the "Instructions for the Requestor of Form W-9".

Foreign Recipient. I have provided this institution with the appropriate Form W-8 certification. If a joint account, each joint account owner has provided the appropriate Form W-8 certification. If any one of the joint account owners has not established foreign status, that joint account owner has provided this institution with a certified TIN.

Tax Identification Number: 187-70-0321

SIGNATURE Joseph Bailey
Guardian

DATE

ACKNOWLEDGMENT

By making this deposit, the Depositor(s) agree(s) to the Terms and Conditions stated above and has taken special notice of the discussion of Early Withdrawal Penalties which apply to this deposit included in the Terms and Conditions. By signing below, Depositor(s) acknowledge(s) receipt of an Account Disclosure related to this Account.

DEPOSITOR SIGNATURE/DATE

DEPOSITOR SIGNATURE/DATE

DEPOSITOR SIGNATURE/DATE

DEPOSITOR SIGNATURE/DATE

The Depositor(s) acknowledge(s) receipt of funds represented by this Certificate of Time Deposit.

REDEMPTION

DEPOSITOR SIGNATURE/DATE

DEPOSITOR SIGNATURE/DATE

DEPOSITOR SIGNATURE/DATE

DEPOSITOR SIGNATURE/DATE

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

IN RE: LYNDI BAILEY, a minor, by No. 01-262-CD
and through her parents and natural
guardians, JOSEPH BAILEY and
PEGGY BAILEY,

PROOF OF DEPOSIT

Petitioners

Filed on behalf of:
PETITIONERS

Counsel of record for this party:

GEOFFREY S. CASHER, ESQUIRE
E-mail address: gcasher@edgarsnyder.com

PA I.D. No. 35309

EDGAR SNYDER & ASSOCIATES, LLC
100 West High Street
Ebensburg, PA 15931-1539

(814) 472-9000

FILED

SEP 25 2001
mjl:AS/ncc
William A. Shaw
Prothonotary *WAS*

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

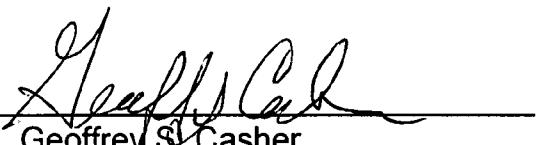
IN RE: LYNDI BAILEY, a minor, by No. 01-262-CD
and through her parents and natural
guardians, JOSEPH BAILEY and
PEGGY BAILEY,

Petitioners

PROOF OF DEPOSIT

Kindly file the enclosed Proof of Deposit of settlement proceeds, which consists
of a photocopy of structured settlement documents from Allstate Insurance Company,
pursuant to the Order of Court dated April 2, 2001.

EDGAR SNYDER & ASSOCIATES, LLC

By 
Geoffrey S. Casher
Attorney for Petitioners

Master Bond Number: 05-016 300 SB

Obligee: Lyndi Bailey (90-306-561)Date of Qualified Assignment: November 28, 2000

Know all men by these present, that we, ALLSTATE SETTLEMENT CORPORATION, a Nebraska corporation, as Principal, and ALLSTATE INSURANCE COMPANY, an Illinois corporation, as Surety, are held and firmly bound hereunder to the Obligee to make certain scheduled payments due from the Principal to the Obligee under the terms of a Qualified Assignment, a copy of which is attached hereto and becomes a part hereof, for which sum, well and truly to be paid, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

The condition of this obligation is such, that:

WHEREAS, the Principal has assumed, under a Qualified Assignment, the obligation to make certain scheduled payments to the Obligee, and

WHEREAS, the Principal's assumption of said payment obligation has been consented to by the Obligee and has been accomplished within the meaning of Section 130(c) of the Internal Revenue Code of 1986, as amended, by means of aforesaid Qualified Assignment, and

WHEREAS, the Principal has purchased a qualified funding asset within the meaning of Section 130(d) of the Code, the proceeds of which will apply to discharge said scheduled payment obligation to the Obligee.

NOW, THEREFORE, if the Principal shall fail to make any scheduled payments to the Obligee as assumed under said QUALIFIED ASSIGNMENT, then the Surety shall make such scheduled payment or payments within 10 days after receipt of notice by the Obligee. Notice to the Surety shall be by certified or registered mail sent to Allstate Insurance Company, 3100 Sanders Road, Suite M2, Northbrook, IL 60062-7127.

Any dispute with respect to the interpretation of this bond or performance of the obligation set forth herein shall be governed by the laws of the State of Nebraska.

Sealed with our seals, and dated this 29th day of May 2001.

ALLSTATE SETTLEMENT CORPORATION

By John M. Foreman

ALLSTATE INSURANCE COMPANY



Countersigned:

By Jonathan A. Foreman
Jonathan A. ForemanBy Jeffrey J. Foreman

(Attorney-in-Fact)

ALLSTATE INSURANCE COMPANY

HOME OFFICE - NORTHBROOK, ILLINOIS
(A STOCK INSURANCE COMPANY, HEREIN CALLED ALLSTATE OR THE COMPANY)

KNOW ALL MEN BY THESE PRESENTS: That Allstate Insurance Company, a corporation organized and existing under the laws of the State of Illinois, and having its principal office at Allstate Plaza, Northbrook, County of Cook, State of Illinois, does hereby appoint:

.....
D. Steven Boger, Tracy Friend, Lewis Richardson, Patricia L. Nelson, Dennis Drexler, Andrea Stahl
.....

its true and lawful agents and attorneys-in-fact, individually, to make, execute, sign, acknowledge, affix the Company Seal to, and deliver any and all surety bonds, consents, undertakings, and other writings obligatory in the nature of a bond, for and on behalf of said Company and as act and deed of said Company, with a present value of up to \$3,000,000, as measured by the cost of the qualified funding asset which was purchased to cover the schedule of payments in the qualified assignment. This authority shall expire without notice at midnight on December 31, 2000, unless revoked sooner in writing. This appointment is made under and by authority of the following provision of the By-Laws of the Company which provision is now in full force and effect and is the only applicable provision of said By-Laws.

ARTICLE V. SECTION 1.

All policies of insurance issued by this Company shall comply with the laws of the respective states, territories or jurisdictions in which the policies are issued. All bonds, undertakings, certificates of insurance, cover notes, recognizances, contracts of indemnity, endorsements, stipulations, waivers, consents of sureties, reinsurance acceptances or agreements, surety and co-surety obligations and agreements, underwriting undertakings, and all other instruments pertaining to the insurance business of the Company, shall be validly executed when signed on behalf of the Company by (1) the Chairman of the Board, (2) the President, (3) any Vice President or Assistant Vice President, or (4) any other officer, employee, agent, or attorney-in-fact authorized in writing to so sign by the Chairman of the Board, the President, or any Vice President. All policies of insurance shall bear the signature of the President or a Senior Vice President, and of the Secretary, which signatures may be facsimiles, and shall be countersigned by a duly licensed resident agent where so required by law or regulation. A facsimile signature of a former officer shall be of the same validity as that of an existing officer.

The affixing of the Company's Seal shall not be necessary to the valid execution of any instrument but the Secretary, any Assistant Secretary, or any officer, employee, agent, or attorney-in-fact authorized in writing so to do by the Secretary, any Assistant Secretary, or any Vice President, may affix the Company's Seal thereto.

This Power of Attorney is signed and sealed by facsimile under and by authority of the following Resolution voted by the Board of Directors of Allstate Insurance Company at a meeting duly called and held on the 18th day of December 1970.

BE IT RESOLVED, That the signatures of the President, the Secretary, any Vice President, or any Assistant Vice President, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing attorneys-in-fact for the purpose of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate so executed by and bearing such facsimile signature or signatures and facsimile seal shall be valid and binding upon the Company, and, in particular, shall be valid and binding in the future with respect to any bond or undertaking or other writing obligatory in the nature thereof to which it is attached for such purpose.

IN WITNESS WHEREOF, ALLSTATE INSURANCE COMPANY has caused these presents to be signed by its Group Vice President and Controller and its Corporate Seal to be hereto affixed, on the 10th day of December, A.D., 1999.



ALLSTATE INSURANCE COMPANY

By Samuel H. Pilch
Samuel H. Pilch Group Vice President and Controller

STATE OF ILLINOIS : ss.
COUNTY OF COOK : ss.

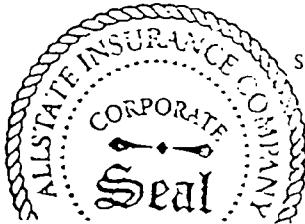
I, Christine M. Tenerelli, a Notary Public, do hereby certify that Samuel H. Pilch personally known to be the same person who is Group Vice President and Controller of the ALLSTATE INSURANCE COMPANY, a corporation of the State of Illinois, subscribed to the foregoing instrument, appeared before me on the 7th day of December, A.D. 1999, in person and acknowledged that he being thereunto duly authorized signed, sealed and delivered the said instrument as the free and voluntary act of said corporation and as his own free and voluntary act for uses and purposes therein set forth.



Christine M. Tenerelli
My commission expires November 05, 2001

CERTIFICATION

I, the undersigned Group Vice President and Controller of ALLSTATE INSURANCE COMPANY, DO HEREBY CERTIFY that the foregoing Power of Attorney is now in full force and effect.



Signed and sealed at Northbrook, Illinois this 10th day of December A.D., 1999

Samuel H. Pilch
Samuel H. Pilch Group Vice President and Controller

Uniform Qualified Assignment

"Claimant"

Lyndi Bailey

"Assignor"

Allstate Insurance Company

"Assignee"

Allstate Settlement Corporation

"Annuity Issuer"

Allstate Life Insurance Company

"Effective Date"

November 29, 2006

This Agreement is made and entered into by and between the parties hereto as of the Effective Date with reference to the following facts:

- A. Claimant has executed a settlement agreement or release dated December 15, 1981 (the "Settlement Agreement") that provides for the Assignor to make certain periodic payments to or for the benefit of the Claimant as stated in Addendum No. 1 (the "Periodic Payments"); and
- B. The parties desire to effect a "qualified assignment" within the meaning and subject to the conditions of Section 130(c) of the Internal Revenue Code of 1986 (the "Code").

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the parties agree as follows:

1. The Assignor hereby assigns and the Assignee hereby assumes all of the Assignor's liability to make the Periodic Payments. The Assignee assumes no liability to make any payment not specified in Addendum No. 1.
2. The Periodic Payments constitute damages on account of personal injury or sickness in a case involving physical injury or physical sickness within the meaning of Sections 104(a)(2) and 130(c) of the Code.

3. The Assignee's liability to make the Periodic Payments is no greater than that of the Assignor immediately preceding this Agreement. Assignee is not required to set aside specific assets to secure the Periodic Payments. The Claimant has no rights against the Assignee greater than a general creditor. None of the Periodic Payments may be accelerated, deferred, increased or decreased and may not be anticipated, sold, assigned or encumbered.
4. The obligation assumed by Assignee with respect to any required payment shall be discharged upon the mailing on or before the due date of a valid check in the amount specified to the address of record.
5. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Michigan.
6. The Assignee may fund the Periodic Payments by purchasing a "qualified funding asset" within the meaning of Section 130(d) of the Code in the form of an annuity contract issued by the Annuity Issuer. All rights of ownership and control of such annuity contract shall be and remain vested in the Assignee exclusively.
7. The Assignee may have the Annuity Issuer send payments under any "qualified funding asset" purchased hereunder directly to the payee(s) specified in Addendum No. 1. Such direction of payments shall be solely for the Assignee's convenience and shall not provide the Claimant or any payee with any rights of ownership or control over the "qualified funding asset" or against the Annuity Issuer.

8. Assignee's liability to make the Periodic Payments shall continue without diminution regardless of any bankruptcy or insolvency of the Assignor.
9. In the event the Settlement Agreement is declared terminated by a court of law or in the event that Section 130(c) of the Code has not been satisfied, this Agreement shall terminate. The Assignee shall then assign ownership of any "qualified funding
- asset" purchased hereunder to Assignor, and Assignee's liability for the Periodic Payments shall terminate.
10. This Agreement shall be binding upon the respective representatives, heirs, successors and assigns of the Claimant, the Assignor and the Assignee and upon any person or entity that may assert any right hereunder or to any of the Periodic Payments.

Assignor: Allstate Insurance Company

By: *Robert B. Nicewander*
Authorized Representative

Title: *FPL*

Assignee: Allstate Settlement Corporation

By: *Mark M. Miller*
Authorized Representative

Title: *Aug 10/04*

Addendum No. 1

Description of Periodic Payments

To Lyndi Bailey:

Beginning on June 28, 2007, \$1,340 semi-annually for 7 years.

Initials

Assignor: RRN

Assignee: fly

Allstate Life Insurance Company

A Stock Company - Home Office Address: Northbrook, Illinois 60062

Single Premium Immediate Certain Annuity

CONTRACT--This contract is issued to Allstate Settlement Corporation (called "ASC") in consideration of the application, a copy of which is attached, and the payment of the single premium. The contract and the application are the entire contract. All statements made in the application are representations and not warranties. No statement will be used by us in defense of a claim or to void this contract unless it is in the signed application. Only our officers may change this contract or waive a right or requirement. No agent may do this.

Allstate Life Insurance Company (called "we" or "us") will make the payments shown on Page 3 to the Measuring Life or other payee designated by ASC, provided that the Measuring Life is alive. In addition, if the Measuring Life is not living, any payments shown on Page 3 will be made to the beneficiary.

This contract stops when all payments have been made.

RIGHT TO CANCEL--If ASC is not satisfied with this contract, it may be voided by returning it to Allstate Life Insurance Company, Northbrook, Illinois 60062, or our agent. ASC must notify us and return the policy by midnight of the 10th day after ASC receives it. Notice given by mail is effective on being postmarked, properly addressed and postage prepaid. We will return the single premium, less any payments already made, within 10 days after we receive the policy and notice.

This is a legal contract between ASC and us. READ THIS POLICY CAREFULLY.

COPY

Signed for ALLSTATE LIFE INSURANCE COMPANY at our Home Office in Northbrook, Illinois.



Secretary



President

Contract	3
Issue Date	1
Beneficiary	1
Schedule of Payments	3
Incontestability	3
Minimum Values	3
Measuring Life Information	3
Non-Participating	3
Owner	4
Non-Assignable	3
Contract Number	3
Non-Participating	4
Owner	4

TABLE OF CONTENTS

SCHEDULE OF PAYMENTS

<u>DATE</u>	<u>AMOUNT</u>
JUN 28, 2007 THROUGH DEC 28, 2013	\$ 1340.00 SEMI-ANNUALLY

	<u>NAME</u>	<u>SEX</u>	<u>DATE OF BIRTH</u>
MEASURING LIFE:	LYNDI BAILEY	FEMALE	JUN 28, 1989
FIRST PAYMENT:	\$ 1340.00 ON JUN 28, 2007		
LAST PAYMENT:	\$ 1340.00 ON DEC 28, 2013		

CONTRACT NUMBER: 90306561 OWNER: ALLSTATE SETTLEMENT CORP
ISSUE DATE: NOV 28, 2000

PAGE 3
POLICY DATA PAGE FOR LU3406

ALLSTATE LIFE INSURANCE COMPANY

Home Office: Northbrook, Illinois 60062

Application for Single Premium Immediate Annuity

1. Measuring Life

Full Name: Lyndi Bailey Phone: ()
Address: 8D Lawrence Park Clearfield, PA 16930
Social Security No.: 187-70-0321 Date of Birth: 06/28/89 Sex: F

2. Joint Measuring Life (if applicable)

Full Name: _____ Phone: ()
Address: _____
Social Security No.: _____ Date of Birth: _____ Sex: _____
Relationship to Measuring Life: _____

3. Owner

Full Name: Allstate Settlement Corporation Phone: ()
Address: 206 South 13th Street, Suite 200 Lincoln, NE 68508-2010

4. Payee (will be Measuring Life if left blank)

Full Name: _____ Phone: ()
Address: _____
Relationship to Measuring Life: _____

5. Payment Information (Submit proof of age for life or joint life payments.)

Start Date	Type (e.g., certain, life, lump sum, joint)	Amount	Number of Payments	Frequency of Payments
06/28/2007	Certain	\$1,340.00	14	Semi-Annually

6. Beneficiary (will be Estate of Measuring Life if left blank)

Full Name: _____ Phone: ()
Address: _____
Social Security No.: _____ Relationship to Measuring Life: _____

7. Premium \$1 and other valuable consideration

The Applicant represents that all statements and answers on this Application are true to the best of his or her knowledge and belief and completely recorded herein.

Applicant: WRC by W. Ross Duncan Date: _____
Owner _____ Signature & Title _____

BENEFICIARY--Unless changed by ASC, the beneficiary is as named in the application. If there is no beneficiary named or living, the beneficiary is the Measuring Life's estate. For purposes of this section, "living" shall mean living on the earlier of:

1. The day we receive due proof of the Measuring Life's death; or
2. The 15th day past the Measuring Life's death.

Unless ASC states otherwise by irrevocably naming a beneficiary, ASC may change the beneficiary while the Measuring Life is alive. A change must be made to us in writing. The change must be acceptable to us. Once we accept the change, it takes effect as of the day ASC signed the request. Each change is subject to any payment we make or action we take before we accept it.

Any payments due a beneficiary will be paid on their specified due dates, and will not be commuted or paid in a lump sum.

INCONTESTABILITY--We may not contest this contract after it is issued.

MINIMUM VALUES--The payments provided by this contract are not less than the minimum values required by the state in which this contract is sold.

NON-PARTICIPATING--This contract does not pay dividends.

NON-ASSIGNABLE--Payments may not be anticipated, assigned or pledged as collateral. Payment dates and amounts may not be changed, either to provide for earlier payment or longer deferral. The contract has no cash surrender or policy loan value.

So far as the law allows, all payments to any person named by ASC to receive them are exempt from that person's creditors, debts and contracts, and from seizure or attachment by court order or other legal process.

ALLSTATE LIFE INSURANCE COMPANY

NORTHBROOK, ILLINOIS

STRUCTURED SETTLEMENT CASH SETTLEMENT BENEFIT RIDER

If this contract has been purchased as a "Qualified Funding Asset" under Sections 72(u)(3)(C) and 130(d) of the Internal Revenue Code of 1986, as now or later amended, and whether or not there has been a qualified assignment, a Surrender Cash Settlement Benefit is added, as of the issue date of this contract. Payment of the benefit is subject to the following terms:

This contract may be surrendered for cash within 180 days after the date of one of the following events:

- (a) a decision by a court of law to end this contract owner's obligation to make future periodic payments, as funded by this contract; or
- (b) a decision by the Internal Revenue Service that an assignment of this contract fails to satisfy Section 130(c) of the Internal Revenue Code, as now or later amended.

In either case, we must be given written evidence of the event, along with a request for surrender signed by the owner. The right to surrender ends 180 days after such event.

Upon surrender, a Cash Settlement Benefit will be paid to the Owner of this contract. This Benefit shall be equal to this contract's **Book Value** multiplied by a **Market Value Adjustment**, where:

Book Value is equal to the present value of the period certain payments remaining under this contract on the date the request for surrender is received. This present value shall be computed using the Monthly Average of the Composite Yield on Seasoned Corporate Bonds, less one percent, for the month prior to the month in which this contract was issued, as published by Moody's Investors Service, Inc.; and

Market Value Adjustment is equal to one plus the quantity: ten times the difference between (1) the interest rate used to compute **Book Value**, as set out above, and (2) the **Market Value Interest Rate**. The latter is equal to the Monthly Average of the Composite Yield on Seasoned Corporate Bonds, less one percent, for the month prior to the month in which surrender of this contract is requested, as published by Moody's Investors Service, Inc.

If these monthly averages are no longer available for use, a comparable index will be used.

If this contract includes benefits which depend on the survival of any person, we will calculate a Surrender Cash Benefit for the lifetime payments remaining under this contract on the date the request for surrender is received. We will use the same method set out above for the period certain payments, but only if we receive a statement from a licensed, practicing physician, stating that such person is not suffering from illness or physical condition that could reasonably be expected to result in death within twelve months. The Benefit will be determined using the same mortality assumptions as are used in setting up contract reserves required by the Insurance Laws of the State of Illinois.

Attached to and made a part of each qualifying contract. Signed at our Home Office in Northbrook, Illinois.



Secretary



President

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

JOSEPH BAILEY and PEGGY
BAILEY, as parents and natural
guardians of LYNDI BAILEY, a
minor,

No. 2001-00262-CD

Plaintiffs

vs.

GLENN A. LORD; KELLY LOU
SCRIBE; GREGORY L.
MARTELL; and MARCIE C.
WAYLAND,

Defendants

PRAECIPE TO SETTLE AND DISCONTINUE

To: William A. Shaw, Prothonotary

Please satisfy, settle and discontinue the within matter.

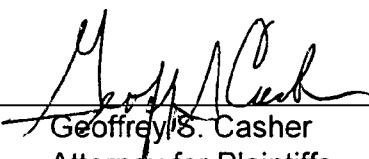
EDGAR SNYDER & ASSOCIATES, LLC

FILED

OCT 5 2001

William A. Shaw
Prothonotary

By


Geoffrey S. Casper
Attorney for Plaintiffs

FILED

OCT 25 2001
0/2:44 p.m.

William A. Shaw ^{Em}
Prothonotary
No. 111

Or
RECEIVED

Cert. Rec'd to atty Casher
Copy to G

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

**Joseph Bailey
Peggy Bailey
Lyndi Bailey**

Vs.

No. 2001-00262-CD

**Glenn A. Lord
Kelly Lou Scribe
Gregory L. Martell
Marcie C. Wayland**

CERTIFICATE OF DISCONTINUATION

Commonwealth of PA
County of Clearfield

I, William A. Shaw, Prothonotary of the Court of Common Pleas in and for the County and Commonwealth aforesaid do hereby certify that the above case was on 25th day of October, 2001 marked:

Settled, Discontinued and Ended

Record costs in the sum of \$80 have been paid in full by Geoffrey S. Casher, Esquire.

IN WITNESS WHEREOF, I have hereunto affixed my hand and seal of this Court at Clearfield, Clearfield County, Pennsylvania this 25th day of October A.D. 2001.



William A. Shaw, Prothonotary