

VOLUME 35

NUMBER 5

May 2025

“You’ve Gotta Protect This Money!”

These are the words of noted Attorney Thomas M. Bond, of Boston, Massachusetts. An experienced and successful personal injury attorney, Mr. Bond outlines in an interview with a representative of the National Structured Settlement Association how he believes structured settlements are the best choice for the long-term financial security of his clients.¹

During his extensive career, Mr. Bond has seen clients make financial decisions ranging from excellent to disastrous. In the interview, he relates the tale of how one man made the wrong choice and tragically lost everything.

Mr. Bond’s client “Joe” was a tunnel worker who was injured due to no fault of his own. Joe’s injuries caused him to endure spinal surgery which left him unable to work in his previous capacity. Joe qualified for social security disability; Mr. Bond stated that did not help much. In the end Mr. Bond secured Joe a \$2 million settlement, after fees, liens and expenses, Joe would receive \$1.2 million.

Mr. Bond said “Joe, listen, you know you’ve got to structure this money, you got to put it in a structured settlement.” Joe responded by telling Mr. Bond: “I’ve got a friend who’s a stockbroker.” (Here comes “Uncle Bob.”)

Mr. Bond goes on to tell Joe that he cannot gamble with this money, he said “this money puts food on your table, it puts a roof over your head.” Joe was the father of a 10-year-old boy and had a 16-year-old daughter. Mr. Bond said: “You’ve got to take care of these people.”

Joe replied: “I got it under control, I’m not going to do anything crazy,” and walked out of the office carrying – literally - a \$1.2 million check.

Mr. Bond was heartbroken. He knew Joe was making a disastrous mistake. Over subsequent months, Mr. Bond received periodic reports that Joe bought his mother a car and paid off his father’s house, and in his estimation, Joe was “‘living the life,’ so to speak.”

A few months later, Mr. Bond got a call from Joe’s ex-wife advising that Joe had died due to other health problems; he was only 45 years old.

Mr. Bond asked about the family’s financial situation and Joe’s estate. She told him that they found a safe and had it opened, only to find a gold chain with a cross on it and some mustard-colored money bands, nothing else. The family was currently fighting over who would have to pay Joe’s funeral expenses. Mr. Bond said, “it’s a sad tale and it’s one that didn’t have to happen.”

¹ <https://www.nssta.com/blog>

Mr. Bond goes on to emphasize the point that if you are independently wealthy, you can afford to take greater risks and seek higher returns in places like the equities markets. However, if you are like the rest of us, you must *protect the money that you live on first*.

Joe's wife and children depended on him and, indeed, took him at his word that he had it "under control." They trusted that he wouldn't do anything "crazy," and to his mind, he probably saw nothing crazy or out of control about where he sent that \$1.2 million. He probably trusted his stockbroker "friend," who may well have been honest, maybe even well-intended.

Whatever his plans, they likely didn't include dying young and leaving his family's finances in ruins. And yet, did he buy *life insurance* to protect them? That's one of the very first things you put in place if you are the breadwinner for a growing list of dependents.

I don't mean to pick on "Joe;" it's unfair after the fact when he can't defend himself or share his thinking. He had likely considered financial security when he went out on disability and his worry at that time was almost certainly *income*.

But when suddenly faced with the prospect of receiving a very large sum of cash, he simply lacked the financial knowledge to recognize it as the risk that it is. That's right, a risk.

A sudden pile of cash is unnatural. Most of us exchange our labor for a paycheck. Our needs (food, clothing, shelter) also extend over time, so it generally works out. However, if your needs extend over time but you are given the money *only once* that presents a gigantic risk, especially if your ability to continue to work has been compromised.

This problem - call it "sudden excess liquidity" - challenges all humans in all socioeconomic and educational brackets: the children of rich people classically blow their inheritances, lottery winners do terribly, sports heroes go bankrupt routinely.

But it doesn't have to be that way, and those of us working in the claims resolution professions are in a position to prevent it.

As Mr. Bond lamented, there is no reason a family should suffer the indignation of scrambling for the money needed to bury their father when they could have preserved their settlement funds with a safe, secure, tax-free and GUARANTEED structured settlement.

Trying to settle a case for a plaintiff like Joe? Contact Frank C. Kilcoyne CSSC at frank.kilcoyne@jmwsettlements.com or call 800 544 5533, I am here to help.