

**AFFIDAVIT IN SUPPORT OF PETITION TO TRANSFER STRUCTURED
SETTLEMENT PAYMENT RIGHTS**

I, Rod Boddie, am over the age of eighteen. I have personal knowledge of all facts stated in this declaration, and if called as a witness, I could and would competently testify as follows:

1. I am the General Counsel for Seneca Originations, LLC; a company that purchases various deferred assets, including structured settlement payment streams. Seneca Originations, LLC is a wholly owned subsidiary of Seneca OneFinance, Inc.

2. I have been involved in reviewing, negotiating and purchasing unusual types of deferred payment obligations, including, without limitation, structured settlement payments and have experience in the purchase and transfer of structured settlement payment rights;

3. Due to my experience in the field and work experience, I am an expert in the arena of deferred asset purchases such as structured settlement payment streams.

4. The secondary market for structured settlements is a market whereby recipients of structured settlements are able to access their future payments and achieve liquidity in connection with their future payments, by way of the right to receive the payments to a third party in return for the payment of a lump sum cash payment.

5. A variety of factors are taken into account when determining at what value Seneca Originations, LLC will purchase a structured settlement. These include the size and timing of payments, internal cost of funds, servicing expenses, the cost of locating potential clients, and the expenses associated with obtaining court orders under various state statutes. These factors also include expenses associating with insuring that the annuity companies comply with the court orders. With regard to structured settlement payment rights, the recipients of said payments cannot use these payment rights as collateral for "traditional" loans through banks or other traditional lending institutions. These payment rights can only be sold to factoring companies, companies that are in the business of deferred streams of income such as structured settlement payments. Thus, the true value of the Assigned Payments in the present case is properly based on

what a willing buyer agrees to pay a willing seller in this factoring market. In determining the value, factoring companies evaluate a number of factors including, but not limited to the complexity of these transactions, the costs of complying with multiple state and federal laws, the indemnification provided by the Transferee to the Annuity Issuer and Settlement Obligor, the relatively small size and long duration of the transactions, the credit worthiness of the Transferor and the credit quality of the underlying insurance companies.

6. Additionally, the assumption that companies such as the settlement obligor and annuity issuer are financially solid and credit worthy may be misguided, and one needs to look no further than to the recent plight of American International Group and the material downgrades of its ratings as evidence thereof. In recent years, dozens of insurance carriers (including those that issue structured settlement payments) have gone into receivership, liquidation or rehabilitation. For example, Reliance Insurance Company, Executive Life Insurance Company of New York and Confederation Life Insurance Company were once highly rated insurance carriers and all are now either in receivership, liquidation or rehabilitation. As reported by Moody's Services and Standard and Poor's, over the last few years, many insurers have suffered material downgrades in their credit quality, e.g., State Farm Life Insurance Company, Wachovia Corporation, Washington Mutual Inc., The Bear Stearns Companies, Inc., Lehman Brothers, American International Group, ING Life Insurance and Annuity Company, USF&G, CNA Insurance, Safeco Life Insurance Company, Royal Insurance Company of America, and State Farm Mutual Automobile Insurance Company. Downgrades of credit quality adversely affect the credit facilities employed to fund the purchase of structured settlement payments. These downgrades also affect transactions even after completed, which ultimately drives up the costs incurred by purchasers in financing the acquisition of structured settlement payments.

7. To enter into these transactions, Seneca Originations, LLC and its competitors must locate institutional investors who can provide a source of capital for these transactions and negotiate complex and arduous credit agreements with these

institutions (including private investors). In return, Seneca Originations and its competitors must agree to provide these investors with a specified (and most often, substantial) rate of return on the investment for the risk they are taking in the financing.

8. Because of the cost associated with purchasing structured settlement payment rights, the secondary market for the sale of structured settlement payment rights is small. There are a handful of companies currently purchasing these rights. Competition in this market place dictates the discount rates that can be obtained given the cost of acquiring these payment rights. Although competition exists among companies that acquire payment rights, because of the expenses involved the typical effective discount rate charged to the seller is between 15% and 25%.

9. All transfer statutes required that the purchaser disclose to the seller the ratio of what the seller is receiving as compared to the Applicable Federal Rate valuation. Because the timing of the payments may be far into the future, there can be a dramatic difference between these valuations. This difference occurs because of the compounding effects when determining the time value of money.

10. All of our transactions are freely negotiated between our prospective sellers and Seneca Originations, LLC and are court ordered pursuant to the appropriate statute.


11. The effective interest rate of Catherine Phillips' transfer is 11.81% which is favorable in comparison to industry standards and is comparable to major credit card rates. As a comparison, Wells Fargo Cash Back card features an APR range of 16.24% to 28.24% and the U.S. Bank Cash+ Visa Signature Card featured an APR range of 16.24% to 25.74%. The \$25,000.00 that Catherine Phillips is receiving is the present fair market value for this type of transaction.

12. It is respectfully submitted that taking all factors into account, the discount rate used in the transaction between Seneca Originations, LLC and Catherine Phillips is fair and reasonable relative to the market at this time.

I declare under penalty of perjury of the Laws of the State of New York that the foregoing is true and correct and that this declaration was executed on June 6, 2019 in Bethesda, Maryland.


Rod Boddie

The foregoing instrument was acknowledged before me this 6th day of June 2019, by Rod Boddie, who is personally known to me and who did take an oath.

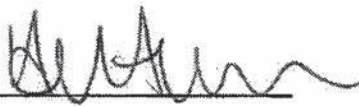
 (sign name)
Hanley Allen (print name)



NOTARY PUBLIC, State of Maryland My Commission Expires: March 27, 2023

STATE OF MARYLAND)
) s.:
COUNTY OF MONTGOMERY)

On the 6th day of June in the year of 2019, the undersigned, personally appeared Rod Boddie, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed same in her capacity and that by her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument, and that such individual made such appearance before the undersigned in Bethesda, Maryland.


Notary Public

