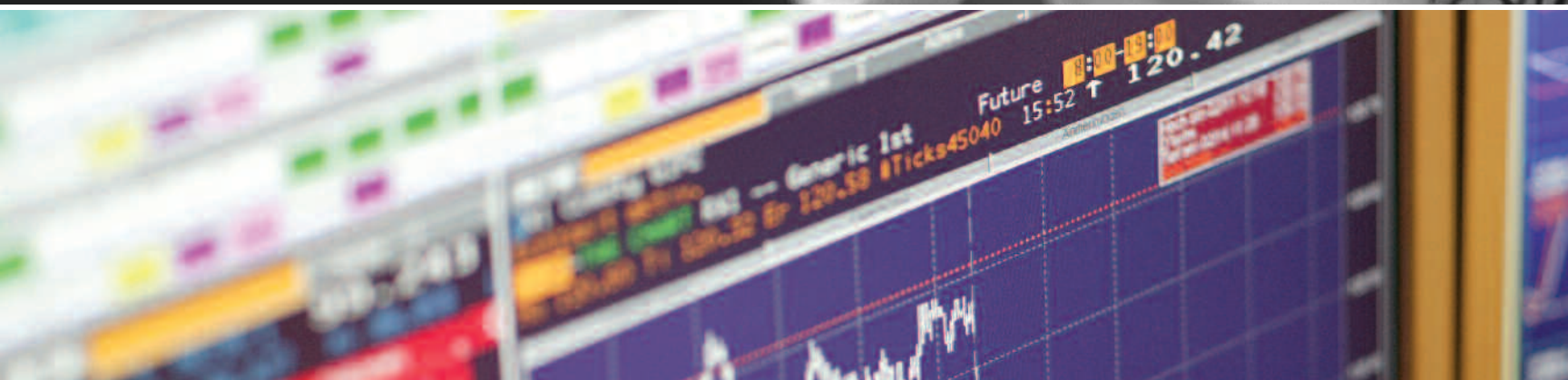




J.G. WENTWORTH

Liquidity Advanced





FUNDAMENTALLY SPEAKING

J.G. Wentworth was founded on a single, yet powerful idea: deferred payment streams can be purchased at a discount to produce superior returns. Today, J.G. Wentworth purchases guaranteed payment streams as well as those that possess mortality risk. By developing direct origination, underwriting and financing capabilities, we've been able to enter multiple markets and create new opportunities for consumers as well as investors.



Origination teams are led by section leaders who maintain their own book of business, but also share their years of experience with younger account representatives.



perspectives

The J.G. Wentworth origination professionals thrive on teamwork as well as individual effort.

J.G. WENTWORTH is a growth company serving a vacuum in specialty finance, providing choice for consumers where it previously did not exist.

We pioneered the business of buying and securitizing structured settlement payments and used the expertise developed in that discipline to springboard into adjacent markets, including annuities and mortality risk transactions.

These markets share three characteristics:

They are large. For instance, there are more than \$80 billion in structured settlements in force, with \$6 to \$8 billion added each year. Our other businesses address even larger markets: our Annuity Purchase Program™ focuses on the more than \$2.3 trillion in reserves backing annuities now in force, while our mortality business is devoted to the \$18 trillion of life insurance policies held by consumers and businesses.

The obligors or creditors in each market are large, highly rated insurance companies representing limited, if any, credit risk.

They can be efficiently accessed through direct-to-consumer marketing. For years, J.G. Wentworth has excelled in marketing our products directly to the consumer. As we enter new but related markets, the company is enjoying origination and marketing synergies, driving down our cost of doing business and increasing profits.

Yes, J.G. Wentworth is a growth company. In the year 2000 we completed less than 1,000 transactions. In 2006 the figure was nearly 6,000. And yet, we feel we've just begun.





STRUCTURED SETTLEMENTS

METRICS

- \$80 billion of structured settlements in force
- \$6 billion to \$8 billion in new settlements added each year

Source: Structured Settlements and Periodic Payment Judgements/with Supplement, Hindert

DRIVERS

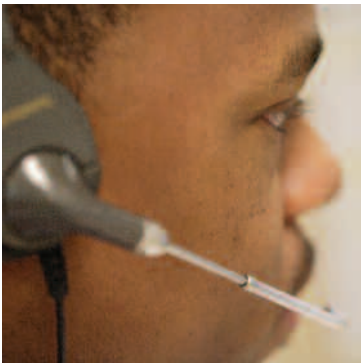
- Increasing use of structured settlements to settle personal injury claims
- Heightened awareness among consumers that liquidity options exist
- Entry into "life only" segment of the market

Structured settlements are simply legal agreements whereby the plaintiff in a personal injury or wrongful death suit accepts an award consisting of payments over time. Our structured settlement purchase business provides liquidity for consumers when their circumstances change from what was contemplated at the time of the settlement. The need to buy a house, start a business, pay medical bills, further their education or eliminate debt are frequently cited by our clients as reasons they need to sell some or all of their payments to J.G. Wentworth in exchange for a lump sum of cash.

Structured settlements are designed to provide plaintiffs with payments guaranteed (not contingent on the life of the insured) for a specified number of years, plus payments that continue until the plaintiff dies.

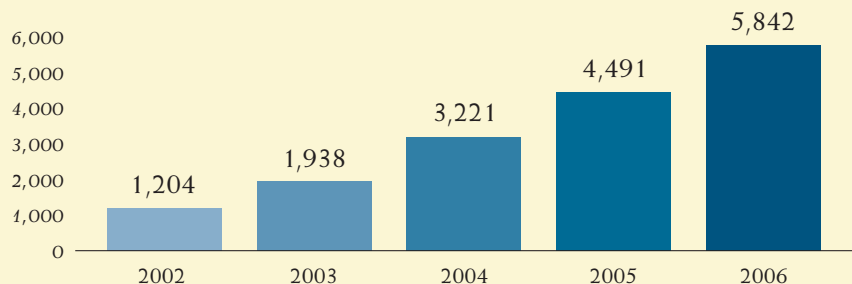
We built our structured settlement business on the "guaranteed" business and have enjoyed compound annual growth in transaction volume of 35% since 2001. Because of strong demand among institutional investors for a wide variety of annuity-backed notes, and an extremely loyal customer base (on average, customers complete two transactions with us), J.G. Wentworth successfully entered the market for structured settlement payments bearing mortality risk.

This "Life Contingent" segment provides a powerful catalyst for new growth and profitability in J.G. Wentworth's core structured settlement business. Offering potential clients the opportunity to purchase both components of their structured settlement dramatically increases opportunities for new business, and our ability to help our clients. More importantly, with approximately one quarter of existing clients and active prospects holding life contingent payments, J.G. Wentworth can materially expand this business with negligible marketing expense.



TOTAL TRANSACTION VOLUME

Source: J.G. Wentworth





MORTALITY RISK TRANSACTIONS

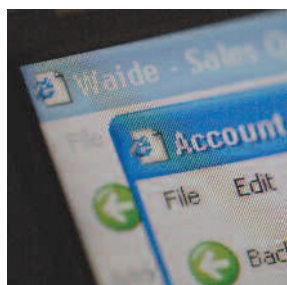
METRICS

- *More than \$18 trillion of life insurance in force*
- *373 million policies outstanding*
- *Estimated \$10 billion in life settlement transactions annually*

Source: American Council of Life Insurers

DRIVERS

- *Fragmented life settlement industry*
- *Majority of market underserved*
- *No competitors marketing direct to consumer*



While the life settlement industry boasts more than \$10 billion annually in transaction volume, with \$18 trillion of life insurance in force, we believe the vast majority of its growth lies ahead.

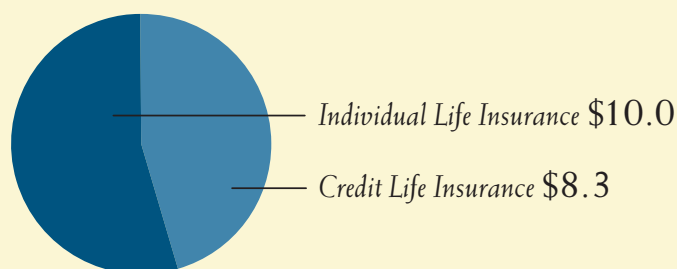
This nascent market represents, in our view, a segment of well-informed and highly motivated consumers who actively seek liquidity. But a vast portion of the market remains either uneducated regarding their options for liquidity, or are not actively serviced by an insurance agent because of the size of their policies.

Accordingly, we believe there's a fertile opportunity for building significant market share utilizing direct-to-consumer marketing and focusing on policies of \$50,000 to \$10 million. This opportunity plays to several of J.G. Wentworth's intrinsic strengths: knowledge of and relationships with the insurers; direct marketing experience; an unparalleled underwriting platform; and actuarial resources that enable us to value assets with mortality risk.

Moreover, the regulatory environment for insurance products — a barrier to many would-be entrants — offers J.G. Wentworth a competitive advantage. Specifically, the state-based oversight with multiple compliance regimes plays to one of our greatest strengths: developing and executing on new business in tightly regulated markets. We believe our extensive experience developing profitable business working within tight legal and regulatory boundaries, (e.g., compliance with 46 state statutes enforced across 6,500 counties in a court-ordered structured settlement process), positions us well to succeed in generating life settlement transactions.

LIFE INSURANCE IN FORCE BY LINE

2005, \$ trillions



Source: American Council of Life Insurers and National Association of Insurance Commissioners



deferred payment streams

J.G. Wentworth, through a third-party network, provides individuals liquidity for a diverse range of assets with deferred payment streams. These assets include:

- Private mortgage notes
- Litigation advances
- Inheritances
- Lottery winnings
- Cellular telephone tower rental payments

While none of these markets on their own are large, taken together they offer J.G. Wentworth ability to leverage high-yielding assets on an opportunistic basis.

Perhaps more importantly, these niche markets offer a proving ground for larger opportunities. For years we purchased investment annuities when sellers approached J.G. Wentworth. By purchasing the assets, negotiating with sellers and holding and servicing the paper, we gained valuable insights into the market, enabling us to formally enter the market with confidence when the moment was right. Today, J.G. Wentworth is credited with creating the secondary market for annuities and is the largest buyer of investment annuities in the United States.



SUCCESS IN OUR CORE MARKETS rests with an orientation toward continuous improvement coupled with three key skills: origination and marketing, underwriting and servicing and finally, finance, via extensive Wall Street relationships. Facility in these areas enables J.G. Wentworth to control transactions from origination all the way through to securitization.

core capabilities

 J.G. WENTWORTH.

<< The strength of J.G. Wentworth's business model lies in its ability to gather, pool and securitize assets. Fixed-income institutional investors prize our annuity-backed notes for the risk/reward characteristics they offer.

SELLING & MARKETING

For over a decade, J.G. Wentworth has generated billions of impressions of its "Mr. Wentworth" spokesman in television and radio commercials, on the Internet and in print advertisements. Initially, the face of structured settlements, "Mr. Wentworth" successfully carried the message of the firm as it expanded into buying life insurance policies and investment annuities.

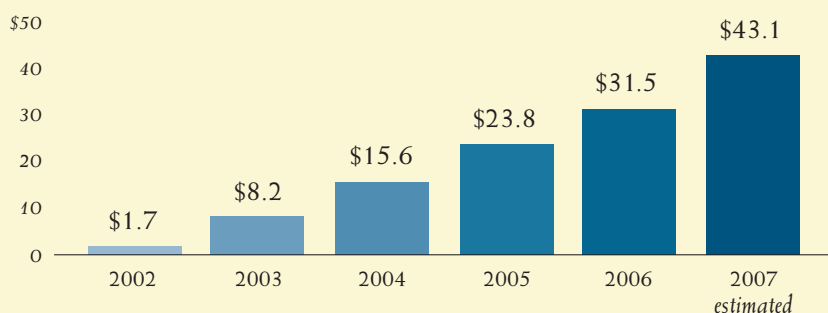
Our facility in marketing provides a distinct competitive advantage: independence from brokers and third parties in generating new business. As a result, J.G. Wentworth realizes higher margins on transactions and can more easily enforce underwriting standards. This latter feature has enabled us to develop some of the highest-quality assets in the specialty finance industry, an investment-grade rating on our securitizations and demand among institutional investors for all of the product we can generate.

J.G. Wentworth's success in marketing requires not so much "ramping up" of operations as constant monitoring, testing and fine-tuning. By changing variables in the marketing mix, we have consistently driven down the cost of new customer acquisition, which in turn boosts returns on invested capital.

Ultimately, our success in marketing relies upon a specialized, skilled origination team. Through training, a "customer first" focus, teamwork and collaboration, J.G. Wentworth account representatives are able to combine determination with the consultative approach required in the retail markets for annuities, structured settlements and life settlements.

We have consistently driven down the cost of new customer acquisition, which in turn boosts returns on invested capital.

Through television, direct mail and print advertisements, we have generated billions of impressions of "Mr. Wentworth," which in turn has enabled us to develop the largest database of structured settlement owners in the world.



TOTAL MARKETING INVESTMENT

\$ millions

Source: J.G. Wentworth

UNDERWRITING & SERVICING

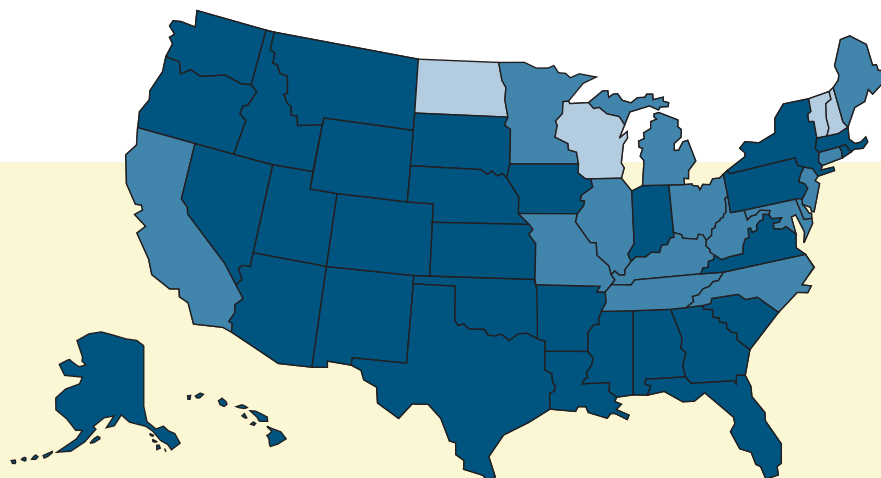
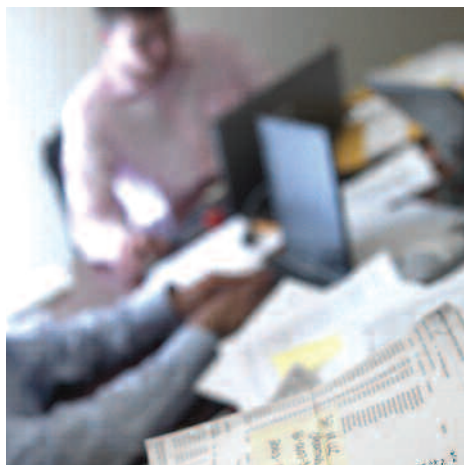
Each week, J.G. Wentworth servicing operations seamlessly processes more than 2,000 transactions and has more than \$1.6 billion of assets under administration.

J.G. Wentworth assets enjoy some of the lowest default rates in the specialty finance industry. While our operations in origination and marketing contribute to this success, we rely upon our underwriting efforts to ensure that each transaction is profitable, and that our interest in each asset we acquire is secure.

This is a challenging proposition since, unlike conventional assets such as stocks or bonds, the ownership rights of structured settlements, life insurance policies and annuities are more complex. We've met the particular underwriting requirements of these assets with highly skilled staffing, security, abundant financial capital and legal and technical resources.

As our business has grown, we've continued to allocate resources to servicing, which enables J.G. Wentworth to meet the exacting standards of our credit insurers, swap provider and the trustee for bondholders. Each week, J.G. Wentworth servicing operations seamlessly processes more than 2,000 transactions and has more than \$1.6 billion of assets under administration.

The contribution of underwriting and servicing to our long-term success is critical. Ultimately, the pricing we enjoy on our own capital as well as the pricing on our securitized pools of deferred payment streams bears a direct relationship to the strength of our underwriting efforts.



LEGISLATIVE GROWTH

- States introducing court order process between 1997 and 2000
- States introducing court order process between 2000 and present
- States without court order process

Source: J.G. Wentworth



FINANCING EXPERTISE

J.G. Wentworth's pioneering role in each of its markets required more than just servicing demand from consumers. We had to create links with the capital markets to grow our businesses from niche opportunities into full-fledged industries.

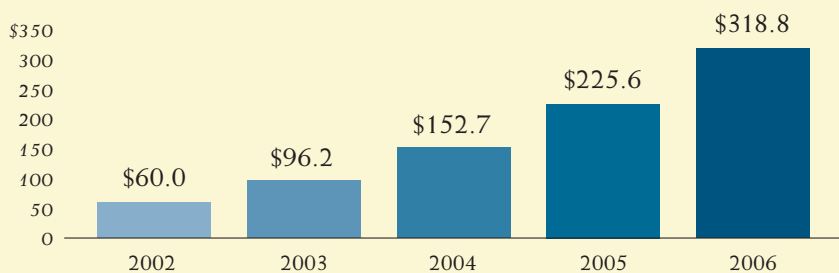
For instance, in the structured settlement business, we attracted billions of dollars of institutional capital to fund the large-scale purchase of structured settlement payments. We also created demand among global institutions for securitized pools of structured settlements backed by annuities. These accomplishments were important milestones which allowed us to establish a link between structured settlements and the capital markets.

Securing the trust of the capital markets requires significant outreach, education, quality underwriting and the deployment of our own capital to demonstrate the performance of structured settlement-backed notes for lenders as well as fixed-income investors.

Testimony to the success of our efforts is not just the participation of institutional investors in the structured settlement marketplace, but their demand for more products and access to the variety of opportunities offered by annuity-backed investments. Warehouse lenders, credit insurers and investment banks have all entered the market, creating an abundance of capital, and enabling us to maintain a leadership position in structured settlements and channel new capital into adjacent markets for life settlements and investment annuities.



Securing the trust of the capital markets required significant outreach, education, quality underwriting and the deployment of our own capital.



ANNUAL SECURITIZATION VOLUME

\$ millions

Source: J.G. Wentworth



IN A VERY SHORT TIME, J.G. Wentworth has transformed the sale of structured settlements into a growth industry and has launched a secondary market for annuities, one of the most successful investment products ever developed. The winners in this story are consumers. As a result of our pioneering efforts, they now have liquidity for assets that historically have been illiquid, and as a result, now enjoy choices they never had before. Despite the skill, expertise and acumen we've brought to our markets, fundamentally, we believe it's the value that consumers realize from our services that places J.G. Wentworth in the very early stages of its long-term growth potential.

The entrance to the J.G. Wentworth headquarters at 40 Morris Avenue in Bryn Mawr, Pennsylvania.





J.G. WENTWORTH

40 MORRIS AVENUE, BRYN MAWR, PA 19010 ▪ 215.567.7660 ▪ JGWENTWORTH.COM

ABOUT THE COVER: A J.G. Wentworth origination representative fields a call from a prospective client. Our robust information technology platform delivers a wide array of critical information that keeps his eyes riveted to the screen in front of him as he listens intently to the caller.