

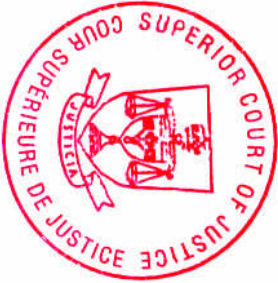
**ONTARIO SUPERIOR COURT OF JUSTICE
- COMMERCIAL LIST**



THE HONOURABLE MR.
JUSTICE R.A. BLAIR

)
)

THURSDAY, THE 9TH DAY
OF AUGUST, 2001



**IN THE MATTER OF
CONFEDERATION LIFE INSURANCE COMPANY**
**AND IN THE MATTER OF THE
INSURANCE COMPANIES ACT, S.C. 1991, AS AMENDED**
**AND IN THE MATTER OF THE
WINDING-UP ACT, R.S.C. 1985, C.W-11, AS AMENDED**

B E T W E E N:

THE ATTORNEY GENERAL OF CANADA

Applicant

- and -

CONFEDERATION LIFE INSURANCE COMPANY

Respondent

ORDER

THIS MOTION, brought by KPMG Inc., the liquidator (the “Liquidator”) of Confederation Life Insurance Company (“Confed”), was heard this day at 393 University Avenue, Toronto, Ontario.

ON READING the Report of the Liquidator dated August 1, 2001 and the Supplementary Report of the Liquidator dated August 8, 2001 (collectively, the “Report”) and

upon hearing the submissions of counsel for the Liquidator and Susan Rowland, as representative counsel (the “Representative Counsel”), no other party appearing,

1. **THIS COURT ORDERS** that the service made of the Notice of Motion and supporting materials filed herein is good and sufficient notice of this motion, that this motion is properly returnable today and that any further service of the Notice of Motion and supporting materials be and the same is hereby dispensed with.

2. **THE COURT ORDERS** that the second supplemental dividend sheet in the form attached hereto as Schedule “A” (the “Second Supplemental Dividend Sheet”) be and it is hereby approved.

3. **THIS COURT ORDERS** that the Liquidator be and it is hereby authorized to make distributions from time to time to the holders of allowed claims set out on the Second Supplemental Dividend Sheet.

4. **THIS COURT ORDERS** that the Liquidator be and it is hereby authorized to amend the first supplemental dividend sheet approved by this Court on November 29, 2000 (the “First Supplemental Dividend Sheet”) to include the claims of the additional retirees described in the Report with the omnibus claim of the retirees of Confed’s Canadian operations (the “Canadian Operations Retirees”) and that that Liquidator be and is hereby authorized to make distributions to the additional Canadian Operations Retirees from time to time.

5. **THIS COURT ORDERS** that the circulation of an additional allowed claims list with respect to the additional Canadian Operations Retirees be and is hereby dispensed with.

6. **THIS COURT ORDERS** that the Allowance Process (as defined in the Report) be and it is hereby amended, *nunc pro tunc*, as it relates to the omnibus claims of the retirees of

Confed's U.S. operations (the "U.S. Operations Retirees") to approve the filing of an omnibus claim by the Representative Counsel and the method of notifying U.S. Operations Retirees of their individual claim amounts as described in the Report.

7. **THIS COURT ORDERS** that the Liquidator be and it is hereby authorized to make future amendments to the First Supplemental Dividend Sheet or the Second Supplemental Dividend Sheet, as the case may be, if further Canadian Operations Retirees or U.S. Operations Retirees are identified, without the necessity of circulating an additional allowed claims list, provided that the Liquidator and the Representative Counsel agree as to the claim amount and the individual retiree accepts such claim amount.



Registrar

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ENTERED AT/INSCRIT À TORONTO
ON/BOOK NO:
LE/DANS LE REGISTRE NO:

AUG 1 0 2001

PER/PAR:



SCHEDULE "A"

IN THE MATTER OF THE LIQUIDATION OF
CONFEDERATION LIFE INSURANCE CO

SECOND SUPPLEMENTAL DIVIDEND SHEET

Claim No.	Creditor	Claim Amount Admitted Cdn Dollars
0005	Beattie Padovano, LLC	26,402.17
0026	Arnold, Gerald C.	30,000.00
0027	Lyn, David	112,370.00
0028	Hagen, Paul	20,000.00
0035	Tingling, Peter	58,333.33
0037	McDermott, Will & Emery	34,421.25
0039	Idaho Life and Health Insurance Guaranty	1,570.04
0043	Commonw. of Massachusetts	333,189.52
0045	Govt. du Quebec	95,447.74
0047	Finlay, Lorna	19,000.00
0049	Lane Powell Spears Lubersky LLP	1,515.96
0054	Wall, Susan J.	18,994.60
0058	Limpright, Daryl	8,406.00
0059	Chu, Ken Chang	10,157.01
0084	Pitts, Jeanne S.	655,248.31
0099	McFarland, Peggy	18,000.00
0130	West Virginia Insurance Commissioner	11,909.45
0131	Ohio Life and Health Insurance	283,024.53
0147	Nebraska Life and Health Insurance	12,913.82
0153	Brownlee Fryett	3,428.86
0158	Cuscianna, Aldo	25,000.00
0159	Luong, Angela	13,680.00
0165	Sue, Grace	6,858.28
0170	Illinois Life & Health Insurance Guaranty Assoc.	666,494.89
0179	Dept. of Commerce & Insurance	171,864.71
0182	DeRush, Tammie	19,000.00
0194	Texas Life, Accident Health & Hospital	86,211.84
0195	Nova Investigations	17,525.73

Claim No.	Creditor	Claim Amount Admitted Cdn Dollars
0197	Dickinson Appraisal & Realty Co.	4,144.80
0198	Kansas Insurance Department	22,652.93
0199	Schwartz, Cooper, Greenberger & Krauss	14,652.17
0200	Pro-Graphics, Inc.	1,784.96
0214	Nadeau, Nicole	10,008.00
0217	Ralph Stone & Company, Inc.	12,572.56
0223	Commonwealth of Kentucky	24,419.78
0233	Matta, Mary A.	16,671.26
0239	Maryland Insurance Administration	248,685.73
0240	Vermont Department of Taxes	10,824.00
0248	Eales, Charlene H.	10,000.00
0255	Florida Department of Revenue	3,017.68
0258	Oregon Insurance Division	2,745.14
0265	Matheson, Roger G.	12,280.00
0272	North Dakota Insurance Department	103
0282	Fortunato, Lucio	32,000.00
0303	Stoel Rives LLP	506.04
0304	Wisconsin Insurance Security Fund	258,689.40
0318	Bank of Montreal	689,050.58
0323	Shank, Georgia	9,272.00
0375	Lantuch, Olga	77,500.00
0378	Carpenter, Fred	150,780.00
0385	Braithwaite, Ruth	8,940.50
0404	Carrothers, Douglas A.	102,703.00
0423	Watson John H.	852,284.96
0458	Distr. of Columbia Life & Health	2,821.23
0460	Pozer, David	128,381.39
0466	Arthurs, Craig A.	156,250.00
0467	Woolridge, Donald A.	693,914.12
0471	Newman, W. Douglas E.	128,235.00
0476	Coates, John	163,667.00
0518	Taylor, Stephen	212,667.00

Claim No.	Creditor	Claim Amount Admitted Cdn Dollars
0526	Cunningham, Roger J.	781,290.00
0530	Fleming, John D.	178,180.58
0531	Heard, John B.	2,030,575.57
0537	Till, Ronald L.W.	674,436.04
0551	Piruzza, Florence	6,000.00
0559	Shah, Banasha	75,467.00
0582	Wortman, Paul	427,486.02
0583	Manulife Financial	297,017.16
0587	Royal Bank of Canada	108,530.10
0595	CIBC World Markets Inc.	422,024.69
0682	Chou, Sue	13,164.90
0712	Di Felice, Sandra	9,734.00
0790	Jeffrey, Neil	19,338.00
1019	Cattle, Joan Catherine	30,399.60
1090	Yassi, Joseph A.	75,000.00
1812	Colford, Elaine	14,093.00
1813	Morgan, Donna C.	112,402.00
1829	Dowe, Ronald	14,407.00
0584	Susan Rowland, Rep 34 U.S. Retirees	7,509,042.81
Total Creditors		<u>\$19,621,780.73</u>

THE ATTORNEY GENERAL OF CANADA
Applicant

and

CONFEDERATION LIFE INSURANCE COMPANY
Respondent

Commercial List Court File No: 97-BK-000543

**ONTARIO SUPERIOR COURT OF
JUSTICE
- COMMERCIAL LIST**

Proceeding commenced at TORONTO

ORDER

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Solicitors for KPMG Inc., the Liquidator of
Confederation Life Insurance Company

Our File No. 94.1219
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