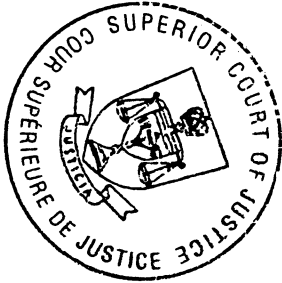


**SUPERIOR COURT OF JUSTICE
- COMMERCIAL LIST**



THE HONOURABLE MR.)
JUSTICE R.A. BLAIR)

TUESDAY, THE 12th DAY
OF NOVEMBER, 2002



**IN THE MATTER OF
CONFEDERATION LIFE INSURANCE COMPANY**

**AND IN THE MATTER OF THE
*SURANCE 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***

BETWEEN:

THE ATTORNEY GENERAL OF CANADA

Applicant

- and -

CONFEDERATION LIFE INSURANCE COMPANY

Respondent

ORDER

THIS MOTION made 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 November 5, 2002 (the “Report”), filed, and upon hearing the submissions of counsel for the Liquidator, of James H. Grout as representative counsel, of counsel for Chase Manhattan Bank and of representative counsel for the holders of the subordinated indebtedness, no other party appearing, although properly served as appears from the proof of service, filed;

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

2. **THIS COURT ORDERS** that the accounts of the Liquidator for the periods April 1, 2002 to June 30, 2002 and July 1, 2002 to September 30, 2002, as reflected in the financial statements of Confed attached to the Report, and the fees and disbursements of the Liquidator, of its counsel, Goodmans LLP, and of the other professional advisors to the Liquidator for that period, be and they are hereby passed and approved as submitted.

3. **THIS COURT ORDERS** that the Liquidator be and it is hereby authorized to make a fifth interim distribution of up to \$50 million to those creditors of Confed whose claims are not subordinated (the "Ordinary Creditors") to bring the total distributions to 100 cents on the dollar, assuming up to \$350 million of Ordinary Creditor claims. The Ordinary Creditors of Confed shall be paid *pro rata* as their claims are admitted to the estate in accordance with the allowance process approved by this Court in accordance with their interests in the estate.


REGISTRAR

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

NOV 14 2002

PER/PAR: 

THE ATTORNEY GENERAL OF CANADA
Applicant

and

CONFEDERATION LIFE INSURANCE COMPANY
Respondent

Commercial List Court File No: 97-BK-000543

SUPERIOR COURT OF JUSTICE
- COMMERCIAL LIST

Proceeding commenced at Toronto

ORDER

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

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