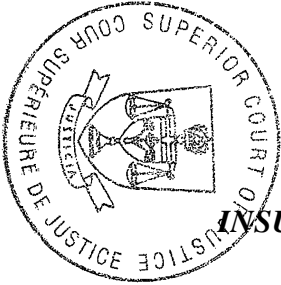


ONTARIO SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE) WEDNESDAY, THE 30TH DAY
)
MR. JUSTICE FARLEY) OF JUNE, 2004



IN THE MATTER OF
RELIANCE INSURANCE COMPANY

AND IN THE MATTER OF THE
INSURANCE COMPANIES ACT, S.C. 1991, C.47, AS AMENDED

AND IN THE MATTER OF THE
WINDING-UP AND RESTRUCTURING ACT, R.S.C. 1985, C.W-1 1, AS AMENDED

BETWEEN:

THE ATTORNEY GENERAL OF CANADA

Applicant

- and -

RELIANCE INSURANCE COMPANY

Respondent

ORDER

THIS MOTION, brought by KPMG Inc., liquidator (the "Liquidator") of the insurance business in Canada of Reliance Insurance Company ("Reliance (Canada)"), was heard this day at 393 University Avenue, Toronto, Ontario.

ON READING the Report of the Liquidator dated June 22, 2004, filed, the Order of this Court dated December 3, 2001 appointing the Liquidator (the "Appointment Order") and the Order of this Court dated December 18, 2003 (the "December 18, 2003 Order"), and on


hearing submissions of counsel for the Liquidator, no other party appearing, although properly served as appears from the proof of service filed:

1. **THIS COURT ORDERS** that service of the Notice of Motion and materials herein is good and sufficient service of this motion, that the motion is properly returnable before this Court and that further service thereof upon any interested party other than those parties served be and is hereby dispensed with.

2. **THIS COURT ORDERS** that paragraphs 8, 9 and 11 of the Appointment Order, as amended by further orders of this Court, are hereby further amended *nunc pro tunc* to extend the date of June 30, 2004 until further order of this Court.


3. **THIS COURT ORDERS** that the December 18, 2003 Order is hereby amended to authorize the Liquidator either to pay claims payable in foreign currencies:

- a) in those foreign currencies in circumstances where the Liquidator is otherwise legally entitled to do so; or
- b) in Canadian currency, converted at the Bank of Canada noon spot rate of exchange for exchanging such currencies to Canadian currency on November 8, 2001.



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

JUN 30 2004

PER/PAR: 

**ONTARIO SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

ORDER

GOODMANS LLP
Barristers & Solicitors
250 Yonge Street
Suite 2400, Box 24
Toronto, Ontario
M5B 2M6

Gale Rubenstein\LSUC # 17088E

Tel: 416-597-4148
Fax: 416-979-1234

Solicitors for KPMG Inc.,
Liquidator of Reliance (Canada)

GOODMANS\5029018.1

**ONTARIO
SUPERIOR COURT OF JUSTICE**

COMMERCIAL LIST

**IN THE MATTER OF
RELIANCE INSURANCE COMPANY**

**AND IN THE MATTER OF THE
*INSURANCE COMPANIES ACT, S.C. 1991, C.47, AS AMENDED***

**AND IN THE MATTER OF THE
*WINDING-UP AND RESTRUCTURING ACT, R.S.C. 1985, C.W-11, AS AMENDED***

B E T W E E N:

THE ATTORNEY GENERAL OF CANADA

Applicant

- and -

RELIANCE INSURANCE COMPANY

Respondent

**ENDORSEMENT OF
THE HONOURABLE MR. JUSTICE FARLEY**

Date: June 30, 2004

Unopposed.

Order to issue as per my fiat.

It would make good sense to avoid having to come back at 6 month intervals if matters merely proceed as they have in the past several years. However if there is a material change, then a report will be circulated. Of course, any interested party will be at liberty to request a court hearing.

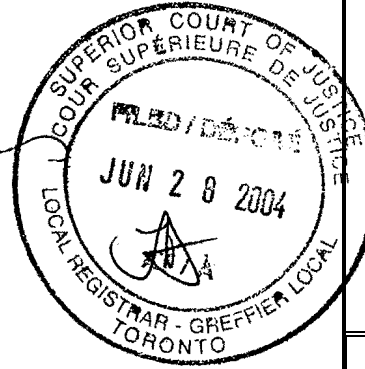
J.M. FARLEY, J

June 30/04

June 30/04.

unopposed. Order to issue a
It would make good sense to avoid having to
come back at 6 month
intervals if matters merely
proceed as they have in the past
several years. However if there
is a material change, then
a report will be circulated.
Of course, any interested
party will be at liberty to
request a court hearing.

[Signature]
FAMU



ONTARIO SUPERIOR COURT OF JUSTICE
- COMMERCIAL LIST

Proceeding commenced at TORONTO

MOTION RECORD
(Returnable June 30, 2004)

GOODMANS LLP
Barristers & Solicitors
250 Yonge Street, Suite 2400
Toronto, Ontario M5B 2M6

Gale Rubenstein (LSUC# 17088E)
Tel: 416-597-4148
Fax: 416-979-1234

Solicitors for KPMG Inc., Liquidator of Reliance
(Canada)

Our File No. 01.6699

GOODMANS\5030091.1