

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OF ARRANGEMENT OF
UNIVERSAL SETTLEMENTS INTERNATIONAL INC.**

Applicant

**SUPPLEMENTAL AFFIDAVIT OF CHRISTOPHER HALAS
(sworn January 20, 2009)**

I, CHRISTOPHER HALAS, of the City of Mississauga, Province of Ontario, MAKE
OATH AND SAY AS FOLLOWS:

1. I am the Vice-President and Secretary of Universal Settlements International Inc. ("USI"); I have been Vice-President since January 2002 and Secretary since January 2007. I have personal knowledge of the matters to which I depose in this Affidavit. Where I do not possess personal knowledge, I have stated the sources of my information and, in all such cases, believe it to be true.

2. On January 16, 2009, I swore an affidavit in support of a motion by USI in these proceedings which is scheduled to be heard by this Court on January 23, 2009.

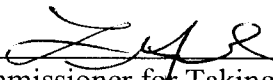
3. It has since come to my attention that the last sentence of paragraph 28 of my affidavit sworn January 16, 2009 should not have been included in that paragraph, as USI's motion does not seek leave to pay any amounts owed by the Duscio Defendants in respect of the arbitration between USI and the Duscio Defendants.

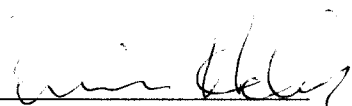
4. Paragraph 28 of my affidavit sworn January 16, 2009 should therefore read as follows:

USI wishes to preserve the litigation, as it believes that it will be successful on the merits and that it will be able to recover some, if not all, of the judgment debt, interest and costs. Such a recovery would be in the interest of USI and its creditors.

5. This supplemental affidavit is sworn in support of USI's Motion for an Order approving for a Claims Procedure Order, authorizing the release of (US)\$210,735 from the Premium Reserve Account and authorizing the payment of \$24,318.24 to Lorne Morphy, Q.C., as set out herein, and for no other or improper purpose.

SWORN BEFORE ME at the City of Burlington, in the Province of Ontario on this 20th day of January, 2009.


Commissioner for Taking Affidavits


CHRISTOPHER HALAS

**Luis Miguel Mendes, a
Commissioner etc., Province of Ontario,
while a student-at-law.
Expires April 5, 2010.**

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OF ARRANGEMENT OF
UNIVERSAL SETTLEMENTS INTERNATIONAL INC.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

SUPPLEMENTAL AFFIDAVIT OF
CHRISTOPHER HALAS
(sworn January 20, 2009)

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