UNIVERSAL INTERNATIONAL SETTLEMENTS™ INC.
5500 north service road,
burlington, ontario canada L7L 6W6
tel. (905) 331-9171 fax. (905) 331-6011
toll free. 1-888-874-4655

December 24, 2015

To: The Creditors of Universal Settlements International Inc.

Re: Notice of Interim Distribution for 2015

The Creditors approved a Plan Amendment at a Creditors' Meeting on November 24, 2014 to permit a sale of all or part of the Policies under the Plan. On March 23, 2015, as Trustee for the beneficiaries of the Plan, Universal Settlements International Inc. ("USI") executed an asset purchase agreement with Vida Capital, Inc. for the sale of all remaining unmatured Policies. On April 9, 2015, USI obtained Court approval of the Asset Purchase Agreement pursuant to an approval and vesting order and the sale of the Purchased Policies to Vida Capital, Inc. closed on April 10, 2015.

The Asset Purchase Agreement requires that USI hold in escrow a percentage of the sale proceeds as a tax reserve pending the resolution of and fulfilling certain tax requirements. USI is currently working to meet the terms of the tax reserve in the Asset Purchase Agreement to Vida Capital, Inc.'s reasonable satisfaction through, among other things, a determination that the trust under the Plan is a bare trust. This will require a court application that is expected to be heard in mid-February, 2016.

While the legal and tax issues necessary to meet the terms of the tax reserve in the Asset Purchase Agreement to Vida Capital, Inc. are being resolved, there are sufficient funds in the trust to make an interim distribution of US$7,400,000 among the Creditors of record as of December 31, 2015, allocated among such Creditors in accordance with the terms and conditions of the Amended Plan of Compromise and Arrangement dated June 16, 2009, as amended by the Plan Amendment dated November 24, 2014. Enclosed with a copy of this letter is a copy of the Notice of the Interim Distribution, which has also been posted on USI's website and the Monitor's website.

The interim distribution funds will be sent to the address in USI's records unless we receive other instructions in writing from you on or prior to February 1, 2016. Please provide any alternative instructions via email to universal.settlements@ca.ey.com.

Sincerely,

Christopher Halas
Vice-President and Secretary

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NOTICE OF INTERIM DISTRIBUTION

Universal Settlements International Inc., as Trustee, hereby makes the amount of US$ 7,400,000 payable as an interim distribution among Creditors of record as of December 31, 2015, allocated among such Creditors in accordance with the terms and conditions of the Amended Plan of Compromise and Arrangement dated June 16, 2009, as amended by the Plan Amendment dated November 24, 2014. Each Creditor's share of the interim distribution, net of any applicable withholding tax, will be sent by cheque to the Creditor's current address on USI's records unless we receive other instructions from you in writing on or prior to February 1, 2016. Creditors should expect to receive their share of the interim distribution in or around March 2016.