Execution Copy

MONITORED ACCOUNT AGREEMENT

AGREEMENT dated as of July 17, 2009 between **UNIVERSAL SETTLEMENTS INTERNATIONAL INC.** (the "**Company**") and **ERNST & YOUNG INC.** (solely in its capacity as monitor of the Company pursuant to the Initial Order and the other orders in the CCAA Proceedings and without personal liability) (the "**Monitor**") witnesses that:

WHEREAS:

A. The Company is in the business of, among other things, purchasing and selling Life Settlements and fractional interests in Life Settlements;

B. On December 2, 2008, the Company initiated the CCAA Proceedings;

C. The Company has filed an amended plan of compromise and arrangement dated June 16, 2009 (as amended, varied or supplemented from time to time, the "**Plan**") with the Court;

D. The relevant creditors of the Company have approved the Plan by the required majorities under the CCAA, and the Court has sanctioned the Plan;

E. The Company and Mills have executed and delivered Declarations of Trust pursuant to which the Company and Mills have declared that they hold certain insurance policies and the proceeds thereof, and certain other amounts, in trust for the beneficiaries of the Plan;

F. As contemplated by the Plan, the Company and the Monitor wish to enter into an agreement with respect to the management by the Company of certain cash and other assets of the Company held pursuant to the Declarations of Trust;

NOW THEREFORE in consideration of the respective covenants of the parties hereto herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto agree as follows:

ARTICLE 1
INTERPRETATION

Section 1.1 Definitions.

Except as otherwise defined in this Section 1.1, all capitalized terms used in this Agreement shall have the meanings given to them in the Plan. In this Agreement, the following terms shall have the following meanings:

"**Bank**" means TD Canada Trust at its 381 King Street, Kitchener, Ontario branch;

"**Borrowing Costs**" means any borrowing costs incurred with respect to Borrowings, including the repayment of such Borrowings, whether such Borrowings were incurred prior to Plan Implementation Date, or subsequent to Plan Implementation Date;

"Borrowing Proceeds" means the proceeds of any Borrowings by the Company;

"Cash on Hand" means the amount of USD$9,468,572.32 and CAD$65,089.87 deposited into the Monitored Trust Account on the Plan Implementation Date in accordance with Section 2.4 of the Plan;

"Declarations of Trust" means the declarations of trust dated as of the Plan Implementation Date executed and delivered by the Company and Mills pursuant to Sections 4.2 and 5.3 of the Plan;

"Monitored Trust Account" is the Monitored Trust Account referred to in the Plan, and means, as applicable, (i) in respect of receipts by the Company in U.S. dollars, the segregated U.S. dollar trust account established and maintained by the Company with the Bank, having the account number 27522-7312639, and (ii) in respect of receipts by the Company in Canadian dollars, the segregated Canadian dollar trust account established and maintained by the Company with the Bank, having the account number 27522-5246267, into which, as applicable, shall be deposited all Cash on Hand, Insurance Proceeds, Litigation Recovery, Released Escrow Funds, TPI Proceeds, Borrowing Proceeds, Sale Proceeds and Tax Refunds and from which disbursements shall be made for Costs and transfers to the Pools pursuant to the Plan and this Agreement;

"Ordinary Creditor Pool Trust Account" means the segregated Canadian dollar trust account to be established and maintained by the Company with the Bank pursuant to the Plan and this Agreement, into which all amounts on account of the Ordinary Creditor Pool shall be transferred from the Monitored Trust Account, to be disbursed pursuant to the Plan and this Agreement;

"Purchaser Pool Trust Account" means the segregated U.S. dollar trust account to be established and maintained by the Company with the Bank pursuant to the Plan and this Agreement, into which all amounts on account of the Purchaser Pool shall be transferred from the Monitored Trust Account to be disbursed pursuant to the Plan and this Agreement;

"Released Escrow Funds" means any portion of the Escrow Fund received by or on behalf of the Company or any Shareholder;

"ROI Pool Trust Account" means the segregated U.S. dollar trust account to be established and maintained by the Company with the Bank pursuant to the Plan and this Agreement, into which all amounts on account of the ROI Pool shall be transferred from the Monitored Trust Account to be disbursed pursuant to the Plan and this Agreement; and

"Trust Accounts" means the Monitored Trust Account, the Ordinary Creditor Pool Trust Account, the Purchaser Pool Trust Account and the ROI Pool Trust Account.

Section 1.2 **Construction.** In this Agreement, unless otherwise stated or the context otherwise requires:

(a) the division of the Agreement into articles and sections and the use of headings are for convenience of reference only and do not affect the construction or interpretation of the Agreement;

(b) the words "hereunder", "hereof" and similar expressions refer to this Agreement and not to any particular article, section or schedule and references to "Articles", "Sections", and "Schedules" are to articles and sections of and schedules to this Agreement;

(c) words importing the singular include the plural and vice versa and words importing any gender include all genders;

(d) the word "including" means "including without limiting the generality of the foregoing";

(e) a reference to any statute is to that statute as now enacted or as the statute may from time to time be amended, re-enacted or replaced and includes any regulation made thereunder;

(f) a reference to any agreement, indenture or other document is to that document as amended, supplemented, restated or replaced from time to time;

(g) references to dollar amounts are to Canadian dollars, unless otherwise indicated;

(h) references to times are to local time in Toronto, Ontario, Canada; and

(i) the recitals to this Agreement shall form an integral part of this Agreement and shall be read and construed as part of this Agreement.

Section 1.3 **Deeming Provisions.** In the Agreement, the deeming provisions are not rebuttable and are conclusive and irrevocable.

Section 1.4 **Date for any Action.** If any date on which any action required to be taken hereunder by a Person is not a Business Day, such action must be taken on the next succeeding day which is a Business Day.

Section 1.5 **Schedules.** The following are the Schedules to this Agreement:

Schedule A Form of Officer's Certificate

Schedule B Monitoring Checklist

ARTICLE 2
TRUST ACCOUNTS

Section 2.1 **Establishment of Trust Accounts**. The Company represents, warrants and covenants to the Monitor that (a) on or before the date hereof, the Company has established the Monitored Trust Account, the funds deposited and to be deposited therein to be held in trust pursuant to the terms of the Declaration of Trust, the Plan and this Agreement; (b) the amount of USD$9,468,572.32 and CAD$65,089.87 has been deposited into the Monitored Trust Account, being all of the Cash on Hand on the Plan Implementation Date; and (c) at the request of the Monitor, the Company shall establish the Ordinary Creditor Pool Trust Account, the Purchaser Pool Trust Account and ROI Pool Trust Account, the funds to be deposited therein to be held in trust pursuant to the terms of the Declaration of Trust, the Plan and this Agreement.

Section 2.2 **Pool Trust Accounts.** Forthwith upon the establishment of any of the Ordinary Creditor Pool Trust Account, the Purchaser Pool Trust Account, and the ROI Pool Trust Account, the Company shall advise the Monitor of the account details for such account.

Section 2.3 **Transfers to Pool Trust Accounts**. The Company agrees that all monies that are transferred to or from any of the Pools pursuant to the Plan shall be transferred to or from, and only to or from, the corresponding Trust Account. That is, all monies to be transferred pursuant to the Plan to or from (a) the Ordinary Creditor Pool, shall be transferred to or from the Ordinary Creditor Pool Trust Account, (b) the Purchaser Pool, shall be transferred to or from the Purchaser Pool Trust Account, and (c) the ROI Pool, shall be transferred to or from the ROI Pool Trust Account.

Section 2.4 **Contributions to Trust Accounts.** The Company covenants and agrees that:

(a) All Insurance Proceeds, Litigation Recovery, Sale Proceeds, Borrowing Proceeds, TPI Proceeds, Tax Refunds and Released Escrow Funds received by or on behalf of the Company shall be deposited forthwith upon receipt into the Monitored Trust Account. Any such amounts received by Mills or any Shareholder shall forthwith upon receipt be paid over by Mills or such Shareholder to the Company to be deposited by the Company into the Monitored Trust Account as provided above.

(b) Any such amounts received in Canadian or U.S. dollars shall be deposited into the applicable Monitored Trust Account. Any such amounts received in any other currency shall be converted into U.S. dollars or Canadian dollars, with the consent of the Monitor, and deposited into the applicable Monitored Trust Account.

(c) The Company shall use its best efforts to maximize GST refunds in respect of input tax credits for GST relating to Costs. All such refunds received after the Initial Order Date shall be deposited to the Monitored Trust Account for disbursement to Creditors under the Plan and this Agreement.

Section 2.5 **Disbursements from Trust Accounts.** Withdrawals, transfers and disbursements of funds out of the Trust Accounts may only be made by the Company in accordance with the Plan and this Agreement.

Section 2.6 **Income**. All income earned in respect of the Trust Accounts shall be available for payment of Costs, and to the extent applicable, distributions to Creditors, as provided herein and in the Plan.

Section 2.7 **Maximizing Receipts.**

(a) The Company agrees to use its best efforts to collect Insurance Proceeds after the Plan Implementation Date, which efforts shall, at a minimum, reflect the same efforts and tenacity as the Company used in collecting Insurance Proceeds before the Plan Implementation Date.

(b) Without limiting Section 2.7(a), the Company shall use its commercially reasonable efforts to reduce Premium load costs by optimizing Premiums paid to Insurers by first setting them off against built up cash value in the Policies and, based upon premium illustrations received from Insurers, by optimizing the amount of Premiums which should be paid, in each case using its commercially reasonable efforts to ensure that there are no overpayments of Premiums.

(c) The Company agrees to use its best efforts to maximize net recoveries of the Litigation Recovery, TPI Proceeds and Tax Refunds.

Section 2.8 **Set Off**. Except as provided herein, the Company shall not be entitled to set off Insurance Proceeds, Litigation Recovery or TPI Proceeds against any Insurance Premium or other obligations of the Company without the prior written approval of the Monitor.

Section 2.9 **Controls**.

(a) The Company shall implement and maintain prudent internal controls with respect to its cash management, including operation of the Trust Accounts and record-keeping and designation of authorized signing officers in connection therewith, as may be satisfactory to the Monitor, acting reasonably.

(b) The Company shall instruct the Bank that any disbursements, withdrawals and transfers from the Trust Accounts (whether by cheque, wire transfer or any other form) shall require authorization from the authorized signing officers of the Company contemplated in Section 2.9(a) and shall provide the Monitor with evidence satisfactory to the Monitor of such instructions on the Plan Implementation Date. Such instructions shall not be revoked or changed without the prior written approval of the Monitor.

(c) The Company shall provide the Bank with a copy of the Court Order approving this Agreement in order to provide notice to the Bank of the oversight of the Trust Accounts provided for herein.

Section 2.10 **Taxes**. In accordance with Section 4.2 of the Plan, payments out of the Trust Accounts on account of any Canadian taxes or withholdings as required by law shall be permitted. The Company shall provide to the Monitor, prior to any distribution, such documentary evidence supporting any non-withholding of taxes, including legal or other professional opinions regarding tax or withholding obligations, as the Monitor may request, acting reasonably.

Section 2.11 **Bank Charges**. Any bank charges imposed by the Bank in respect of the Trust Accounts may be deducted by the Bank from the applicable account.

Section 2.12 **Monitor Review and Approval**. With the exception of the bank charges referred to in Section 2.11 of this Agreement, all disbursements, withdrawals and transfers from any Trust Account (whether by cheque, wire transfer or any other form) shall be subject to the prior review and approval of the Monitor. The Company shall make any request for such approval of the Monitor in writing, at least five Business Days before the relevant payment due date, which request shall be accompanied by all relevant invoices and such additional supporting documentation required hereunder and as the Monitor may require.

Section 2.13 **View Access to Accounts**. The Company shall ensure that the Monitor shall have internet-based view-only access to each Trust Account.

ARTICLE 3
COSTS

Section 3.1 **Reserve for Costs**. Pursuant to Section 4.3 of the Plan, the Reserve for Costs shall be established in the Monitored Trust Account for purposes of ensuring that the Company has sufficient funds on hand to pay for Costs for a two-year period following any transfer of funds from the Monitored Trust Account to the Pools. The amount of the Reserve for Costs may be reset at such time intervals as may be required by the Monitor, based on projections for the two-year period following that time.

Section 3.2 **Conditions on Payment of Costs**. Payment of Costs from the Monitored Trust Account is subject to the conditions set out in Section 4.2 of the Plan. When requesting the Monitor's authorization for the payment of any Costs, the Company shall provide an officer's certificate from the Company in the form attached as Schedule A, confirming that the Costs are due and payable, that such Costs are a permitted disbursement for Costs pursuant to the Plan and that there are sufficient funds in the Monitored Trust Account to make such payments, along with invoices and such other supporting documentation as the Monitor may require.

Section 3.3 **Professional Retainers**. The retainers held by the Monitor, counsel to the Monitor, and counsel to the Company that were established pursuant to the Initial Order shall continue to be held by them subsequent to Plan Implementation until such time as their services are no longer required in connection with the Plan or the CCAA Proceedings, at which time the balance of any such retainers returned to the Company shall be deposited by the Company into the Monitored Trust Account for payment of Costs and distributions pursuant to the Plan and this Agreement.

Section 3.4 **Payment of Legal Fees and Disbursements**. As provided in the Plan, and subject to the limitations therein, the Company may request that the Litigation Contribution be used to pay the Company's legal fees and disbursements in the Actions. The Monitor shall not be obliged to consider the reasonableness of the request for payment of such legal fees and disbursements.

Section 3.5 **Professional Costs**. In Section 2.6(b) of the Plan, the reference to "the legal advisors to the Applicant" means Ogilvy Renault LLP, Rueter Scargall Bennett LLP, and Dr. Isabelle Dessulemoustier-Bovekercke (European counsel to the Company). In addition, the Company agrees that the intention of Section 2.6(b) of the Plan was and is that fees and disbursements, if any, incurred by the Monitor and its counsel with respect to the Actions shall constitute Professional Costs.

ARTICLE 4
DISTRIBUTIONS TO CREDITORS

Section 4.1 **Conditions to Distributions**. Payment of Distributions to Creditors in accordance with the Plan shall be subject to receipt of any clearance certificates, withholding of amounts on account of withholding or other taxes payable or any other legal or regulatory pre-condition to payment as may be determined by the Monitor, acting reasonably.

Section 4.2 **Third Party Services**. With the prior written consent of the Monitor, the Company may retain a third party service provider at arm's length to the Company in order to assist the Company in making payments from the Purchaser Pool Trust Account and ROI Pool Trust Account to Purchasers pursuant to the Plan and this Agreement. In such case, any payments due to Purchasers may be transferred from the applicable Trust Account to such third party to be distributed by such third party to Purchasers in accordance with the Plan, subject to the Monitor being satisfied as to the controls established by the Company and/or the third party service provider in respect of the transfer and distribution of such funds.

Section 4.3 **Locating Creditors**. The Company agrees that it will make reasonable efforts to locate any Creditor for which the Company does not have a current address, provided however that nothing in this Agreement shall require the Company or the Monitor to locate any such Creditor.

ARTICLE 5
REPORTING

Section 5.1 **Reporting as at the Plan Implementation Date**. The Company shall on the Plan Implementation Date deliver to the Monitor confirmation from the Bank that the Cash on Hand has been deposited into the Monitored Trust Account.

Section 5.2 **Reports and Compliance Requirements**. The Company shall provide to the Monitor each of the deliverables described in the Monitoring Checklist attached as Schedule B hereto, on or before the date prescribed for the deliverable set out therein.

Section 5.3 **Other Information**. Without limiting Section 5.1 of the Plan, the Company shall provide the Monitor with full and complete access to the books and records of the Company and Mills for the purposes of supervision and monitoring of the Trust Accounts and compliance with this Agreement and the Plan.

ARTICLE 6
TERM AND TERMINATION

Section 6.1 **Term**. This Agreement shall come into effect at the Effective Time and shall terminate on the earlier of: (a) the date so specified by Court Order, (b) except as otherwise directed by the Court, the date of the discharge of the Monitor from its appointment pursuant to the CCAA in respect of the Company, (c) such time as the Monitor may determine in its discretion that (i) Creditors have received their maximum entitlement pursuant to the Plan, or (ii) further Distributions to Creditors under the Plan and this Agreement are unlikely, as set out in written notice to the Company to that effect, and (d) except as otherwise directed by the Court, termination of the Plan pursuant to an Order of the Court.

Section 6.2 **Events of Default**. The Company agrees that any default under this Agreement shall constitute a default under the Plan. The provisions of Section 4.14 of the Plan shall also apply to a default by the Company under this Agreement.

ARTICLE 7
GENERAL

Section 7.1 **Assignment**. This Agreement is binding upon each of parties hereto and their respective successors and assigns, and shall enure to the benefit of each of the parties and their respective successors and permitted assigns. This Agreement shall not be assignable by the Company or Mills without the prior written consent of the Monitor.

Section 7.2 **Amendments**. This Agreement may not be amended unless the amendment is in writing and signed by all parties hereto.

Section 7.3 **Waiver**. A waiver by the Monitor of any default by the Company under this Agreement is not effective unless in writing and signed by the Monitor. No waiver shall be inferred from or implied by any failure to act or delay in acting by the Monitor in respect of any default by the Company, or by anything done or omitted to be done by either of them. The waiver by the Monitor of any default by the Company under this Agreement shall not operate as a waiver of the Monitor's rights under this Agreement, the Plan or the CCAA in respect of any continuing or subsequent default by the Company or Mills (either of the same or any other nature).

Section 7.4 **Further Assurances**. The Company shall forthwith, and from time to time, execute and do all deeds, documents and things which may be necessary or advisable, in the opinion of the Monitor, to give full effect to the provisions set out in this Agreement.

Section 7.5 **Severability**. If any provision hereof is held to be illegal, invalid, or unenforceable in any jurisdiction, such provision shall be deemed to be severed from the remainder of this Agreement with respect only to such jurisdiction and the remaining provisions of this Agreement shall not be affected thereby and shall continue in full force and effect.

Section 7.6 **Notices**. Any notice or other communication to be delivered or filed hereunder must be in writing and reference this Agreement and shall be given in accordance with Section 7.9 of the Plan. In addition, any notice or other communication to be delivered hereunder or under the Plan, if addressed to the Monitor, shall be copied to its counsel as follows:

Blake, Cassels & Graydon LLP
199 Bay Street, Suite 2800
Commerce Court West
Toronto, Ontario M5L 1A9

Attention: Katherine McEachern
Fax No.: (416) 863 2653
Email: katherine.mceachern@blakes.com

Section 7.7 **Entire Agreement**. This Agreement, together with the Plan, constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes any prior agreement or understanding among them with respect to such subject matter.

Section 7.8 **Plan Terms to Govern**. The terms of this Agreement may supplement or clarify certain terms of the Plan, but are not intended to supersede the provisions of the Plan. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan shall govern to the extent of any such inconsistency.

Section 7.9 **Time of the Essence**. Time shall be of the essence of this Agreement.

Section 7.10 **Governing Laws**. The validity, interpretation and enforcement of this Agreement and any dispute arising out of the relationship between the parties hereto, whether in contract, tort, equity or otherwise, shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.

Section 7.11 **Submission to Jurisdiction**. The parties hereto irrevocably consent and submit to the non-exclusive jurisdiction of the Court and waive any objection based on venue or *forum non conveniens* with respect to any action instituted therein arising under this Agreement or in any way connected with or related or incidental to the dealings of the parties herein in respect of this Agreement or the transactions related hereto, in each case whether now existing or hereafter arising, and whether in contract, tort, equity or otherwise, and agree that any dispute with respect to any such matters shall be heard only in the Court.

Section 7.12 **Counterparts**. This Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument and shall be effective as of the formal date hereof.

Section 7.13 **Role of Monitor**. Ernst & Young Inc. has entered into this Agreement solely in its capacity as Monitor and not in its personal capacity, and not in any capacity as trustee, and notwithstanding any other provision of this Agreement and without limitation to the foregoing:

(a) in connection with this Agreement and otherwise, the Monitor has the full benefit of the rights and protections afforded to it pursuant to the Plan, the CCAA, pursuant to all orders made in the CCAA Proceedings and as an officer of the court (including without limitation, Sections 5.1 and 5.2 of the Plan) and to the extent that any provision of this Agreement is inconsistent with those rights and protections or purports to require the Monitor to do any act or thing that is inconsistent with the Plan, the CCAA or any order made in the CCAA Proceedings, or with any the duty or obligation of the Monitor thereunder, such provision will be of no force or effect;

(b) the Monitor is not responsible or liable for any obligations of the Company, and without limitation to the foregoing, the Monitor is not guaranteeing or otherwise ensuring that the Company complies with this Agreement or any of its obligations to the Creditors and holders of Unaffected Claims;

(c) the Monitor is not responsible or liable for the management or control of the business of the Company;

(d) the Monitor will have no obligation to do any act or thing under or in connection with this Agreement if, at the relevant time, any amount owing to it or its counsel remains unpaid or if in the Monitor's opinion there are or will be insufficient funds to pay in full any unbilled amounts then accrued or any amounts that would be incurred in doing such act or thing;

(e) the Monitor may, if acting in good faith, rely and act upon any notice or other communication given to it by the Company or Mills and the truth and accuracy of any statements, reports and other information provided to it in connection with this Agreement and without limitation to the foregoing, when conducting any review contemplated by this Agreement, the Monitor will not be performing an audit of such information;

(f) nothing in this Agreement is intended to impose any duty or obligation on the Monitor, whose duties and obligations in respect of the Company and Creditors of the Company shall be governed by the Plan, the CCAA and all Orders made by the Court in the CCAA Proceedings;

(g) the Monitor, in its discretion, may at any time report to the Court or seek direction from the Court with respect to any issue arising in connection with this Agreement, the Plan, or otherwise; and

(h) except as expressly provided herein or in the Plan, any approval, consent or other exercise of right or discretion by the Monitor contemplated hereunder or under the Plan may be exercised, withheld or conditioned, as the Monitor may determine in its sole and absolute discretion.

IN WITNESS WHEREOF the parties hereto have executed this Agreement under the hands of their duly authorized officers.

UNIVERSAL SETTLEMENTS INTERNATIONAL INC.

By: ______________________

Title: President

ERNST & YOUNG INC. (solely in its capacity as Monitor of Universal Settlements International Inc., and not in its personal capacity)

By: ______________________

Title: Senior Vice President

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned are hereby executing this Agreement for the purposes of acknowledging their obligations under Section 2.4 of this Agreement, and shall be bound by that Section 2.4, as well as Article 7 in its entirety, as if they were a party hereto.

THE BROKERWISE GROUP INC.

By: ______________________

Title: President

1508211 ONTARIO INC.

By: ______________________

Title: Vice President

MILLS, POTOCZAK & COMPANY

By: William M Potoczak

Title: President

SCHEDULE A

(Form of Officer's Certificate)

OFFICER'S CERTIFICATE

TO: **ERNST & YOUNG INC.** (solely in its capacity as Monitor of Universal Settlements International Inc.) (the "**Monitor**")

RE: **Request for Payment of Costs**

The undersigned, **[insert name]**, the **[insert Officer position]** of Universal Settlements International Inc. (the "**Company**"), hereby certifies on behalf of the Company, and not in a personal capacity, as follows:

1. This Certificate is delivered pursuant to Section 3.2 of the Monitored Account Agreement (the "**Monitored Account Agreement**") dated as of July 15, 2009 between the Company and the Monitor. Initially capitalized terms used but not defined in this Certificate shall have the respective meanings given to them in the Monitored Account Agreement.

2. The Costs identified in Schedule "A" to this Certificate are due and payable, and are a permitted disbursement for Costs pursuant to the Plan.

3. Attached to this Certificate are true and complete copies of all invoices in respect of such Costs.

4. There are sufficient funds in the Monitored Trust Account to make such payments.

DATED: **[insert date of Certificate]** July 21/2009

Name: Jeffry Paros
Title: President

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DOCSTOR: 1722375\7

SCHEDULE B

Universal Settlements International Inc.
Post - Plan Implementation Monitoring Checklist

Description of USI Responsibilities	Deliverable	Frequency
Monitored Trust Accounts' Receipts:		
1. **General** a. Booking receipts in general ledger on cash basis.	- Detailed general ledger including descriptions of receipts	- Monthly
2. **Insurance Proceeds (incl. USII Trust a.k.a. Pillo Trust)**		
a. Social security number and obituary database tracking for all open policies (including USII Trust policies)	- Tracking printout from website for each policy showing result of search - Tracking sheet summarizing search results	- Monthly
b. Apply for verifications of coverage ("VOC") from Insurance companies, including Page and group policies through legal owners	- Copy of VOC from each insurance company with open claim	- Annually
	- VOC tracking sheet	- Monthly
	- Copy of annual statement from insurers	- Annually
c. Processing maturity claims	- Copy of death certificate, claim application and any other documents sent to insurance companies when filing a claim.	- Upon filing of claim
	- Copy of response received from the insurance company with regards to the claim, including copy of cheque.	- Upon receipt by USI
d. Collection of medical information and life expectancy reports	- Medical Information and life expectancy reports obtained by USI	- Upon receipt by USI
	- Tracking schedule of medical information and life	- Monthly

	expectancy reports needed and by when	
3. **Annuities** a. Confirmation of annuities received	– Schedule of annuities tracking receipts – Copy of cheque received or wire confirmation	– Monthly – Upon receipt by USI
4. **Litigation recovery** a. Administer the Actions (as defined in the Amended Plan)	– Report from USI and its legal counsel with regards to each Action including prospects of recovery – Report from Litigation committee	– At a minimum Quarterly, and as significant developments occur, in writing – Semi-annually
5. **Escrow funds** a. Administer the legal process for the release of the escrow funds	– Reconciliation of escrow funds, including balance in escrow, accrued interest and prospects of recovery of $290,000 loaned to Tony Duscio	– Quarterly report in writing and as significant developments occur
6. **Investment income** a. Deposit investment income into Monitored Trust Accounts b. Invest excess funds in a Canadian investment guaranteed by the Canadian Federal government, purchased through a Canadian chartered bank	– Provide Monitor with copy of account agreement and assign account with appropriate name (i.e. Monitored Trust Account) – Provide investment options to the Monitor after consulting with chartered bank	– At commencement of use of the account – Assessed quarterly and investments made following approval by the Monitor in writing

Monitored Trust Accounts' Disbursements		
1. **General** a. Booking disbursements in general ledger on a cash basis b. Prepare certificate of costs in form attached to Monitored Account Agreement	- Detailed general ledger, including description of disbursements - Copy of completed and signed certificate	- Monthly - Upon request for payment of any disbursement from the Monitored Trust Account
2. **Premiums** a. Track when premiums must be funded b. Establish premium payment optimization strategy for each policy c. Track remaining cash value in each policy that is available for set off against premiums d. Obtain premium waivers or re-instate premium payments previously waived	- Prepare premium tracking sheet - Obtain premium illustrations from all insurers and develop optimization strategy - Schedule tracking remaining cash value available for set off - Provide Monitor with schedule indicating when premium waivers must be renewed and proof of USI's efforts to obtain information from the insured for its renewal, if possible	- Monthly at least 30 days prior to premium due date - To be completed by September 30/09 and re-assessed annually on September 30 - Monthly - Monthly
3. **Professional Costs** (as defined in the Amended Plan) a. Restrict professional services to those included under the definition of Professional Costs in the Amended Plan. Any new service providers must meet this definition and be pre-approved by the Monitor. Currently, the professionals defined under Professional Costs who may be paid from the Monitored Trust	- Copies of invoices	- Monthly

Account are: - Ernst & Young Inc. as Monitor - Blakes Cassels Graydon LLP as Monitor's legal counsel - Reuter Scargall Bennett LLP as USI counsel for CCAA matters - Ogilvy Renault LLP as USI counsel for CCAA matters - USI counsel in Europe for work in liquidating USI Europe		
4. Litigation Contribution a. Review and track invoices received from USI legal counsels with regards to Actions (as defined in the Amended Plan) against the US $500,000 and the Escrow Funds paid to the Monitored Trust Account in S. 1.1 of the Amended Plan	- Schedule which compiles legal fees paid against Litigation Contribution ($Cdn payments are translated to $US at the noon spot rate on the day the payment is issued)	- Monthly
5. Administrative Fees a. Prepare internal invoice in advance of each month for Administration Fee	- Copies of internal monthly invoices for Monitor pre-approval	- Monthly in advance
6. Mills fees a. Review and approve Mills' fees	- Copies of Mills invoices for Monitor approval	- Monthly in arrears
7. Borrowing costs a. Verification of loan amounts	- Verify available loan amounts in VOCs	- Annually
b. Repayment of borrowings	- Copies of loan statements from insurers indicating amounts outstanding and proof of repayments (i.e. copy of cheque)	- Upon receipts of statements and repayments made
8. Unaffected Claims a. Post filing goods and services for	- Copies of invoices or other	- Monthly

period up to Plan Implementation b. Professional Advisors (see # 3 above) c. Secured Creditors (if any) d. Insured Claims (if any) e. Claims of the Crown (source deductions)	supporting documentation - Copies of invoices or other supporting documentation - Copies of invoices or other supporting documentation - Copies of invoices or other supporting documentation - Copies of invoices or other supporting documentation	 - Monthly - Monthly - Monthly - Monthly
Other		
1. **Taxes / Regulators** a. File all USI tax returns and information slips (i.e. source deductions, GST, federal/provincial income tax) b. Comply with all securities regulations which govern USI and make all necessary filings with the regulators, as required	 - Provide the Monitor copies of all filed tax returns and assessments/ statements of account received from the tax authorities - Copies of all correspondence received from regulators or filings/applications made with regulators	 - As filed with government authority or statement indicating there are none - Monthly or statement indicating there are none
2. **Prepare statement of receipts and disbursement**	- Statement of receipts and disbursements beginning on Plan Implementation for each Monitored Trust Account	- Monthly
3. **Prepare bank account reconciliations**	- Bank account reconciliations for each Monitored Trust Account	- Monthly (5 business days from month end)
4. **Gather correspondence** from: - Purchasers: re: claims, issues, concerns - Ordinary Creditors: re: claims, issues, concerns - Insurance Companies: all - Insureds: all	- Copies of all correspondence	- As received by USI

5. **Obtain opinion as to whether taxes must be withheld from distributions, or obtain other assurances satisfactory to the Monitor, acting reasonably, prior to the release of any distributions**	- Opinion letter from qualified and recognized tax specialist	- Prior to preparation for issuance of first distribution
6. **Prepare two year cash flow projection**	- Cash flow projection for following 2 years - Variance analysis comparing 2 year projection to projection filed with Court ("Monte Carlo Model") for same period	- Quarterly beginning September 30, 2009 - Quarterly
7. **Following distributions, work with Agents to locate Purchasers who have not deposited their cheques**	- List of outstanding cheques attached to bank reconciliations which include description of efforts to locate Purchasers	- Monthly with bank reconciliations
8. **Maintain internal controls with regards to the Monitored Trust Accounts**	- Provide in writing description of internal controls in place	- By end of July '09 and annually thereafter