

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

In the matter of a Claim under the  
*Class Proceedings Act, 1992, S.O. 1992, c. 6*

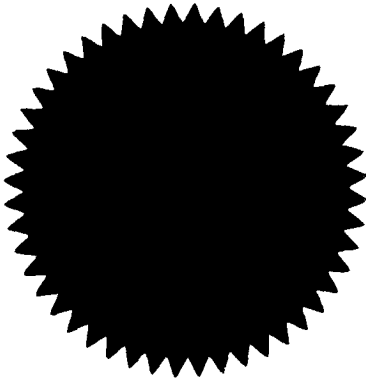
THE HONOURABLE

DATED THIS 18th DAY OF

MR. JUSTICE CUMMING

OCTOBER, 2001

BETWEEN:



DIRECTRIGHT CARTAGE LTD. PLAINTIFF(S)

and

LONDON LIFE INSURANCE COMPANY  
DEFENDANT(S)

**ORDER**

THIS MOTION, made by the Plaintiff for an Order for approval of a settlement and that the within action be certified as a Class Action, as set out in the Notice of Motion filed herein, was heard on September 28, 2001, with further materials submitted thereafter, at Toronto.

ON READING THE Motion Record of the Plaintiff including the Affidavit of Jeffrey C. Teal, sworn September 13, 2001 and Exhibits thereto, the Affidavit of David Huff, sworn August 20, 2001 and Exhibits thereto, and the Affidavit of Paul Enright, sworn September 13, 2001 and Exhibits thereto; the Supplementary Motion Record of the Plaintiff including the Affidavit of David Huff, sworn September 24, 2001; the Second

Supplementary Motion Record of the Plaintiff including the Affidavit of Jeffrey C. Teal, sworn September 27, 2001 and Exhibits thereto and the Affidavit of Paul Enright, sworn September 27, 2001; the Factum and Brief of Authorities of the Plaintiff; the Brief of Materials Re: Legal Fees and Expenses of the Plaintiff; the Factum and Written Submissions of the Defendant; the Notices of Objection and supporting materials filed by all Objectors; the Supplementary Submissions of Objectors; Responding Submissions of the Plaintiff and the Defendant and Reply Submissions of Objectors; all materials having been filed; and on hearing the submissions of counsel for the Plaintiff, counsel for the Defendant, counsel for the Objector, Dianna Holmes, and upon hearing submissions from various objectors and upon hearing the evidence of David Huff, sworn,

IN ACCORDANCE WITH Reasons for Decision dated October 18, 2001,

1. THIS COURT ORDERS that for the purposes of the settlement, as set out in the Settlement Agreement attached as Schedule A (“the Settlement Agreement”), the within action is certified as a Class Proceeding pursuant to the *Class Proceedings Act, 1992*, S.O. 1992, c. 6.
2. THIS COURT ORDERS that, unless otherwise specified, all terms in this Order shall have the meanings set forth in the Settlement Agreement.
3. THIS COURT ORDERS that, as set out in the Settlement Agreement, the group of persons who are members of the Ontario Class be:

“...all Class Members who are not members of the British Columbia Class or the

Quebec Class”.

“Class Member” means

any Owner or Former Owner of a Class Policy, provided that a Class Member who exercises the right to opt out of this Agreement as provided in either Article 5.1 or 5.2 ceases to be a Class Member.”

“Class Policy” means

any participating life insurance policy other than the Equity Series as set out in Appendix B, which was issued by London Life in Canada between January 1, 1980 and December 31, 1995 and any Econolife Policy, which is in force as of the Court Approval Date (a “Current Class Policy”) or which has become a Lapsed or Surrendered Policy between January 1, 1992 and the Court Approval Date (a “Lapsed or Surrendered Class Policy”), but does not include those policies in respect of which Owners or Former Owners have released London Life from claims relating to Premium Offset or to any Acquisition of those policies, or those Owners or Former Owners who opt out of this Agreement as provided in either Article 5.1 or 5.2. For greater certainty, policies issued by The Prudential Insurance Company of America in Canada and assumed by London Life in 1996 are not Class Policies.”

“British Columbia Class” means “all Class Members who are resident in British Columbia on the Court Approval Date.”

“Quebec Class” means “all Class Members who are resident in Quebec on the Court Approval Date, or who purchased Class Policies in Quebec and are resident outside Ontario or British Columbia on the Court Approval Date.”

4. THIS COURT ORDERS that the claims asserted on behalf of the Class are for breach of contract, negligent misrepresentation and other breach of duty, and the relief sought is damages, interest, costs, injunctive and other relief as set out in the pleadings.
5. THIS COURT ORDERS that the within proceeding is certified as a Class Proceeding on the basis of the following common issue:

“Did the use of illustrations and/or any representations made orally or in writing create an obligation on the part of London Life with respect to a specified offset date, policy values or income despite the terms of the policy itself and the terms

- of any illustration?"
6. THIS COURT ORDERS that Directright Cartage Ltd. be appointed as Representative Plaintiff for the Ontario Class in the within Class Proceeding.
  7. THIS COURT DECLARES that the Settlement Agreement is reasonable, fair, adequate and in the best interests of the Ontario Class.
  8. THIS COURT ORDERS that the Settlement Agreement is approved, and the terms of the Settlement Agreement are incorporated into this Order.
  9. THIS COURT ORDERS that the opt-out period run for a period of 60 days as provided in the Settlement Agreement.
  10. THIS COURT ORDERS that any Class Member who does not opt out within the time provided and in the manner described in the Settlement Agreement is bound by the Settlement Agreement and this Order and is hereby enjoined from pursuing any claim covered by the Settlement Agreement against the Defendant.
  11. THIS COURT ORDERS that, subject to the terms of the Settlement Agreement, this Order constitutes:
    - (a) the full and final resolution and release of all claims and causes of action that have or could have been raised by any Class Member or the Class Member's Personal Representative in this action.
    - (b) a full and final release by all Class Members and the Class Members'

Personal Representatives of London Life and each of its past, present and future London Life Representatives and employees, directors, officers, agents and independent contractors (the “Releasees”) from any and all liability or damages for representations, omissions or other conduct by any of the Releasees that occurred during or in connection with any Acquisition of any Class Policy, or, except as provided in Article 6.4 of the Settlement Agreement, in connection with the offering of Global or Enhanced Benefits or the Individual Claims Review Process, or any other benefits or remedies pursuant to the Settlement Agreement; and

- (c) a covenant by all Class Members and the Class Members’ Personal Representatives not to make any claim or commence or maintain any action or proceeding against any third party including any person or corporation or the Crown arising from or in connection with any representations, omissions or other conduct by any of the Releasees that occurred during or in connection with any Acquisition of any Class Policy, or in connection with the offering of Global or Enhanced Benefits or the Individual Claims Review Process, or any other benefits or remedies pursuant to the Settlement Agreement, in which any claim could arise against the Releasees, or any of them, for contribution, or indemnity, or any other relief over.

12. THIS COURT ORDERS that Class Counsel’s legal fees and expenses are approved, to be paid in accordance with Article 14 of the Agreement and this Court’s reasons for decision.

ENTERED AT HAMILTON in Book No. 138

as Document No.368

on January 16, 2002  
by DP