

IN THE MATTER OF  
THE SECURITIES LEGISLATION  
OF ALBERTA, SASKATCHEWAN, ONTARIO, QUÉBEC,  
NOVA SCOTIA AND NEWFOUNDLAND AND LABRADOR

AND

IN THE MATTER OF  
THE MUTUAL RELIANCE REVIEW SYSTEM  
FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF  
CROWN LIFE INSURANCE COMPANY

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the “Decision Maker”) in each of Alberta, Saskatchewan, Ontario, Québec, Nova Scotia and Newfoundland and Labrador (the “Jurisdictions”) has received an application from Crown Life Insurance Company (the “Issuer”) for a decision under the securities legislation of the Jurisdictions (the “Legislation”) that the Issuer be deemed to have ceased to be a reporting issuer under the Legislation;

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the “System”), the Saskatchewan Securities Commission is the principal regulator for the application;

AND WHEREAS the Issuer has represented to the Decision Makers that:

1. The Issuer is an insurance company existing under the federal laws of Canada with its head office in Regina, Saskatchewan;
2. The authorized capital of the Issuer consists of an unlimited number of common shares (the “Common Shares”), an unlimited number of Class I Preferred Shares issuable in series, an unlimited number of Second Preferred Shares issuable in series and one Fifth Preferred Share;
3. As at January 29, 2002, an aggregate of 3,201,194 Common Shares were issued and outstanding and held by HARO Financial Corporation (“HARO”) and by 159524 Canada Inc.,

a wholly-owned subsidiary of Extendicare Inc. (collectively, “Extendicare”), and one Fifth Preferred Share of the Issuer was issued and outstanding and held by HARO;

4. The Issuer is a reporting issuer in each of the Jurisdictions and, to the best of its knowledge, is not in default of any of the reporting requirements under the Legislation;
5. On January 12, 2001, the Issuer completed a series of transactions, including a compulsory acquisition in accordance with the provisions of the *Insurance Companies Act* (Canada), which resulted in HARO and Extendicare being the sole holders of Common Shares (the “Initial Transaction”). The Common Shares were delisted from The Toronto Stock Exchange (the “TSE”) on January 15, 2001;
6. On October 29, 2001, the Issuer announced its intention to redeem all of the then outstanding 3,652,599 Class I Preferred Shares, Series A (the “Series A Shares”) in accordance with the attributes of such shares (the “Redemption”), and on November 14, 2001, the Issuer fixed the date for Redemption as December 20, 2001;
7. On December 20, 2001, all of the 3,652,599 issued and outstanding Series A Shares were redeemed by the Issuer pursuant to the Redemption and the Series A Shares were delisted from the TSE;
8. As a result of the Initial Transaction and the Redemption, HARO and Extendicare are the only security holders of the Issuer and there are no securities, including debt securities, of the Issuer issued and outstanding other than those described above; and
9. No securities of the Issuer are listed on any exchange in Canada or elsewhere and the Issuer does not intend to seek public financing by way of an offering of securities;

AND WHEREAS under the System this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the “Decision”);

AND WHEREAS each Decision Maker is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers under the Legislation is that the Issuer is deemed to have ceased to be a reporting issuer under the Legislation.

DATED February 13, 2002.

“*Barbara Shourounis*”

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Barbara Shourounis  
Director