

**UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF OREGON**

In re:

SOCIETY OF JESUS, OREGON PROVINCE,  
  
Debtor.

Case No. 09-30938-elp11

**DECLARATION OF EDWARD M.  
ZAWITOSKI**

I, Edward M. Zawitoski, pursuant to 28 U.S.C. § 1746, declare:

1. As a duly authorized signatory for Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., American Equity Insurance Company, Travelers Indemnity Company of Illinois, and Travelers Indemnity Company of Connecticut (collectively, "Travelers"), I signed the Settlement Agreement, Release, and Policy Buyback (the "Travelers Settlement Agreement"). The Travelers Settlement Agreement is a Plan Supplement and is attached as Exhibit 1.145(e) to, and is incorporated in, the Second Modified Joint Plan of Reorganization (dated June 30, 2011) (the "Plan").
2. Travelers would not have agreed to pay the \$1.4 million Settlement Amount under the Travelers Settlement Agreement unless it received the terms bargained for and memorialized in the Travelers Settlement Agreement, which include, without limitation, the Approval Order (defined and referenced in Sections 1.1.2, 3.1, 3.4, 5.2, 5.3 and 8.3 of the Travelers Settlement Agreement), Plan Confirmation Order (defined and referenced in Sections 1.1.20, 2.3, 3.1, 3.5, 5.2, and 8.3 of the Travelers Settlement Agreement), the right to terminate

the Travelers Settlement Agreement if the Bankruptcy Court converts the proceeding to one under Chapter 7 prior to the entry of a Plan Confirmation Order (Section 4.1 of the Travelers Settlement Agreement), releases and sale free and clear (Sections 5 of the Travelers Settlement Agreement), and the Findings of Fact, Conclusions of Law, and Supplemental Injunction (defined in Section 1.1.30 of the Travelers Settlement Agreement) set forth in Exhibit 1 to the Travelers Settlement Agreement.

3. Under the Travelers Settlement Agreement, the Supplemental Injunction and Channeling Injunction that protect Travelers are required to be part of the Plan Confirmation Order that confirms the Plan. (See Section 1.1.20 of the Travelers Settlement Agreement.) These injunctions must protect Travelers against "past, present or future" claims and demands. (See Section 1.1.6 of the Travelers Settlement Agreement.) Under Section 3.5 of the Travelers Settlement Agreement, SJOP must "seek and obtain entry of a Plan Confirmation Order, which Order must be in all respects consistent with this Agreement and contain no provisions that diminish or impair the benefit of this Agreement to Travelers."

4. Paragraph O of the Approval Order, which is Exhibit 1 to the Travelers Settlement Agreement provides:

In the event that the Court approves a plan of reorganization for SJOP that is consistent with the Agreement, such plan shall provide that the Trust is bound by the Agreement, will include the Supplemental Injunction, will provide for the relief specified in Section 3.4 of the Agreement, and will provide for the use of the Settlement Amount as specified in Section 6.4 of the Agreement. In addition, any injunction in such plan that channels Tort Claims to the Trust will include Travelers as a thirty party entitled to its benefits and protections.

5. Paragraph 8 of the Approval Order provides in pertinent part:

Notice of the Agreement and Motion is sufficient to bind, with respect to the relief ordered herein, all known and unknown creditors and claimants, including the Future Claimants Representative and all persons whose interests he represents, and all persons who receive non-publication notice pursuant to paragraph 7 of this Order.

6. Accordingly, among other things, the Plan provides for injunctions protecting Travelers in Sections 11.5 - 11.8. These provisions and other protections in the Travelers Settlement Agreement and the Plan benefiting Travelers are material to Travelers' decision to enter into the Travelers Settlement Agreement and pay the Settlement Amount of \$1.4 million.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on July 5, 2011

  
Edward M. Zawitoski

1 CERTIFICATE OF SERVICE

2 I, Janine E. Hume declare as follows:

3 I am employed in the county of Multnomah, state of Oregon; I am over the age of  
4 eighteen years and am not a party to this action; my business address is 1000 SW  
5 Broadway, Suite 1400, Portland, Oregon 97205-3089, in said county and state.

6 I certify that on July 6, 2011, I served, by **first class mail**, a full and correct  
7 copy of the foregoing **DECLARATION OF EDWARD M. ZAWITOSKI** on the parties of  
8 record, addressed as follows:

9 **See attached service list.**

10 I also certify that on **July 6, 2011**, I served the above-referenced document(s) on  
11 all ECF participants as indicated on the Court's Cm/ECF system.

12 I swear under penalty of perjury that the foregoing is true and correct to the best  
13 of my knowledge, information, and belief.

14 Dated: July 6, 2011

15  
16 */s/ Janine E. Hume*

17 \_\_\_\_\_  
18 Janine E. Hume, Legal Assistant

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