



## P R E S S   R E L E A S E

### **Lifeco Split Corporation Inc. Announces Reorganization Proposal**

Toronto, April 19, 2010

**Attention: Business / Financial Editors**

Lifeco Split Corporation Inc. (the “Company” or “Lifeco”) announced today that its Board of Directors has approved a proposal to reorganize the Company. The reorganization will permit current holders of both Capital Shares and Preferred Shares to extend their investment in the Company beyond the scheduled redemption date of July 31, 2010 for an additional two years. Holders of both classes of Shares will maintain the right to retract their Shares on or about July 31, 2010 on the same terms that would have applied had the Company redeemed all Capital Shares and Preferred Shares as originally contemplated. Under the proposed reorganization, the Preferred Shares are expected to be extended at the current coupon rate of 4.00%. In approving the proposal to reorganize the Company, the Board received and relied on the financial advice and recommendations of Scotia Capital Inc.

A special meeting of holders of the Capital Shares and holders of the Preferred Shares will be held on June 15, 2010 to consider and vote upon the proposed reorganization. Details of the proposed reorganization will be outlined in an information circular to be prepared and delivered to holders of Capital Shares and Preferred Shares in connection with the special meeting and will be available on [www.sedar.com](http://www.sedar.com). Implementation of the proposed reorganization will also be subject to applicable regulatory approval including the Toronto Stock Exchange.

Lifeco is a mutual fund corporation created to hold a portfolio of common shares of selected publicly listed Canadian life insurance companies. Lifeco will generate a fixed quarterly dividend for the Preferred shareholders and provide the Capital shareholders with a leveraged investment, the value of which is linked to changes in the market price of the portfolio shares.

Capital Shares and Preferred Shares of Lifeco are listed for trading on The Toronto Stock Exchange under the symbols LSC and LSC.PR.C respectively.

For more information, please contact

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