

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:)	Chapter 11
)	
Conseco Finance Corp., <u>et al.</u> ,)	Case No. 02-49675
)	(Jointly Administered)
Debtor.)	
)	The Honorable Carol A. Doyle
)	

NOTICE OF INTERIM DISTRIBUTION

On September 12, 2003, this United States Bankruptcy Court for the Northern District of Illinois (Eastern Division) confirmed the Finance Company Debtors' Sixth Amended Joint Liquidating Plan of Reorganization Pursuant to Chapter 11 of the United States Bankruptcy Code (the "Plan"). Terms used but not defined herein shall have the meanings ascribed to them in the Plan.

On September 15, 2003, the Plan became effective (the "Effective Date"), at which time certain of the assets of the Finance Company Debtors were transferred to the post-consummation estate for Conseco Finance Corp. (the "CFC Estate"), which is the liquidating trust that holds in trust for distribution to creditors certain assets of the entities referred to as the "Finance Company Debtors" in the Plan, to be liquidated for distribution purposes.

Since the Effective Date, the Plan Administrator and its professionals, with oversight by the CFC Estate Advisory Board ("Advisory Board"), have been working diligently to liquidate the assets of the CFC Estate and to analyze and administer the Claims filed in the above-captioned cases (the "Cases") asserting a right to a portion of the assets of the CFC Estate. Administrative Claims, Priority Claims and Secured Claims continue to be paid in full in accordance with the terms of the Plan as such Claims are deemed Allowed.

The Advisory Board has approved an interim distribution to holders of Allowed General Unsecured Claims equal to 28% of each Allowed General Unsecured Claim (the "Interim Distribution"). In addition, the Plan Administrator, in his discretion, has established appropriate reserves, which are being held on account of Claims that have not as of yet been deemed Allowed. The Interim Distribution was made on August 9, 2004.

The Plan Administrator and its professionals will continue to administer the assets of the CFC Estate, resolve all remaining unresolved Claims and pursue preference actions, each of which will result in either additional assets flowing into the CFC Estate or the minimization of the aggregate dollar amount of Claims entitled to distribution under the Plan. It is possible that holders of General Unsecured Claims may receive additional distributions in the future. At this point in time, however, the Plan Administrator cannot predict the timing or amount of any such additional distribution or whether an additional distribution will even be made.