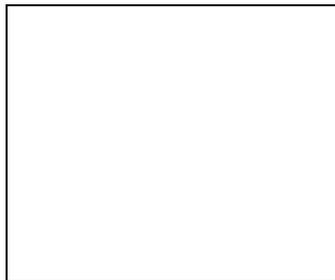


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SOPHIA HARRISON, PARTNER, BURNES PAULL LLP, 50 LOTHIAN ROAD, EDINBURGH, EH3 9WJ



UNTO THE RIGHT HONOURABLE THE LORDS OF COUNCIL AND SESSION

CERTIFIED COPY NOTE

of

STANDARD LIFE ASSURANCE LIMITED (“SLAL”), a private company limited by shares, which is registered in Scotland, under the registered number SC286833, and which has its registered office at Standard Life House, 30 Lothian Road, Edinburgh, EH1 2DH

and

STANDARD LIFE INTERNATIONAL DAC (“SL Intl”), a designated activity company, which is incorporated in the Republic of Ireland, under the registered number 408507, and which has its registered office at 90 St Stephen’s Green, Dublin 2

for

An order approving a variation of the insurance business transfer scheme which was under Part VII of the Financial Services and Markets Act 2000 and under which part of the long-term business carried on by SLAL was transferred to SL Intl, which order is to be conditional upon *inter alia* the making by the High Court of Justice of England and Wales of an order sanctioning an insurance business transfer scheme between among others SLAL, as a transferor, and Phoenix Life Limited, as transferee

HUMBLY SHEWETH

Introduction

The Noters

1

1.1 The first Noter is Standard Life Assurance Limited (“**SLAL**”) which is a private company limited by shares, is registered in Scotland under the registered number SC286833, and has its registered office at Standard Life House, 30 Lothian Road, Edinburgh, EH1 2DH.

1.2

1.2.1 SLAL is an “*authorised person*”, within the meaning of section 31 of the Financial Services and Markets Act 2000 (“**FSMA**”).

1.2.2 SLAL has been granted permission by the Prudential Regulation Authority (the “**PRA**”), under Part IV of FSMA, to carry on in the United Kingdom (the “**UK**”) long-term insurance business falling within classes I (*life and annuity*), III (*linked-business*), IV (*permanent health*), VI (*capital redemption contracts*) and VII (*pension fund management*).

1.3 The second Noter is Standard Life International DAC (“**SL Intl**”), which is a designated activity company incorporated in the Republic of Ireland (“**Ireland**”), under the registered number 408507, and has its registered office at 90 St Stephen’s Green, Dublin.

1.4

1.4.1 SL Intl is authorised by the Central Bank of Ireland (the “**CBI**”), as the regulator of insurance companies in Ireland, to carry on life assurance business there, under the European Communities (Insurance and Reinsurance) Regulations 2015 (the “**Irish Regulations**”).

1.4.2 SL Intl is authorised to carry on life assurance business within class 1 (*annuities*), class 3 (*contracts linked to investment funds*), class 4 (*permanent health*), class 6 (*capital redemption operations*) and class 7 (*management of group pension funds*), which are in Schedule 2 to the Irish Regulations.

This Application

2

- 2.1 This application is made jointly by SLAL and SL Intl in the process of the petition which they presented for sanction of an insurance business transfer scheme (the “**SLAL Brexit Scheme**”), which is under Part VII of, and Schedule 12, to FSMA.
- 2.2 In outline, the SLAL Brexit Scheme provided for the transfer to SL Intl of part of the long-term insurance business of SLAL (the “**SLAL Business**”).
- 2.3 That part of the SLAL Business was carried on in states of the European Economic Area (the “**EEA**”), including Ireland, was denominated in Euros and is referred to in this application as the “**Former SLAL Euro Business**”.
- 2.4
- 2.4.1 The SLAL Brexit Scheme was sanctioned by an order of this Court on 19 March 2019 and became effective on the 29th of that month.
- 2.4.2 That order expressly allowed SLAL and SL Intl, in accordance with section 112(1)(d) of FSMA, to apply for any orders with respect to such incidental, consequential and supplementary matters as were necessary to secure that the SLAL Brexit Scheme was fully and effectively carried out.
- 2.5 In this application, SLAL and SL Intl seek such a consequential order (the “**Approval Order**”), which is to give this Court’s approval to proposed variations of the SLAL Brexit Scheme (together the “**Proposed SLAL Brexit Scheme Variation**”).
- 2.6 The necessary power to vary the SLAL Brexit Scheme, after its sanction, is set out in its paragraph 63.2 (“**Paragraph 63.2**”), which is, so far as material to this application, set out at Statement 7.

The Proposed SLAL Brexit Scheme Variation and the Phoenix Scheme

3

- 3.1.1 The Proposed SLAL Brexit Scheme Variation is to enable another insurance business transfer scheme (the “**Phoenix Scheme**”) to take effect.
- 3.2
- 3.2.1 The Phoenix Scheme is to be between SLAL and three companies in the group of companies, of which the parent company is Phoenix Group Holdings plc.
- 3.2.2 The Phoenix Scheme is also to be under Part VII of, and Schedule 12 to, FSMA.

3.3

3.3.1 In outline, the Phoenix Scheme is to provide for the transfer from SLAL to Phoenix Life Limited (“**Phoenix**”) of the SLAL Business.

3.4

3.4.1 In addition, the Phoenix Scheme is to provide for the transfer to Phoenix of the long-term insurance businesses of two other authorised insurance companies in the UK.

3.4.2 The first is, subject to only a very limited exception, the business of Standard Life Pension Funds Limited, which is a private company limited by guarantee, which is registered in Scotland and of which SLAL is the only member.

3.4.3 The second is the business of Phoenix Life Assurance Limited.

3.5 The Phoenix Scheme is to be expressly conditional on *inter alia* this Court giving its approval to the SLAL Brexit Proposed Scheme Variation.

3.6 An application has been made to the Business and Property Courts of the High Court of Justice of England and Wales (the “**Companies Court**”) for an order sanctioning the Phoenix Scheme.

3.7 The Proposed SLAL Brexit Scheme Variation is to be conditional on *inter alia* the Phoenix Scheme being sanctioned by the Companies Court.

This Court’s Jurisdiction

4

4.1 Having sanctioned the SLAL Brexit Scheme, this Court has jurisdiction to hear this application under both Paragraph 63.2 and section 112(1)(d) of FSMA, to which the order sanctioning the SLAL Brexit Scheme expressly referred.

4.2 In addition, this Court has jurisdiction to hear this application as a matter of its petition procedure.

The Related Applications

5

5.1 SLAL has made two further applications to this Court in connection with the Phoenix Scheme.

5.2

5.2.1 The first of those applications is for consent to vary, and in effect to supersede, the insurance business transfer scheme which is between The Standard Life Assurance Company and SLAL and became effective on 10 July 2006.

5.2.2 That scheme is referred to in this application as the “**SLAL Demutualisation Scheme**” and its proposed variation is referred to as the “**Proposed Demutualisation Scheme Variation**”.

5.2.3 The application for consent to the Proposed Demutualisation Scheme Variation is referred to in this application as the “**Demutualisation Scheme Application**”.

5.3

5.3.1 The second of those applications is for consent to vary, and in effect to supersede, the insurance business scheme which was between SLAL and Standard Life Investment Funds Limited, which became effective on 31 December 2011.

5.3.2 That scheme is referred to in this application as the “**SLAL 2011 Scheme**” and its proposed variation is referred to as the “**Proposed SLAL 2011 Scheme Variation**”.

5.4 The Proposed SLAL Brexit Scheme Variation, the Proposed Demutualisation Scheme Variation and the Proposed SLAL 2011 Scheme Variation are together referred to in this application as the “**Proposed SLAL Schemes Variations**”.

5.5

5.5.1 It is anticipated that this application and the applications for the other Proposed SLAL Schemes Variations will proceed in parallel.

5.5.2 In particular, it is anticipated that there will be composite first and final hearings of the three applications.

5.6

5.6.1 The provisions of the SLAL Brexit Scheme and those of the SLAL 2011 Scheme are, in functional terms, ancillary to the SLAL Demutualisation Scheme.

5.6.2 The SLAL Demutualisation Scheme require to be varied to enable the SLAL Brexit Scheme to take effect.

5.6.3 In addition, the SLAL 2011 Scheme also requires to be varied to enable the SLAL Brexit Scheme to take effect.

5.7

- 5.7.1 Accordingly, the Demutualisation Scheme Application is necessarily to include sufficient descriptions of the SLAL Brexit Scheme and of the SLAL 2011 Scheme.
- 5.7.2 In order to avoid unnecessary duplication, this application does not repeat, but only refers to, that description of the SLAL Brexit Scheme.

SL Intl, the SLAL Brexit Scheme and its Variation Power

SL Intl and the SLAL Brexit Scheme

6

6.1 SL Intl and its present business are described sufficiently at Statements 14 and 82 of the Demutualisation Scheme Application.

6.2 The SLAL Brexit Scheme, and in particular its continuing provisions are described sufficiently at Statements 62 to 76 of the Demutualisation Scheme Application.

6.3

6.3.1 The SLAL Brexit Scheme includes arrangements which are included in that description of it and under which, in outline, SL Intl reinsured the with-profits policies of the Former SLAL Euro Business.

6.3.2 SLAL's obligations under those reinsurance arrangements are secured by two charges which SLAL granted to SL Intl under the SLAL Brexit Scheme.

6.3.3 The first is a fixed charge over specified assets.

6.3.4 The second is a floating charge which is over SLAL's assets, subject to certain exceptions, and is described at Statement 75 of the Demutualisation Scheme Application, where it is referred to as the "**SL Intl Reinsurance Floating Charge**".

6.4

6.4.1 As described at Statement 77 of the Demutualisation Scheme Application, the SLAL Brexit Scheme is also supplemented by three deed polls (the "**Deed Polls**"), each of which has been granted by SL Intl in favour of a category of with-profit SL Intl Policyholders who were transferred under the SLAL Brexit Scheme.

6.4.2 Each of the Deed Polls is governed by Irish law.

6.4.3 As said at Statement 77.8 and 77.9 of the Demutualisation Scheme Application, it is proposed that, in connection with the Phoenix Scheme and the Proposed SLAL

Brexit Scheme Variation, each of the Deed Polls is to be amended in accordance with its terms.

- 6.4.4 In outline, each amendment is, in effect, to refer to amounts that Phoenix, rather than SLAL, determines would be payable by Phoenix, rather than SLAL, to a Phoenix policyholder holding a with profits policy equivalent to that held by a SL Intl policyholder.
- 6.4.5 The Deed Polls, as so amended, are referred to in this application as the “**Amended Deed Polls**”.
- 6.4.6 SLAL and SL Intl have been advised by their Irish lawyers that the terms of each of the Deed Polls permit its proposed amendment if three requirements are satisfied.
- 6.4.7 The first of those requirements is that the SL Intl Board takes appropriate actuarial advice on the proposed amendments to the Deed Polls.
- 6.4.8 The second requirement is that the CBI is notified in writing of those amendments and does not object within three months of being notified.
- 6.4.9 The third requirement is that the proposed amendments are advertised in advance in the specified publications.
- 6.4.10 SL Intl is to satisfy those requirements for the Amended Deed Polls.

6.5

- 6.5.1 In addition, the Deed Polls are themselves supplemented by an undertaking by SL Intl to this Court, as described at Statement 77.7 of the Demutualisation Scheme Application.
- 6.5.2 That undertaking is to be replaced by a new undertaking which is also to be given to this Court by SL Intl and is to supplement the Amended Deed Polls.

The Variation Power - Paragraph 63.2

7

- 7.1 Paragraph 63.2 provides for the SLAL Brexit Scheme to be varied, after its sanction, with the approval of this Court.

7.2

- 7.2.1 More specifically, Paragraph 63.2 provides:

“Subject to paragraph 63.3, any variation of this Scheme must,

- (a) "be approved by the Court;*
- (b) be notified, with SLAL and SL Intl providing such notice at a time that they determine (acting reasonably and in good faith) is sufficiently in advance of any hearing of the Court at which such application is considered (if applicable), to the CBI, who shall have the right to attend and be heard at such hearing of the Court (if applicable);*
- (c) be notified, with SLAL and SL Intl providing such notice at a time that they determine (acting reasonably and in good faith) is sufficiently in advance of any hearing of the Court at which such application is considered (if applicable), to the FCA and the PRA, who shall have the right to attend and be heard at such hearing of the Court (if applicable), provided that if either of the FCA or the PRA provides notice to SLAL and SL Intl in writing that it shall no longer require such right, SLAL and SL Intl shall no longer be obliged to comply with such obligation in respect of the FCA and /or the PRA, as applicable; and*
- (d) be accompanied by a certificate from an independent expert (such independent expert to be selected and appointed by the Board of SL Intl with the approval of the CBI) to the effect that, in his or her opinion, the proposed variation will not materially and adversely affect the interests (including the security or reasonable expectations) of the holders of Transferred Policies or other policyholders of SLAL or SL Intl.”*

7.2.2 Paragraph 63.1 of the SLAL Brexit Scheme refers to amendments which were made before its sanction and so makes it clear that paragraph 63.2 applies to amendments which follow its sanction.

7.3 Paragraph 63.3 provides that, in specified and limited circumstances, the SLAL Brexit Scheme may be varied by SL Intl without the requirement for this Court’s approval.

7.4

7.4.1 Paragraph 1.1 of the SLAL Brexit Scheme defines the **“Court”** as the **“Court of Session in Edinburgh”**, the **“CBI”** as the **“Central Bank of Ireland”**, the **“FCA”** as the **“Financial Conduct Authority”** and the **“PRA”** as the **“Prudential Regulation Authority”**.

7.4.2 Paragraph 1.1 also defines **“Transferred Policies”** as *inter alia*:

“all Policies effected and / or carried out by SLAL and in respect of which payments are (or would be) denominated in euros (€) at the Effective Time, ”

7.5

7.5.1 Paragraph 2.1(f) of the SLAL Brexit Scheme amplifies, for the purpose of *inter alia* Paragraph 63.2, the meaning of “*variation*”.

7.5.2 That paragraph provides as follows:

“variation” shall include any variation, supplement, deletion, restatement, replacement or termination, however effected.”

The Proposed SLAL Brexit Scheme Variation

8

8.1 The Proposed SLAL Brexit Scheme Variation is to vary the SLAL Brexit Scheme in order to enable the Phoenix Scheme to take effect.

8.2 The provisions of the Proposed SLAL Brexit Scheme Variation are marked on a copy of the SLAL Brexit Scheme, which forms the Appendix to this application.

8.3 The Proposed SLAL Brexit Scheme Variation is described sufficiently at Statement 152 of the Demutualisation Scheme Application.

8.4

8.4.1 In outline, the Proposed SLAL Brexit Scheme Variation is, in effect, to replace SLAL with Phoenix as the transferor under the SLAL Brexit Scheme.

8.4.2 In more technical terms, Phoenix is to assume all the rights, and obligations, of SLAL under the SLAL Brexit Scheme, in so far as they have not been fully exercised, or discharged, at the date at which the Phoenix Scheme becomes operative and which is referred to there as the “**Transfer Date**”.

8.4.3 Phoenix is to give to this Court an undertaking to that effect.

8.4.4 The Transfer Date is expected to be 27 October 2023.

8.4.5 The SLAL Brexit Scheme Variation is also to become operative at the same time.

8.5 In addition, the SL Intl Reinsurance Fixed Charge is to be over the specified assets of Phoenix after their transfer under the Phoenix Scheme.

8.6

- 8.6.1 The Proposed SLAL Brexit Scheme Variation is also to replace the SL Intl Reinsurance Floating Charge by a new floating charge which Phoenix is to grant to SL Intl and which is referred to in the Demutualisation Scheme Application as the “**New Phoenix SL Intl Reinsurance Floating Charge**”.
- 8.6.2 In outline, the New Phoenix SL Intl Reinsurance Floating Charge is to be over Phoenix’s assets, subject to certain exceptions which are to be in effect equivalent to those to which the SL Intl Reinsurance Floating Charge is subject.
- 8.6.3 The New Phoenix SL Intl Reinsurance Floating Charge, which will have been executed by Phoenix and SL Intl is to be produced in this process.

8.7

- 8.7.1 As described at Statement 97 of the Demutualisation Scheme Application, the Phoenix Scheme is, so far as possible, to be treated, for purposes of accounting and financial reporting, as having become effective at 23:59 on 30 September 2023.
- 8.7.2 It is sought that the Proposed SLAL Brexit Scheme Variation also be treated for those purposes as become effective on that date.
- 8.7.3 That treatment of the Proposed SLAL Brexit Scheme Variation would be consistent with the Phoenix Scheme and remove any doubt over that treatment.
- 8.7.4 As with the provision of the Phoenix Scheme, that “*treatment*” of the Proposed SLAL Brexit Scheme Variation would affect only Phoenix, SLAL and SL Intl, as the parties to it, and so would not have any effect on any third party, including in particular any policyholder of SLAL or of SL Intl.
- 8.7.5 It is sought that the Approval Order expressly permits that treatment.
- 8.7.6 Similarly, it is sought that the orders which give this Court’s consent to the other Proposed SLAL Scheme Variations include equivalent provisions.

The Independent Expert and SLAL Brexit Scheme Variation Certificate and the SL Intl Head of Actuarial Function’s Report

9

9.1

- 9.1.1 In accordance with section 109 of FSMA, John Jenkins, FIA, has been appointed as the independent expert to produce a report on the Phoenix Scheme.

- 9.1.2 The appointment was made with the approval of the PRA, as the appropriate regulator and having consulted with the FCA.
- 9.2
- 9.2.1 In addition, it is convenient for Mr Jenkins also to give the certificate (the “**SLAL Brexit Scheme Variation Certificate**”) which is required under Paragraph 63.2(d) for the Proposed Brexit Scheme Variation.
- 9.2.2 The appointment by the SL Intl Board of Mr Jenkins to give this certificate was made with the CBI’s approval.
- 9.2.3 That approval was given on 18th October 2022 by an email to SL Intl.
- 9.3 The SLAL Brexit Scheme Variation Certificate is to be to the effect that, in Mr Jenkins’ opinion the Proposed SLAL Brexit Scheme Variation will not materially and adversely affect the interests (including the security or reasonable expectations) of the holders of policies that were transferred pursuant to the SLAL Brexit Scheme or other policyholders of SLAL or SL Intl.
- 9.4 The Phoenix Scheme Independent Export Report (the “**Phoenix Scheme IE Report**”) is a composite one, which also addresses the Proposed SLAL Schemes Variations.
- 9.5
- 9.5.1 The report which Mr Jenkins has prepared in Phoenix Scheme IE Report includes Mr Jenkins’ overall conclusion that the Phoenix Scheme, which is, in functional terms, to include the Proposed SLAL Brexit Scheme Variation, does not adversely affect to any material extent the policyholders of SL Intl.
- 9.5.2 In addition, the Phoenix Scheme IE Report includes a specific conclusion to the same effect on the Proposed SLAL Brexit Scheme Variation.
- 9.5.3 Mr Jenkins explains the reasoning on which all of his conclusions are based in the Phoenix Scheme IE Report, which is described sufficiently at Statement 157 of the Demutualisation Scheme Application.
- 9.6 For completeness, Mr Jenkins intends, in accordance with practice, to produce a supplementary report on the Phoenix Scheme, which is also to cover the Proposed SLAL Brexit Scheme Variation.
- 9.7
- 9.7.1 For completeness, M. Wharton, FSAI, SL Intl’s “*Head of Actuarial Function*”, has prepared for this Court a report on the Proposed SLAL Brexit Scheme Variation, in the context of the Phoenix Scheme.

9.7.2 Mr Wharton’s report is described sufficiently at Statement 163 of the Demutualisation Scheme Application.

9.7.3 In outline, Mr Wharton sets out at section 3.4 of his report his overall conclusion on the Proposed SLAL Brexit Scheme Variation.

9.7.4 That section includes the following:

“...SL Intl is comfortable ... that the solvency position will continue to afford commensurate levels of security to all SL Intl policyholders.”

The UK Regulators

10

10.1

10.1.1 In accordance with the requirements of Paragraph 63.2(c), the PRA and FCA (the “**UK Regulators**”) have also been notified of this application.

10.1.2 In addition, it is sought that this application be formally served on each of UK Regulators, so that it may exercise its rights to be heard at any hearing at which this application is to be considered.

10.2 As described in Statements 166 to 168 of the Demutualisation Scheme Application, it is reasonably believed that each of the UK Regulators will prepare two reports for the Companies Court on the Phoenix Scheme and two reports for this Court on the Proposed SLAL Schemes Variations.

10.3 The second set of reports by each of the UK Regulators is expected to be made available to the Companies Court for the hearing for sanction of the Phoenix Scheme and to this Court at the final hearing of the Proposed SLAL Schemes Variations.

The CBI

11

11.1 In accordance with the requirements of Paragraph 63.2(b), the CBI has been notified of this application.

11.2 In addition, it is sought that this application be formally served on the CBI, so that it may exercise its right to be heard at any hearing at which this application is to be considered.

11.3 It is reasonably believed that, as said at Statement 169 of the Demutualisation Scheme Application, the CBI will not produce a report for the Companies Court on the Phoenix Scheme nor a report for this Court on the Proposed SLAL Brexit Scheme Variation.

11.4

11.4.1 The CBI has been provided with copies of documents relating to the Proposed SLAL Brexit Scheme Variation and has not indicated any objection.

11.4.2 If the CBI provides confirmation to SL Intl of its lack of objection to the Proposed SLAL Brexit Scheme variation, SL Intl will, in turn, make any such confirmation available to this Court.

The Advertisement of this Application

12

12.1

12.1.1 Statements 170 to 179 of the Demutualisation Scheme Application describe the proposed arrangements for the notification of the Phoenix Scheme *inter alia* in accordance with the Financial Services and Markets Act 2000 (Control of Business Transfers) (Requirements on Applicants) Regulations 2001.

12.1.2 The notification is to include a sufficient explanation, in particular to the SLAL Policyholders, of the Proposed SLAL Schemes Variations.

12.2 In view of those arrangements it is sufficient that a notice of this application (the “**Variations Applications Notice**”) be published as set out in this Statement.

12.3 First of all, the Variations Applications Notice is to be published in the UK in the *Edinburgh Gazette*, *the London Gazette* and *the Belfast Gazette* and in *The Scotsman* and *the Daily Record*, as well as *The Times* and *The Daily Telegraph*, four of the newspapers in which the notice of the Phoenix Scheme is to be published.

12.4

12.4.1 In addition, the Variations Applications Notice is to be published in the official *Irish Gazette*, *the Irish Times* and *the Irish Independent*, in which the notice of the SLAL Brexit Scheme was published. The notice of the Phoenix Scheme is also to be published in *the Irish Times*.

12.4.2 The Variations Applications Notice is also to be published, in German, in *Handelsblatt* and *Süddeutsche Zeitung* in Germany, and *Die Presse* and *Der*

Standard in Austria, in all of which the notice of the SLAL Brexit Scheme was published.

- 12.4.3 The publication of the Variations Applications Notice in Irish, German and Austrian newspapers is to reflect the interest which the with-profits SL Intl Policyholders, the majority of whom are in those countries, have in the Proposed SLAL Brexit Scheme Variation.

12.5

- 12.5.1 It is expedient that the Applications Notice be included in a composite notice, which is to cover all the Proposed SLAL Schemes Variations.
- 12.5.2 Such a composite notice would save some cost and would also be more informative to any interested person than giving separate notices of this application and of the other Proposed SLAL Schemes Variations.

12.6

- 12.6.1 However, the Variations Applications Notice is to be distinct from the notice of the Phoenix Scheme, which is required by the Regulations, since the latter will relate to the distinct application to the Companies Court.
- 12.6.2 The Variations Applications Notice is not to include the required notice of the proposed amendments to the Deed Polls, but only a reference to them.
- 12.6.3 These amendments are to be the subject of separate advertisement, as said at Statement 185.7.
- 12.6.4 For completeness, SL Intl has been advised by its legal advisers in Ireland that the required notice does not require to set out in full either the amendments or the Amended Deed Polls, but that it is sufficient for it to refer to the latter being available on SL Intl's three websites.

12.7

- 12.7.1 SL Intl is also to make documents available on its websites.
- 12.7.2 Those documents are to include "*a questions and answers guide*" to the Proposed Brexit Scheme Variation, in the context of the Phoenix Scheme.
- 12.7.3 That guide is to describe the formal, and informal, procedures for objecting in this Court to the Proposed SLAL Brexit Scheme Variation.
- 12.7.4 That guide, along with other documents, is to be available, in German, on the SL Intl German website and the SL Austrian website.

12.8 The notification of this application, along with that for the two other Proposed SLAL Schemes Variations, is addressed more fully at Statement 185 of the Demutualisation Scheme Application.

This Court's Approval

13

13.1 In these circumstances, it is reasonably expected that all the express requirements of Paragraph 63.2 will be satisfied.

13.2 It is also appropriate that the Court exercises its discretion, under Paragraph 63.2, to give its approval to the Proposed SLAL Brexit Scheme Variation.

13.3

13.3.1 In particular, the Proposed SLAL Brexit Scheme Variation, together with the Phoenix Scheme, will not materially and adversely affect the interests (including the security or reasonable expectations) of any policyholders of SL Intl, and in particular those who have been transferred from SLAL under the SLAL Brexit Scheme, or any policyholders of SLAL.

13.3.2 The Independent Expert has so confirmed by giving the SLAL Brexit Scheme Variation Certificate.

13.3.3 For completeness, treatment of the Proposed SLAL Brexit Scheme Variation, for purposes of accounting and financial reporting, as is said at Statement 183.3.7, will not have any material, adverse effect on any third party.

13.4 The appropriateness of this Court giving its consent, or approval, to the Proposed SLAL Schemes Variations is described more fully at Statements 183 and 184 of the Demutualisation Scheme Application.

The Approval Order

14

14.1 The form of the Approval Order, with the exception of the narrative, is to be in substance the same as the final order which is sought in the Demutualisation Scheme Application and is described at its Statement 184 of the Demutualisation Scheme Application.

14.2 The narrative of the Approval Order is also to refer to the following matters, namely: (i) the withdrawal of the present undertaking by SL Intl; (ii) the new undertaking by SL Intl; (iii) the

undertaking by Phoenix; (iv) the discharge of the SL Intl Reinsurance Floating Charge; and (v) the grant of the New Phoenix SL Intl Reinsurance Floating Charge.

- 14.3 As said at Statement 8.7.5, the Approval Order is expressly to permit the Proposed SLAL Brexit Scheme Variation to be treated, for purposes of accounting and financial reporting, as having become effective at 23:59 on 30 September 2023.

The Period of Notice

15

- 15.1 In respect of the Phoenix Scheme Application the UK Regulators wish, in accordance with their published guidance, that there be not less than six weeks between the notices being sent out to the policyholders and the date of the hearing to sanction the Phoenix Scheme.

15.2

15.2.1 Accordingly, it is sought that the period of notice for answers to this application be extended from 21 days to 42 days.

15.2.2 That extension is sought under Rules of Court 14.4(6)(b) and 14.6(2) as applied by Rule 15.2(3).

- 15.3 An equivalent extension is also sought in respect of each of the two other Proposed SLAL Schemes Variations, as is set out at Statement 186 of the Demutualisation Scheme Application.

Reporter

16

- 16.1 The appointment of T.W. Swan, Edinburgh, is sought as reporter to this process, in accordance with paragraph (vi) of the prayer.

16.2 Mr Swan's appointment is also sought to each of the applications in respect of the other Proposed SLAL Schemes Variations.

16.3 It is expedient that Mr Swan be appointed as reporter.

16.4 Mr Swan's appointment is addressed more fully at Statement 187 of the Demutualisation Scheme Application.

16.5 It is expected that Mr Swan will produce a composite report on all the Proposed SLAL Schemes Variations, following the approach which was adopted to *inter alia* the SLAL Brexit Scheme and the variations of the SLAL Demutualisation Scheme and of the SLAL 2011 Scheme.

General

17

17.1 This application is made under (i) section 112(1) (d); (ii) paragraph (9) of the order sanctioning the SLAL Brexit Scheme; and (iii) this Court's petition procedure.

17.2 It is also made under Rules of Court 14.4 (6)(b) and 14.6(2), which are applied to this form of application by Rule 15.2(3).

MAY IT THEREFORE please your Lordships:

- (i) to order intimation on the Walls in common form of this Note by Standard Life Assurance Limited ("**SLAL**") and Standard Life International DAC ("**SL Intl**") for approval of the proposed variation (the "**Proposed Variation**") to the insurance business transfer scheme (the "**SLAL Brexit Scheme**"), which is under Part VII of, and Schedule 12 to, the Financial Services and Markets Act 2000 ("**FSMA**") and under which part of the long-term insurance business of SLAL was transferred to SL Intl;
- (ii) to order SLAL to advertise this Note (a) once in The Edinburgh Gazette, The London Gazette and The Belfast Gazette and (b) once in each of the publications which are set out in Schedule 2 to this Note and in the language in which the newspaper is published;
- (iii) to order that the advertisements which are referred to at paragraph (ii) of this Prayer are to form part of a composite advertisement which is also to give notice of the following two related applications that were made to this Court on the same day as this Note, namely:
 - (a) the Note by SLAL for consent to the variation of the insurance business transfer scheme (the "**Demutualisation Scheme**"), which is also under FSMA and under which substantially all of the long-term insurance business of The Standard Life Insurance Company was transferred to SLAL; and
 - (b) the Note by SLAL for consent to the variation of the insurance business transfer scheme (the "**SLAL 2011 Scheme**"), which is also under FSMA and under which all of the long-term insurance business of Standard Life Investment Funds Limited was transferred to SLAL;
- (iv) to order that this Note be served on the Prudential Regulation Authority, the Financial Conduct Authority and the Central Bank of Ireland, each of which is designed in Schedule 1 to this Note;

- (v) to allow any party claiming an interest in this Note to lodge Answers to it within 42 days of the last of that intimation, that service and those advertisements;
- (vi) to appoint Thomas W. Swan, solicitor, of 1 Exchange Crescent, Conference Square, Edinburgh, as reporter to this process; and to remit to that reporter to report on the facts and circumstances set out in this Note and on the regularity of the proceedings;

and on resuming consideration of this Note, with or without Answers;
- (vii) to approve the report of the reporter;
- (viii) to make, under section 112(1)(d) of FSMA, an order (the “**Approval Order**”) giving approval, in accordance with paragraph 63.2 of the SLAL Brexit Scheme, to the Proposed Variation, the terms of which are identified on the copy of the Brexit Scheme, that forms the Appendix to this Note;
- (ix) to order that the Proposed Variation may be treated by SLAL, SL Intl and Phoenix Life Limited (“**Phoenix**”), for purposes of accounting and financial reporting, as having become effective on 30 September 2023;
- (x) to order that the paragraphs of the Approval Order which are to be in accordance with paragraphs (viii) and (ix) and paragraphs (xii) to (xiv) of this prayer are to come into effect only on the following conditions being satisfied:
 - (a) the Court giving its consent to the variation of the Demutualisation Scheme and the SLAL 2011 Scheme;
 - (b) the insurance business transfer scheme (the “**Phoenix Scheme**”) which is also to be under FSMA and is to be between *inter alia* SLAL and Phoenix being sanctioned (in its proposed form at the date of the Approval Order) by the Companies Court of the Business and Property Court of the High Court of England and Wales, without modification; or
 - (c) if the Phoenix Scheme is modified before being sanctioned, this Court making a further order confirming that the Approval Order is still to come into effect, despite the modification to the Phoenix Scheme; and
 - (d) whichever of the conditions in (b) and (c) is satisfied, the Phoenix Scheme becoming operative;
- (xi) to order SLAL to report to the Court as soon as is reasonably practicable, if the Phoenix Scheme is modified before being sanctioned;
- (xii) to order that two certified copies of the Approval Order, together with a certified copy of the SLAL Brexit Scheme, as varied by the Proposed Variation, be deposited with the Prudential Regulation Authority within 10 days of the date of that order;

- (xiii) to order SLAL to advertise the Approval Order (a) once in The Edinburgh Gazette, The London Gazette and The Belfast Gazette and (b) once in each of the publications set out in Schedule 2 to this Note and in the language in which the publication is published;
- (xiv) to order that each of the advertisements which are referred to at paragraph (xiii) of this Prayer is to form part of a composite advertisement which is also to give notice of (i) the order which has been made in the application in connection with the Demutualisation Scheme and (ii) the order which has been made in the application in connection with the SLAL 2011 Scheme;
- (xv) to decern; or to do further, or otherwise, in the premises, as your Lordships may consider appropriate.

ACCORDING TO JUSTICE, ETC

SCHEDULE 1

SCHEDULE FOR SERVICE

Service in common form is sought upon:

- 1 Prudential Regulation Authority,
20 Moorgate,
London
EC2R 6DA
- 2 Financial Conduct Authority,
12 Endeavour Square,
London
E20 1JN
- 3 Central Bank of Ireland
New Wapping Street
North Wall Quay
Dublin 1
D01 F7X3

SCHEDULE 2

LIST OF PUBLICATIONS

1. *The Scotsman*
2. *Daily Record*
3. *The Times* (United Kingdom and Scottish editions)
4. *The Daily Telegraph* (United Kingdom and Scottish editions)
5. *The Irish Gazette*
6. *The Irish Times*
7. *The Irish Independent*
8. *Handelsblatt*
9. *Süddeutsche Zeitung*
10. *Die Presse*
11. *Der Standard*

APPENDIX

THE PROPOSED SLAL BREXIT SCHEME VARIATION