

**IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
COMPANIES COURT**

DATED 2020

- (1) ASSURANT LIFE LIMITED**
- (2) LONDON GENERAL LIFE COMPANY LIMITED**
- (3) ASSURANT EUROPE LIFE INSURANCE N.V.**

SCHEME
pursuant to Part VII of, and Schedule 12 to, the
Financial Services and Markets Act 2000

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IN THE HIGH COURT OF JUSTICE

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COMPANIES COURT

IN THE MATTER OF ASSURANT LIFE LIMITED

-and-

LONDON GENERAL LIFE COMPANY LIMITED

-and-

ASSURANT EUROPE LIFE INSURANCE N.V.

IN THE MATTER OF

PART VII OF THE FINANCIAL SERVICES AND MARKETS ACT 2000

SCHEME

for the transfer to Assurant Europe Life Insurance N.V. of
certain long term insurance business of each of
Assurant Life Limited and London General Life Company
Limited

PART A – DEFINITIONS AND INTERPRETATION

1. DEFINITIONS AND INTERPRETATION

1.1 In this Scheme:

"AEI"	means Assurant Europe Insurance N.V., a limited company (<i>naamloze vennootschap</i>) incorporated in the Netherlands with trade register number 72959320 and having its registered office at Paasheuvelweg 1, 1105 BE Amsterdam, the Netherlands
"AEL"	means Assurant Europe Life Insurance N.V., a limited company incorporated in the Netherlands with trade register number 72959312 and having its registered office at Paasheuvelweg 1, 1105 BE Amsterdam, the Netherlands
"AEL Actuary"	means the person appointed from time to time by AEL to perform the second line actuary role or the equivalent successor function
"AEL ALL Payment"	has the meaning given to that term in paragraph 10.3
"AEL Board"	means, as applicable, the management board of AEL from time to time or the supervisory board of AEL from time to time
"AEL LGL Payment"	has the meaning given to that term in paragraph 11.3
"AGIL"	means Assurant General Insurance Limited, a private limited company incorporated in England and Wales with registered number 02341082 and having its registered office at Emerald Buildings, Westmere Drive, Crewe, Cheshire, CW1 6UN
"ALL"	means Assurant Life Limited, a private limited company incorporated in England and Wales with registered number 03264844 and having its registered office at Emerald Buildings, Westmere Drive, Crewe, Cheshire, CW1 6UN
"ALL BEL"	means the Best Estimate Liabilities arising under the ALL Transferred Policies, or any ALL Residual Policies, in each case immediately prior to the Relevant Date
"ALL Board"	means the board of directors of ALL from time to time
"ALL Chief Actuary"	means the person appointed from time to time by ALL to perform the "Chief Actuary" controlled function (SMF20) or the equivalent successor function
"ALL Excluded Assets"	means all Assets of ALL which are not ALL Transferred Assets (including, for the avoidance of doubt, all rights, benefits and powers of ALL under the ALL Excluded Contracts)
"ALL Excluded Contracts"	means all Contracts of ALL which are not ALL Transferred Contracts
"ALL Excluded IP"	means any Intellectual Property relating to ALL which is not ALL Transferred IP
"ALL Excluded Liabilities"	means: (a) the ALL Regulatory Liabilities;

- (b) the ALL Tax Liabilities; and
- (c) without prejudice to paragraphs (a) and (b) of this definition, all other Liabilities of ALL that are not the ALL Transferred Liabilities (including, for the avoidance of doubt, all Liabilities under or by virtue of the ALL Excluded Contracts)

"ALL Investment Assets"

means such Assets agreed between ALL and AEI to comprise investment grade assets (determined in accordance with the Solvency II Requirements) or cash equal to the aggregate of the ALL BEL and ALL Risk Margin, determined as at the Relevant Date and in accordance with the prevailing actuarial and treasury procedures and controls used by ALL and prevailing good actuarial practice and reflecting appropriate maturity and currency matching in accordance with the prevailing internal policies and controls of ALL

"ALL Records"

means to the extent that such data, files and information are maintained or controlled by or on behalf of ALL for use wholly or mainly in connection with the operation of the ALL Transferred Business and which are in the possession, custody or control of ALL or held on its behalf, the books, records and correspondence relating to the ALL Transferred Business including (without prejudice to the generality of the foregoing) policy slips, policy wordings, underwriting cards, certificates of insurance, policy renewal or cancellation documents, claims information, reserving documentation, reinsurance information, books of account, financial information and other accounting records (in each case in whatever medium) (other than the ALL Retained Records)

"ALL Regulatory Liability"

means any Loss or Liability which results from or arises in connection with negligence, mis-selling or from a complaint made or from a failure to comply with, or an allegation of failure to comply with, rules, regulations, guidance or directions of the FSA, the PRA, the FCA or any other Relevant Regulator, the Financial Ombudsman Service or any other ombudsman, or any Loss or Liability which results from or arises in connection with a failure to comply with, or an allegation of failure to comply with Regulatory Requirements (including, for the avoidance of doubt, such requirements that apply to it in relation to distribution partners, clients or third parties) in respect of the design, administration, manufacture, marketing, distribution of, or the provision of advice in respect of the ALL Transferred Policies on or prior to the Effective Date including:

- (a) any penalty or compensation or fine levied or which results from or arises in connection with any enforcement action undertaken by the FSA, the PRA, the FCA, any other Relevant Regulator, the Financial Ombudsman Service or any other ombudsman;
- (b) any costs or expenses incurred for the purpose of settling any complaint or claim or any agreed settlement or compromise (including an ex gratia payment made in the interests of saving or reducing any such Loss); and
- (c) any administrative costs or expenses incurred (whether internal or external) in relation to any review,

investigation, remediation or communication exercise

"ALL Residual Assets"

means in relation to the ALL Transferred Business:

- (a) any Asset comprised in or relating to the ALL Transferred Business, the transfer of which pursuant to this Scheme:
 - (i) is agreed by ALL and AEL, or is proved by any third party, to be subject to the law of any country or territory other than the United Kingdom and in relation to which further steps, in addition to the Order, are required to secure that its transfer to AEL is fully effective under the law of that country or territory;
 - (ii) requires, at the Effective Date, (1) the consent of any third party; or (2) the waiver by any third party of any right to acquire, or be offered the right to, or offer to, acquire or procure the acquisition by some other person of, all or any part of such Asset, being a right which directly or indirectly arises or is exercisable as a consequence of such transfer being proposed or taking effect; or
 - (iii) would result in a third party having a right to terminate an agreement with ALL or to claim compensation in damages or otherwise

and which the Court either does not have jurisdiction to transfer pursuant to section 112 of FSMA without such steps being taken as are referred to in (a)(i) or in relation to which the Court has determined, pursuant to section 112A(2)(b) of FSMA, not to disapply any entitlement referred to in (a)(ii) or (a)(iii), but in any case to the extent only of that part of the interest of ALL, as the case may be, in relation to any such Asset the transfer of which requires such steps and/or consent and/or waiver

- (b) any interest of ALL in any Asset comprised in the ALL Transferred Business the transfer of which ALL and AEL agree prior to the Effective Date is to be delayed until after the Effective Date;
- (c) any proceeds of sale or income or other accrual or return whatsoever, whether or not in any case in the form of Cash, or any other Assets or rights earned or received from time to time after the Effective Date but prior to any Subsequent Transfer Date in respect of any such Asset referred to in paragraphs (a) and (b) of this definition

"ALL Residual Liabilities"

means in relation to the ALL Transferred Business:

- (a) any Liability comprised in or relating to the ALL Transferred Business, the transfer of which:
 - (i) is agreed by ALL and AEL, or is proved by any third party, to be subject to the law of any country or territory other than the United Kingdom and in relation to which further steps,

in addition to the Order, are required to secure that its transfer to ALL is fully effective under the law of that country or territory;

- (ii) would result in a third party having a right to terminate an agreement with ALL or to claim compensation in damages or otherwise,

and which the Court either does not have jurisdiction to transfer pursuant to section 112 of FSMA without the necessary steps being taken or the termination and/or compensation rights being waived or which the Court determines not to transfer by the virtue of the Order, but in any case to the extent only of that part of the Liability the transfer of which requires such steps and/or waiver or which the Court determines not to transfer;

- (b) any other Liability comprised in the ALL Transferred Business, the transfer of which ALL and AEL agree prior to the Effective Date is to be delayed until after the Effective Date;
- (c) any Liability that is attributable to or connected with an ALL Residual Asset or an ALL Residual Liability referred to in paragraphs (a) and (b) of this definition that has arisen or arises at any time before the Subsequent Transfer Date applicable to that ALL Residual Asset or ALL Residual Liability

"ALL Residual Policies"

means Policies under which any Liability remains unsatisfied or outstanding at the Effective Date:

- (a) which are ALL Transferred Policies written by ALL in the course of carrying on insurance business in any EEA Member State (excluding, for the avoidance of doubt, the United Kingdom and Switzerland), in respect of which:
 - (i) for the purpose of paragraph 1(2A) of Schedule 12 to FSMA, were concluded in an EEA Member State other than the United Kingdom and the PRA has not prior to the making of the Order by which the Court sanctions this Scheme provided the certificate referred to in paragraph 3A of Schedule 12 to FSMA with respect to the relevant EEA Member State(s);
 - (ii) for the purpose of paragraph 1(2) of Schedule 12 to FSMA, the establishment from which such Policies are to be transferred is in an EEA Member State other than the United Kingdom and the PRA has not prior to the making of the Order by which the Court sanctions this Scheme provided the certificate referred to in paragraph 3 of Schedule 12 to FSMA with respect to the relevant EEA Member State(s);
- (b) which are ALL Transferred Policies written by ALL in the course of carrying on insurance business but which are not otherwise capable of being transferred pursuant to

FSMA on the Effective Date,

including, for the avoidance of doubt:

- (i) any Policy within paragraphs (a) or (b) of this definition which has lapsed on or before the Effective Date but which the relevant Policyholder is entitled to require ALL to reinstate;
- (ii) any proposal for a Policy received or issued by or on behalf of ALL before the Effective Date which has not become a Policy in force by the Effective Date but which would fall within paragraphs (a) or (b) of this definition were it to come into force

"ALL Retained Records" means any accounting and financial and other records of ALL relating to the ALL Transferred Business that ALL is required to retain by law

"ALL Risk Margin" means the Risk Margin in respect of the ALL Transferred Policies, or any ALL Residual Policies, in each case immediately prior to the Relevant Date

"ALL Tax Liabilities" means all Loss and Liabilities of ALL in respect of Tax, including any which are attributable to the ALL Transferred Business (pursuant to this Scheme or otherwise)

"ALL Transferred Assets" means:

- (a) all rights, benefits and powers of ALL under or by virtue of the ALL Transferred Policies;
- (b) all rights, benefits and powers of ALL under or by virtue of the ALL Transferred Contracts;
- (c) all rights and claims (in contemplation, present or future, actual or contingent) against any third party not within paragraphs (a) and (b) above of this definition to the extent that such right or claim relates to any of the ALL Transferred Policies or the ALL Transferred Contracts, or arises as a result of the ALL Transferred Policies or the ALL Transferred Contracts;
- (d) the ALL Investment Assets;
- (e) the ALL Transferred IP; and
- (f) the ALL Records,

but excluding the ALL Excluded Assets

"ALL Transferred Business" means together:

- (a) the ALL Transferred Assets;
- (b) the ALL Transferred Contracts;

	(c) the ALL Transferred Liabilities; and
	(d) the ALL Transferred Policies,
	and all activities carried on in connection therewith
"ALL Transferred Contracts"	means:
	(a) those Contracts listed in Part 2 of Schedule 1; and
	(b) such other Contracts to which ALL is a party that relate exclusively to the ALL Transferred Business but excluding the ALL Excluded Contracts
"ALL Transferred IP"	means all rights to, and the ownership of, all client lists and customer databases relating to the ALL Transferred Business
"ALL Transferred Liabilities"	means all Liabilities whatsoever of ALL (other than to the extent discharged prior to the Effective Date) comprised in or attributable to the ALL Transferred Business or arising in connection with or in relation to that business, as at the Effective Date, including (without prejudice to the generality of the foregoing):
	(a) all Liabilities under or by virtue of the ALL Transferred Policies; and
	(b) all Liabilities arising under or by virtue of the ALL Transferred Contracts,
	but excluding the ALL Excluded Liabilities
"ALL Transferred Policies"	means all Policies of ALL (as further described in Part 1 of Schedule 1) under which any Liability remains unsatisfied or outstanding at the Effective Date, including in respect of the same:
	(a) any Policies which have lapsed (or which have been treated by ALL as having lapsed) on or before the Effective Date and which are reinstated by AEL on or after the Effective Date;
	(b) any Policies written as options or increments in respect of Policies falling within the scope of this definition; and
	(c) all proposals for insurance received by or on behalf of ALL before the Effective Date which have not become Policies in force by the Effective Date but which subsequently become Policies falling within the scope of this definition
"Asset"	means any asset and property of every kind and description, wherever located, whether real, personal or mixed, tangible or intangible, that is owned, leased by or licenced to ALL or LGL and comprised within the Transferred Business including:
	(a) all rights, benefits and powers of ALL or LGL under any Transferred Contract;
	(b) all rights, including any right to repayment or recovery of Tax relating to the Transferred Business or to the transfer

thereof; and

- (c) claims and powers of ALL or LGL against any third party relating exclusively to the Transferred Business

and, for the avoidance of doubt, any such asset or property to which legal title is held by another party, provided and to the extent that ALL or LGL has an interest in such asset or property, including beneficial ownership of such asset or property

"Assurant Non-Life Scheme"

means the scheme of transfer under Part VII of FSMA, which is expected to take effect on the same date and time as this Scheme, and pursuant to which, subject to the sanction of the Court, LGI will transfer its rights, benefits, powers, obligations and liabilities under LGL EEA Creditor Policies to AEI

"Best Estimate Liabilities"

means the probability-weighted average of future cash flows, taking account of the time value of money (expected present value of future cash flows) using the relevant risk free interest rate term structure, calculated in accordance with Article 77 of Solvency II and the relevant Solvency II Requirements

"Brexit"

means the United Kingdom's departure from the European Union on 31 January 2020, which is subject to a transition period until 31 December 2020 as provided for under Article 126 of the Agreement on the Withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community

"Cash"

means cash or any cash deposit

"Consent"

has the meaning given to the term "consent" in the GDPR

"Contract"

means any written contract, terms of business, commitment, agreement (including a facility agreement), deed, indenture, note, bond, mortgage, loan, instrument, lease or licence, each as amended, supplemented, varied or substituted from time to time and including, without limitation, the Transferred Contracts

"Controller"

has the meaning given to the term "controller" in the GDPR

"Court"

means the High Court of Justice in England and Wales

"Data Protection Laws"

means any law, statute, declaration, decree, directive, legislative enactment, order, ordinance, regulation, rule or other binding restriction (as amended, consolidated or re-enacted from time to time) which relates to the protection of individuals with regards to the processing of Personal Data to which a party is subject, including the Data Protection Act 1998 (up to and including 24 May 2018), Directive 2002/58/EC, the Privacy and Electronic Communications (EC Directive) Regulations 2003, and (on and from 25 May 2018) the Data Protection Act 2018 and the GDPR (or, after the implementation period within the meaning of the European Union (Withdrawal Agreement) Act 2020, all legislation enacted in the United Kingdom in respect of the protection of Personal Data)

"Data Subject"

has the meaning given to the term "data subject" in the GDPR

"DISP"	means the Dispute Resolution Complaints rules issued by the FCA and forming part of the FCA Rules
"DNB"	means De Nederlandsche Bank, or such other governmental, statutory or other authority as shall from time to time carry out such functions in relation to Long-Term Business carried on in the Netherlands as were at the date of this Scheme allocated to De Nederlandsche Bank
"EEA"	means: <ul style="list-style-type: none"> (a) the 27 Member States of the European Union: Austria, Belgium, Bulgaria, Croatia, Republic of Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain and Sweden; and (b) Iceland, Liechtenstein and Norway and each an "EEA Member State" <p>For the avoidance of doubt, the United Kingdom and Switzerland are not EEA Member States for the purposes of this Scheme</p>
"Effective Date"	means the time and date on which this Scheme shall take effect in accordance with paragraph 12
"Encumbrance"	means any mortgage, charge, pledge, security assignment, lien, option, restriction, right of first refusal, right of pre-emption, third party right or interest, any other encumbrance or security interest of any kind and any other type of preferential arrangement (including, without limitation, title transfer and retention agreements) having a similar effect
"Excluded Assets"	means the ALL Excluded Assets and the LGL Excluded Assets
"Excluded Business"	means together: <ul style="list-style-type: none"> (a) the Excluded Assets; (b) the Excluded Contracts; (c) the Excluded IP; (d) the Excluded Liabilities; and (e) the Excluded Policies
"Excluded Contracts"	means the ALL Excluded Contracts and the LGL Excluded Contracts
"Excluded IP"	means the ALL Excluded IP and the LGL Excluded IP
"Excluded Liabilities"	means the ALL Excluded Liabilities and the LGL Excluded Liabilities
"Excluded Policies"	means the LGL Excluded Policies

"FCA"	means the Financial Conduct Authority, or such other governmental, statutory or other authority as shall from time to time carry out such functions in relation to Long-Term Business carried on in the United Kingdom as were at the date of this Scheme allocated to the Financial Conduct Authority under FSMA
"FCA Rules"	means the rules and guidance contained in the FCA Handbook of Rules and Guidance
"Financial Ombudsman Service"	means the United Kingdom's Financial Ombudsman Service Limited (or any successor thereto or replacement thereof)
"FSA"	means the authority that, immediately prior to 1 April 2013, carried out such functions in relation to Long-Term Business carried on in the United Kingdom pursuant to FSMA that, as at the date of this Scheme, are carried on by the PRA and the FCA, and was known as the Financial Services Authority
"FSMA"	means the Financial Services and Markets Act 2000
"GDPR"	means Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and repealing Directive 95/46/EC (General Data Protection Regulation) OJ L 119/1, 4.5.2016
"HMRC"	means HM Revenue & Customs (or any successor thereto or replacement thereof)
"Independent Expert"	means Philip Simpson, the expert appointed to report on the provisions of this Scheme pursuant to section 109 of FSMA, or any successor appointed to act as Independent Expert and whose appointment has been approved by the PRA in consultation with the FCA
"Intellectual Property"	means each of the following: <ul style="list-style-type: none"> (a) trade or business names, service marks and trade marks (whether registered or not), registered and unregistered designs, design rights, copyrights and know-how and the goodwill therein and applications for any of the same and any other forms of protection of a similar nature and having equivalent or similar effect to any of them which may subsist anywhere in the world; (b) all rights to, and the exclusive ownership of, all client lists and customer databases; (c) all design rights, database rights, software and systems developed by ALL or LGL, as applicable, and any other intellectual property rights (whether registrable or not in any country)
"Investment Assets"	means the ALL Investment Assets and the LGL Investment Assets
"Level 2 Delegated Acts"	means Regulation (EU) 2015/35 of the European Commission supplementing Solvency II, published in the Official Journal of the European Union on 17 January 2015

"LGL"	means London General Life Company Limited, a private limited company incorporated in England and Wales with registered number 02443666 and having its registered office at Twenty Kingston Road, Kingston Road, Staines-Upon-Thames, Surrey, TW18 4LG
"LGL BEL"	means the Best Estimate Liabilities arising under the LGL Transferred Policies, or any LGL Residual Policies, in each case immediately prior to the Relevant Date
"LGL Board"	means the board of directors of LGL from time to time
"LGL Chief Actuary"	means the person appointed from time to time by LGL to perform the "Chief Actuary" controlled function (SMF20) or the equivalent successor function
"LGL EEA Creditor Policies"	means those LGL Transferred Policies under which: <ul style="list-style-type: none"> (a) LGL has provided life insurance cover in one or more of class I (life and annuity) and class IV (permanent health) as set out in Part 2 of Schedule 1 to the RAO and as is more particularly described at Part 1 of Schedule 2; and (b) LGL has provided general insurance cover for one or more of the following insurance risks: accident, death, disability, sickness and unemployment under class 1 (accident), class 2 (sickness) and class 16 (miscellaneous financial loss) as set out in Part 1 of Schedule 1 to the RAO
"LGL Excluded Assets"	means all assets of LGL which are not LGL Transferred Assets (including, for the avoidance of doubt, all rights, benefits and powers of LGL under the LGL Excluded Contracts)
"LGL Excluded Contracts"	means all Contracts of LGL which are not LGL Transferred Contracts
"LGL Excluded IP"	means any Intellectual Property relating to LGL which is not LGL Transferred IP
"LGL Excluded Liabilities"	means: <ul style="list-style-type: none"> (a) the LGL Regulatory Liabilities; (b) the LGL Tax Liabilities; (c) without prejudice to paragraphs (a) and (b) of this definition, all other Liabilities of LGL that are not the LGL Transferred Liabilities (including, for the avoidance of doubt, all Liabilities under or by virtue of the LGL Excluded Contracts)
"LGL Excluded Policies"	means any Policies of LGL which are not LGL Transferred Policies
"LGL Investment Assets"	means such Assets agreed between LGL and AEI to comprise investment grade assets (determined in accordance with the Solvency II Requirements) or cash equal to the aggregate of the LGL BEL and LGL Risk Margin, determined as at the Relevant Date and in accordance with the prevailing actuarial and treasury procedures and controls used by LGL and prevailing good actuarial practice and reflecting appropriate maturity and currency matching

in accordance with the prevailing internal policies and controls of LGL

"LGL Records"

means to the extent that such data, files and information are maintained or controlled by or on behalf of LGL for use wholly or mainly in connection with the operation of the LGL Transferred Business and which are in the possession, custody or control of LGL or held on its behalf, the books, records and correspondence relating to the LGL Transferred Business including (without prejudice to the generality of the foregoing) policy slips, policy wordings, underwriting cards, certificates of insurance, policy renewal or cancellation documents, claims information, reserving documentation, reinsurance information, books of account, financial information and other accounting records (in each case, in whatever medium) (other than the LGL Retained Records)

"LGL Regulatory Liability"

means any Loss or Liability which results from or arises in connection with negligence, mis-selling or from a complaint made or from a failure to comply with, or an allegation of failure to comply with, rules, regulations, guidance or directions of the FSA, the PRA, the FCA or any other Relevant Regulator, the Financial Ombudsman Service or any other ombudsman, or any Loss or Liability which results from or arises in connection with a failure to comply with, or an allegation of failure to comply with Regulatory Requirements (including, for the avoidance of doubt, such requirements that apply to it in relation to distribution partners, clients or third parties) in respect of the design, administration, manufacture, marketing, distribution of, or the provision of advice in respect of the LGL Transferred Policies on or prior to the Effective Date including:

- (a) any penalty or compensation or fine levied or which results from or arises in connection with any enforcement action undertaken by the FSA, the PRA, the FCA, any other Relevant Regulator, the Financial Ombudsman Service or any other ombudsman;
- (b) any costs or expenses incurred for the purpose of settling any complaint or claim or any agreed settlement or compromise (including an ex gratia payment made in the interests of saving or reducing any such Loss); and
- (c) any administrative costs or expenses incurred (whether internal or external) in relation to any review, investigation, remediation or communication exercise

"LGL Residual Assets"

means in relation to the LGL Transferred Business

- (a) any Asset comprised in or relating to the LGL Transferred Business, the transfer of which pursuant to this Scheme:
 - (i) is agreed by LGL and AEL, or is proved by any third party, to be subject to the law of any country or territory other than the United Kingdom and in relation to which further steps, in addition to the Order, are required to secure that its transfer to AEL is fully effective under the law of that country or territory;
 - (ii) requires, at the Effective Date, (1) the consent

of any third party; or (2) the waiver by any third party of any right to acquire, or be offered the right to, or offer to, acquire or procure the acquisition by some other person of, all or any part of such Asset, being a right which directly or indirectly arises or is exercisable as a consequence of such transfer being proposed or taking effect; or

- (iii) would result in a third party having a right to terminate an agreement with LGL or to claim compensation in damages or otherwise

and which the Court either does not have jurisdiction to transfer pursuant to section 112 of FSMA without such steps being taken as are referred to in (a)(i) or in relation to which the Court has determined, pursuant to section 112A(2)(b) of FSMA, not to disapply any entitlement referred to in (a)(ii) or (a)(iii), but in any case to the extent only of that part of the interest of LGL, as the case may be, in relation to any such Asset the transfer of which requires such steps and/or consent and/or waiver

- (b) any interest of LGL in any Asset comprised in the LGL Transferred Business the transfer of which LGL and AEL agree prior to the Effective Date is to be delayed until after the Effective Date;
- (c) any proceeds of sale or income or other accrual or return whatsoever, whether or not in any case in the form of Cash, or any other Assets or rights earned or received from time to time after the Effective Date but prior to any Subsequent Transfer Date in respect of any such Asset referred to in paragraphs (a) and (b) of this definition

but excluding the rights, benefits and powers under the LGL Excluded Policies

"LGL Residual Liability"

means in relation to the LGL Transferred Business:

- (a) any Liability comprised in or relating to the LGL Transferred Business, the transfer of which:
 - (i) is agreed by LGL and AEL, or is proved by any third party, to be subject to the law of any country or territory other than the United Kingdom and in relation to which further steps, in addition to the Order, are required to secure that its transfer to LGL is fully effective under the law of that country or territory;
 - (ii) would result in a third party having a right to terminate an agreement with LGL or to claim compensation in damages or otherwise

and which the Court either does not have jurisdiction to transfer pursuant to section 112 of FSMA without the necessary steps being taken or the termination and/or compensation rights being waived or which the Court determines not to transfer by the virtue of the Order, but in any case to the extent only of that part of the Liability

the transfer of which requires such steps and/or waiver or which the Court determines not to transfer;

- (b) any other Liability comprised in the LGL Transferred Business, the transfer of which LGL and AEL agree prior to the Effective Date is to be delayed until after the Effective Date;
- (c) any Liability that is attributable to or connected with an LGL Residual Asset or an LGL Residual Liability referred to in paragraphs (a) and (b) of this definition that has arisen or arises at any time before the Subsequent Transfer Date applicable to that LGL Residual Asset or LGL Residual Liability

but excluding any Liability under the LGL Excluded Policies

"LGL Residual Policies"

means Policies under which any Liability remains unsatisfied or outstanding at the Effective Date:

- (a) which are LGL Transferred Policies written by LGL in the course of carrying on insurance business in any EEA Member State (excluding, for the avoidance of doubt, the United Kingdom and Switzerland), in respect of which:
 - (i) for the purpose of paragraph 1(2A) of Schedule 12 to FSMA, were concluded in an EEA Member State other than the United Kingdom and the PRA has not prior to the making of the Order by which the Court sanctions this Scheme provided the certificate referred to in paragraph 3A of Schedule 12 to FSMA with respect to the relevant EEA Member State(s);
 - (ii) for the purpose of paragraph 1(2) of Schedule 12 to FSMA, the establishment from which such Policies are to be transferred is in an EEA Member State other than the United Kingdom and the PRA has not prior to the making of the Order by which the Court sanctions this Scheme provided the certificate referred to in paragraph 3 of Schedule 12 to FSMA with respect to the relevant EEA Member State(s);
- (b) which are LGL Transferred Policies written by LGL in the course of carrying on insurance but which are not otherwise capable of being transferred pursuant to FSMA on the Effective Date;
- (c) which are LGL EEA Creditor Policies, to the extent and for so long only as the Assurant Non-Life Scheme has not been sanctioned by the Court and become effective in accordance with its terms,

including, for the avoidance of doubt:

- (i) any Policy within paragraphs (a) or (b) of this definition which has lapsed on or before the Effective Date but which the relevant

Policyholder is entitled to require LGL to reinstate;

- (ii) any proposal for a Policy received or issued by or on behalf of LGL before the Effective Date which has not become a Policy in force by the Effective Date but which would fall within paragraphs (a) or (b) of this definition were it to come into force

"LGL Retained Records" means any accounting and financial and other records of LGL relating to the LGL Transferred Business that LGL is required to retain by law

"LGL Risk Margin" means the Risk Margin in respect of the LGL Transferred Policies, or any LGL Residual Policies, in each case immediately prior to the Relevant Date

"LGL Tax Liabilities" means all Loss and Liabilities of LGL in respect of Tax, including any which are attributable to the LGL Transferred Business (pursuant to the Scheme or otherwise)

"LGL Transferred Assets" means:

- (a) all rights, benefits and powers of LGL under or by virtue of the LGL Transferred Policies;
- (b) all rights, benefits and powers of LGL under or by virtue of the LGL Transferred Contracts;
- (c) all rights and claims (in contemplation, present or future, actual or contingent) against any third party not within paragraphs (a) and (b) above of this definition to the extent that such right or claim relates to any of the LGL Transferred Policies or the LGL Transferred Contracts, or arises as a result of the LGL Transferred Policies or the LGL Transferred Contracts;
- (d) the LGL Investment Assets;
- (e) the LGL Transferred IP; and
- (f) the LGL Records,

but excluding the LGL Excluded Assets

"LGL Business" **Transferred** means together:

- (a) the LGL Transferred Assets;
- (b) the LGL Transferred Contracts;
- (c) the LGL Transferred Liabilities; and
- (d) the LGL Transferred Policies;

and all activities carried on in connection therewith

"LGL Transferred means:

Contracts"	<ul style="list-style-type: none"> (a) those Contracts listed in Part 2 of Schedule 2; and (b) such other Contracts to which LGL is a party that relate exclusively to the LGL Transferred Business but excluding the LGL Excluded Contracts
"LGL Transferred IP"	means all rights to, and the ownership of, all client lists and customer databases relating to the LGL Transferred Business
"LGL Transferred Liabilities"	<p>means all Liabilities whatsoever of LGL (other than to the extent discharged prior to the Effective Date) comprised in or attributable to the LGL Transferred Business or arising in connection with or in relation to that business, as at the Effective Date, including (without prejudice to the generality of the foregoing):</p> <ul style="list-style-type: none"> (a) all Liabilities under or by virtue of the LGL Transferred Policies; (b) all Liabilities arising under or by virtue of the LGL Transferred Contracts; <p>but excluding the LGL Excluded Liabilities</p>
"LGL Transferred Policies"	<p>means as further described in Part 1 of Schedule 2, all Policies effected by or on behalf of LGL on a freedom of services and on a freedom of establishment basis and in respect of which LGL's records show that, immediately prior to the Effective Date, the commitment is situated in an EEA Member State (for the avoidance of doubt, other than the United Kingdom and Switzerland) and under which any Liability remains unsatisfied or outstanding at the Effective Date, including in respect of the same:</p> <ul style="list-style-type: none"> (a) any Policies which have lapsed (or which have been treated by LGL as having lapsed) on or before the Effective Date and which are reinstated by AEL on or after the Effective Date; (b) any Policies written as options or increments in respect of Policies falling within the scope of this definition; and (c) all proposals for insurance received by or on behalf of LGL before the Effective Date which have not become Policies in force by the Effective Date but which subsequently become Policies falling within the scope of this definition <p>but excluding the LGL Excluded Policies</p>
"Liability"	means any debt, liability, duty or obligation of any kind or description (whether direct or indirect, present or future, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, or due or to become due) including any liability to Taxation, and including all costs and expenses relating thereto
"Long-Term Business"	<p>means:</p> <ul style="list-style-type: none"> (a) in respect of each of ALL and LGL, the business of effecting or carrying out long-term insurance contracts as principal, being contracts falling within Part II of

Schedule 1 to the RAO;

- (b) in respect of AEL, the business of a life insurer (*levensverzekeraar*) within the meaning of the Dutch Act on Financial Supervision (*We op het financieel toezicht*)

"Loss"	means any loss, expense, liability, claim, damages, penalty, fine, cost (including legal costs and experts' and consultants' fees and including, for the avoidance of doubt, Taxation), charges, demands, actions or proceedings and such term shall include any costs or expenses incurred for the purpose of settling any complaint or claim or any agreed settlement or compensation or compromise (including an ex gratia payment made in the interests of saving or reducing any such loss, costs or expenses)
"Notice"	has the meaning given to that term in paragraph 18.1
"Order"	means an order made by the Court pursuant to section 111 of FSMA sanctioning this Scheme and any order (including any subsequent order) in relation to this Scheme made by the Court pursuant to section 112 or 112A of FSMA
"Personal Data"	has the meaning given to the term "personal data" in the GDPR
"Policy" or "Policyholder"	have the meanings set out in Financial Services and Markets Act 2000 (meaning of "Policy" and "Policyholder") Order 2001 (SI 2001/2361)
"PRA"	means the Prudential Regulation Authority, or such other governmental, statutory or other authority as shall from time to time carry out such functions in relation to Long-Term Business carried on in the United Kingdom as were at the date of this Scheme allocated to the Prudential Regulation Authority under FSMA
"PRA Rules"	means the rules and guidance contained in the PRA Rulebook
"Proceedings"	means any action or other legal or administrative proceedings or step (whether direct or indirect, by way of a claim, demand, legal proceedings, execution of judgment, arbitration, complaint or otherwise howsoever) including arbitration, mediation, adjudication, any other dispute resolution procedure (whether or not it involves submission to any court), any judicial, quasi-judicial, administrative or regulatory review or process or any complaint or claim to any court, authority or ombudsman, including the Financial Ombudsman Service, or other proceedings for the resolution of a dispute or claim, in each case whether current, future, pending, threatened or otherwise (including those not yet in contemplation)
"RAO"	means the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544)
"Regulatory Change"	has the meaning given to that term in paragraph 13.4.3
"Regulatory Requirements"	means: (a) in relation to each of ALL and LGL, the FSMA, the PRA Rules, the FCA Rules, the Solvency II Requirements and such other legal or regulatory requirement (including, for the avoidance of doubt, requirements under any public law and under any civil law) that applies to it from time to

time; and

- (b) in relation to AEL all laws, regulations, rules, codes of conduct and/or guidelines applicable to AEL in the Netherlands, including (but not limited to), the Solvency II Requirements and any rules, directions, instructions, guidelines, recommendations, handbooks or codes of conduct issued by the DNB, the Dutch Authority for the Financial Markets or by any other competent regulatory authority

"Relevant Date"	means the Effective Date except in the case of any Residual Policy, Residual Asset or Residual Liability in which case it means the applicable Subsequent Transfer Date
"Relevant Regulator"	means any regulatory body, authority, government department or exchange or clearing body or organisation in any jurisdiction (including the PRA, the FCA, the DNB, the Dutch Authority for the Financial Markets) other than a Tax Authority
"Residual Assets"	means the ALL Residual Assets and the LGL Residual Assets
"Residual Liability"	means the ALL Residual Liabilities and the LGL Residual Liabilities
"Residual Policies"	means the ALL Residual Policies and the LGL Residual Policies
"Risk Margin"	means the risk margin calculated in accordance with article 77 of Solvency II and the relevant Solvency II Requirements
"Scheme"	means this Scheme in its original form or with or subject to any modification, addition or condition which may be approved or imposed in accordance with paragraph 13
"Solvency II"	means Directive 2009/138/EC of the European Parliament and the Council of 25 November 2009 on the taking-up and pursuit of the business of insurance and reinsurance
"Solvency II Requirements"	means Solvency II and any directive, legislation, regulation, decision, order, decree, determination, award, standard, guidance or rule which implements, gives effect to or is made pursuant to Solvency II including the Level 2 Delegated Acts and the PRA Rules (in relation to each of ALL and LGL) and the Regulatory Requirements (in relation to AEL)
"Solvency Capital Requirement"	means the Solvency Capital Requirement calculated in accordance with article 101 of Solvency II and the relevant Solvency II Requirements (adjusted to reflect any capital add-on imposed from time to time)
"Subsequent Transfer Date"	means in relation to any Residual Asset, Residual Liability or Residual Policy the date (and each date) after the Effective Date on which such Residual Asset, Residual Liability or Residual Policy is or is to be transferred to AEL, including: <ul style="list-style-type: none">(a) in respect of any Residual Asset falling within paragraph (a) of the definition of ALL Residual Assets or paragraph (a) of the definition of LGL Residual Assets or any Residual Liability falling within paragraph (a) of the definition of ALL Residual Liabilities or paragraph (a) of the definition of LGL Residual Liabilities and of any other Residual

Liability which is attributable to or connected with any such Residual Asset, the date on which the requisite steps or, where applicable, the requisite consent or waiver to enable the same to be transferred from ALL or LGL to AEL upon the provisions of this Scheme (where applicable, without any third party right to terminate or to compensation) is:

- (i) obtained;
 - (ii) no longer required; or
 - (iii) dispensed with by Order of the Court;
- (b) in respect of any Residual Asset falling within paragraph (b) of the definition of ALL Residual Assets or paragraph (b) of the definition of LGL Residual Assets or any Residual Liability falling within paragraph (b) of the definition of ALL Residual Liabilities or paragraph (b) of the definition of LGL Residual Liabilities, and of any other Residual Liability which is attributable to or connected with such Residual Asset, the date agreed in writing by ALL or LGL and AEL;
- (c) in respect of any Residual Asset falling within paragraph (c) of the definition of ALL Residual Assets or paragraph (c) of the definition of LGL Residual Assets or any Residual Liability falling within paragraph (c) of the definition of ALL Residual Liabilities or paragraph (c) of the definition of LGL Residual Liabilities, the date on which such Residual Asset is received or earned by ALL or LGL or, in the case of a Residual Liability, the date on which such Liability is incurred by ALL or LGL;
- (d) in respect of any Residual Policy falling within paragraph (a) or (b) of the definition of ALL Residual Policies or paragraph (a) or (b) of the definition of LGL Residual Policies, the date on which the transfer of all rights, title, interest in, and obligations under such Policy is fully effective in the United Kingdom and under the law of any other country or territory to which it is subject;
- (e) in respect of any Residual Policy falling within paragraph (c) of the definition of ALL Residual Policies or paragraph (c) of the definition of LGL Residual Policies, the date on which the Assurant Non-Life Scheme becomes effective in accordance with its terms

"Tax" or "Taxation"

means all forms of tax, duty, rate, levy, charge or other imposition or withholding whenever and by whatever authority imposed and whether of the United Kingdom, the Netherlands or elsewhere, including (without limitation) income tax (including income tax or amounts equivalent to or in respect of income tax required to be deducted or withheld from or accounted for in respect of any payment), corporation tax, capital gains tax, value added tax, stamp duty, stamp duty reserve tax, stamp duty land tax, national insurance and other similar contributions, insurance premium tax and any other taxes, duties, rates, levies, charges, imposts or withholdings corresponding to, similar to, replaced by or replacing any of them, together with any interest, penalty, surcharge or fine in

connection with such taxation or in connection with the failure to file any return for the purposes of any taxation

"Tax Authority"	means any government, state or municipality or any local, state, federal or other authority, body or official anywhere in the world exercising a fiscal, revenue, customs or excise function (including, without limitation, HMRC and the Dutch Tax and Customs Administration (<i>Belastingdienst</i>))
"Tax Relief"	means any reliefs, allowances or credits in respect of any Taxation, any deductions in computing income, profits or gains for the purposes of any Taxation or any right to repayment of Taxation
"Transfer Notice"	means the notice provided: (a) in respect of any Wrong Pockets Item that is an Asset, Liability or Contract (other than a Policy), to the relevant counterparty to such Asset, Liability or Contract; or (b) in respect of any Wrong Pockets Item that is a Policy, to the relevant holder of such Policy; and in each case setting out the intended transfer of such Wrong Pockets Item in accordance with paragraph 3.10 and including the Transfer Notice Date;
"Transfer Notice Date"	means, in respect of a Wrong Pockets Item, the date of transfer specified in the Transfer Notice, which date shall not be earlier than 30 days after the date of such Transfer Notice;
"Transferred Assets"	means the ALL Transferred Assets and the LGL Transferred Assets
"Transferred Business"	means the ALL Transferred Business and the LGL Transferred Business
"Transferred Contracts"	means the ALL Transferred Contracts and the LGL Transferred Contracts
"Transferred IP"	means the ALL Transferred IP and the LGL Transferred IP
"Transferred Liabilities"	means the ALL Transferred Liabilities and the LGL Transferred Liabilities
"Transferred Policies"	means the ALL Transferred Policies and the LGL Transferred Policies
"VAT"	means, within the European Union, such Tax as may be levied in accordance with (but subject to derogations from) Directive 2006/112/EC and, outside the European Union, any Taxation levied by reference to added value or sales or similar Tax□
"Wrong Pockets Item"	has the meaning given to such term in paragraph 3.10

1.2 **"property"** includes (without limitation) property, assets, rights (including, without limitation, contingent rights as to the repayment of Tax) and powers of every description (whether present or future, actual or contingent) and includes property held on trust and securities, benefits, powers of any description and any interest whatsoever in any of the foregoing;

- 1.3 "transfer" includes (as the context may require) "assign", "assignment" or "assignment", "dispose" or "disposal" or "convey" or "conveyance";
- 1.4 any reference to the singular shall include a reference to the plural and vice versa and any reference to the masculine shall include a reference to the feminine and neuter and vice versa;
- 1.5 any reference:
- 1.5.1 to an enactment, a statutory provision or any subordinate legislation shall be deemed to include a reference to that enactment, statutory provision or subordinate legislation as amended, replaced or re-enacted from time to time and to any instrument or order made from time to time under such enactment, statutory provision or subordinate legislation; and
- 1.5.2 to any rules or regulations issued by the DNB, the Dutch Authority for the Financial Markets, the PRA or the FCA shall be deemed to include a reference to such rules or regulations as amended or replaced from time to time;
- 1.6 expressions used in this Scheme which have meanings under FSMA shall bear those meanings, including "EEA State" which bears the meaning set out in paragraph 8, Part I of Schedule 3 to FSMA;
- 1.7 a reference to a "holding company" or "subsidiary", means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Companies Act 2006 (or, in respect of AEL a holding company or a subsidiary (as the case may be) as defined under the Dutch Civil Code);
- 1.8 any reference to this Scheme shall include the Schedules to it and, unless otherwise specified, references to paragraphs, Parts or the Schedules are to paragraphs, Parts or Schedules to this Scheme;
- 1.9 headings are inserted for convenience only and shall not affect the construction of this Scheme;
- 1.10 any reference to a person shall include a reference to a body corporate, a partnership, an unincorporated association or to a person's executors or administrators, and for the avoidance of doubt, shall include a trustee;
- 1.11 if a period of time is specified from a given day or date or from the day or date of an actual event, it shall be calculated exclusive of that day or date;
- 1.12 any reference to writing shall include any modes of reproducing words in a legible and non-transitory form;
- 1.13 the expression "variation" shall include any variation, supplement, deletion, replacement or termination, however effected;
- 1.14 any reference to "includes" or "including" shall mean "includes without limitation" or "including without limitation";
- 1.15 any reference to an amount shall, unless otherwise stated, be exclusive of any VAT or other Tax;
- 1.16 any reference to "pounds" or "£" shall be to the lawful currency of the United Kingdom; and
- 1.17 any reference to "Euro" or "€" shall be to the lawful currency of the Netherlands.

PART B - INTRODUCTION

2. INTRODUCTION

- 2.1 ALL is a private limited company incorporated in England and Wales with registered number 03264844. The registered office of ALL is at Emerald Buildings, Westmere Drive, Crewe, Cheshire, United Kingdom CW1 6UN. ALL has permission under Part 4A of FSMA to carry on Long-Term Business in the United Kingdom in classes I (Life and annuity) and IV (Permanent health) set out in Part II of Schedule 1 to the RAO. ALL has exercised its right to passport certain of these permissions into the following EEA States (and Gibraltar) on a freedom of services basis: Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Malta, the Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain and Sweden and into the following EEA States on a freedom of establishment basis: Germany, Italy and Spain.
- 2.2 LGL is a private limited company incorporated in England and Wales with registered number 02443666. The registered office of LGL is at Twenty Kingston Road, Kingston Road, Staines-Upon-Thames, Surrey, England TW18 4LG. ALL has permission under Part 4A of FSMA to carry on Long-Term Business in the United Kingdom in classes I (Life and annuity), III (Linked long-term) and IV (Permanent health) set out in Part II of Schedule 1 to the RAO. LGL has also exercised its right to passport certain of these permissions into the following EEA States (and Gibraltar) on a freedom of services basis: Austria, Belgium, Czech Republic, France, Germany, Hungary, Italy, Luxembourg, Norway, Poland, Portugal, Spain and Sweden and into the following EEA States on a freedom of establishment basis: Belgium, France, Germany, Ireland, Italy, the Netherlands, Poland and Spain.
- 2.3 AEL is a limited company (*naamloze vennootschap*) incorporated in the Netherlands. It is registered in the trade register of the Dutch Chamber of Commerce under number 72959312. The registered office of AEL is at Paasheuvelweg 1, 1105 BE Amsterdam, the Netherlands. AEL is authorised under the Dutch Act on Financial Supervision (*We op het financieel toezicht*) to carry on Long-Term Business in the Netherlands in classes I (Life and annuity) and IV (Permanent health insurance). AEL will exercise its right to passport certain of its permissions referred to in this paragraph into the following EEA States on a freedom of services basis: Belgium, Germany, Ireland, Italy and Spain.
- 2.4 Each of the parties is a member of the Assurant, Inc. group of companies. ALL is a wholly owned subsidiary of Assurant Group Limited, a limited liability insurance holding company incorporated in England and Wales. LGL and AEL are wholly owned subsidiaries of TWG Europe Limited, a limited liability insurance holding company incorporated in England and Wales. Assurant, Inc., a company registered in Delaware, is the ultimate parent of each of the parties.
- 2.5 It is proposed that the whole of the Transferred Business shall, in accordance with this Scheme, be transferred to AEL, but excluding, for the avoidance of doubt, the Excluded Business.
- 2.6 The transfer of LGL's rights and obligations under each of the LGL EEA Creditor Policies under this Scheme shall be subject to the Court sanctioning the Assurant Non-Life Scheme and until such time as the Assurant Non-Life Scheme becomes effective, the LGL EEA Creditor Policies shall be Residual Policies for the purposes of this Scheme.

PART C - TRANSFER

3. TRANSFER OF BUSINESS

- 3.1 Each part of the Transferred Business (including the Transferred Policies, the Transferred Assets, the Transferred Contracts, the Transferred Liabilities, the Residual Policies (subject to paragraph 6), the Residual Assets and the Residual Liabilities) shall be transferred to and be vested in AEL in accordance with this Scheme, so that:
- 3.1.1 subject to paragraph 8, on and with effect from the Effective Date, each ALL Transferred Asset and all interest of ALL in each ALL Transferred Asset shall, by the Order and without any further act or instrument, be transferred to and be vested in AEL and AEL shall succeed to each ALL Transferred Asset as if in all respects it were the same person in law as ALL, subject to all Encumbrances (if any) affecting such Asset in accordance with this Scheme;
 - 3.1.2 subject to paragraph 9, on and with effect from the Effective Date, each LGL Transferred Asset and all interest of LGL in each LGL Transferred Asset shall, by the Order and without any further act or instrument, be transferred to and be vested in AEL and AEL shall succeed to each LGL Transferred Asset as if in all respects it were the same person in law as LGL, subject to all Encumbrances (if any) affecting such Asset in accordance with this Scheme;
 - 3.1.3 subject to paragraph 8, on and with effect from each Subsequent Transfer Date, each ALL Residual Asset to which such Subsequent Transfer Date applies and all interests of ALL in it shall, by the Order and without any further act or instrument, be transferred to and be vested in AEL and AEL shall succeed to each ALL Residual Asset as if in all respects it were the same person in law as ALL, subject to all Encumbrances (if any) affecting such Asset in accordance with this Scheme;
 - 3.1.4 subject to paragraph 9, on and with effect from each Subsequent Transfer Date, each LGL Residual Asset to which such Subsequent Transfer Date applies and all interests of LGL in it shall, by the Order and without any further act or instrument, be transferred to and be vested in AEL and AEL shall succeed to each LGL Residual Asset as if in all respects it were the same person in law as LGL, subject to all Encumbrances (if any) affecting such Asset in accordance with this Scheme;
 - 3.1.5 on and with effect from the Effective Date, each ALL Transferred Liability shall, by the Order and without any further act or instrument, be transferred to and become a Liability of AEL and AEL shall succeed to the ALL Transferred Liability as if in all respects it were the same person in law as ALL and such ALL Transferred Liability shall cease to be a Liability of ALL;
 - 3.1.6 on and with effect from the Effective Date, each LGL Transferred Liability shall, by the Order and without any further act or instrument, be transferred to and become a Liability of AEL and AEL shall succeed to the LGL Transferred Liability as if in all respects it were the same person in law as LGL and such LGL Transferred Liability shall cease to be a Liability of LGL;
 - 3.1.7 on and with effect from each Subsequent Transfer Date, each ALL Residual Liability to which such Subsequent Transfer Date applies shall, by the Order and without any further act or instrument, be transferred to and become a Liability of AEL and AEL shall succeed to the ALL Residual Liability as if in all respects it were the same person in law as ALL and such ALL Residual Liability shall cease to be a Liability of ALL; and
 - 3.1.8 on and with effect from each Subsequent Transfer Date, each LGL Residual Liability to which such Subsequent Transfer Date applies shall, by the Order and without any further act or instrument, be transferred to and become a Liability of AEL and AEL shall succeed to the LGL Residual Liability as if in all respects it were the same person in law as LGL and such LGL Residual Liability shall cease to be a Liability of LGL.

- 3.2 For the avoidance of doubt and without limitation to the generality of the provisions of paragraph 3.1:
- 3.2.1 any offer or invitation to treat made to or by ALL or LGL prior to the Relevant Date in relation to the Transferred Business shall be construed and have effect on and from the Relevant Date as an offer or invitation to treat made to or by AEL;
 - 3.2.2 any existing indemnity, power of attorney, authority, declaration or consent given to or by ALL or LGL relating to any part of the Transferred Business (including, for the avoidance of doubt, the Transferred Policies) shall have effect on and from the Relevant Date as if given to or, as the case may be, by AEL;
 - 3.2.3 any Contract or Asset (including (i) any legal or beneficial title arising pursuant to any trust and (ii) any rights or Liabilities pursuant to any custody arrangements) transferred to and vested in AEL by virtue of the Order and which was held by ALL or LGL (whether alone or jointly with others) as a trustee, custodian or in a similar fiduciary capacity shall, with effect on and from the Relevant Date, be held by AEL (alone or jointly, as the case may be and in the capacity of a trustee, custodian or in a similar fiduciary capacity, as the case may be) subject to the rights, powers and duties previously applicable to the relevant trust, custody or other fiduciary arrangement in question;
 - 3.2.4 any security in respect of the Transferred Business held immediately before the Relevant Date by ALL or LGL, or by a nominee or agent of or trustee for ALL or LGL, as security for the payment or discharge of any Liability shall, on and from that day, be held by AEL, or, as the case may require, by that nominee, agent or trustee for AEL, and be available to AEL (whether for its own benefit or, as the case may be, for the benefit of any other person) as security for the payment or discharge of that Liability (and if not physically delivered to AEL shall be deemed to be so delivered on that day); and
 - 3.2.5 AEL shall be entitled on and from the Relevant Date to rely on and enforce any consent, waiver, representation, statement or estoppel given or made to ALL or LGL by a person in relation to the Transferred Business prior to the Relevant Date as though such consent, waiver, representation, statement or estoppel had been given or made to AEL and to the same extent that ALL or LGL would have been able to rely on or enforce the same.
- 3.3 Each party shall each ensure that all Personal Data transferred to AEL as part of the Transferred Business is transferred in compliance with the provisions of all relevant Data Protection Laws and in a manner that permits AEL to process the Personal Data in the normal course of operating the Transferred Business on and from the Effective Date. This includes, but is not limited to, requesting the Court to order the transfer of all relevant Personal Data (including special categories of personal data) as defined in the Data Protection Laws from ALL and LGL to AEL.
- 3.4 On and with effect from the Effective Date, AEL shall:
- 3.4.1 succeed to all rights, liabilities and obligations of ALL or LGL in respect of any Personal Data which relates to or is contained in the Transferred Business and which is subject to the Data Protection Laws;
 - 3.4.2 become and assume the responsibilities of the Controller of any Personal Data to the extent that it relates to the Transferred Business and which is subject to the Data Protection Laws in place of ALL or LGL and shall be deemed to have been the Controller of all such data at all material times when Personal Data was processed;
 - 3.4.3 in respect of any Personal Data, to the extent it relates to the Transferred Business, be under a duty by virtue of any applicable law to respect the confidentiality and privacy of any person in relation to that Personal Data and shall be bound by any specific notice or Consent given, or request made by, a Data Subject which was binding on ALL or LGL and which required ALL or LGL not to use the Personal Data for direct marketing purposes (as such term is defined in the Data Protection Laws),

and in any Consent given by a Data Subject in respect of such data as is mentioned in this paragraph 3.4, any reference to ALL or LGL (or to any undertaking in their group) as applicable shall be deemed to include a reference to AEL (or to any undertaking in AEL's group) as applicable.

- 3.5 Each of ALL and LGL shall provide such assistance to AEL as AEL may reasonably require from time to time in order to meet its obligations under Data Protection Laws (including but not limited to the obligations assumed under paragraph 3.4).
- 3.6 AEL shall accept without investigation or requisition such title as ALL shall have at the Effective Date to the ALL Transferred Assets and, at any Subsequent Transfer Date, to each ALL Residual Asset then transferred.
- 3.7 AEL shall accept without investigation or requisition such title as LGL shall have at the Effective Date to the LGL Transferred Assets and, at any Subsequent Transfer Date, to each LGL Residual Asset then transferred.
- 3.8 AEL, ALL and LGL shall take all such steps, and execute all such documents, as may be necessary or desirable:
 - 3.8.1 to effect or perfect the transfer to and vesting in AEL of any ALL Transferred Asset or ALL Residual Asset pursuant to this Scheme;
 - 3.8.2 to effect or perfect the transfer to and vesting in AEL of any LGL Transferred Asset or LGL Residual Asset pursuant to this Scheme;
 - 3.8.3 to effect or perfect the transfer to and vesting in AEL of any ALL Transferred Policy or ALL Residual Policy pursuant to this Scheme;
 - 3.8.4 to effect or perfect the transfer to and vesting in AEL of any LGL Transferred Policy or LGL Residual Policy pursuant to this Scheme;
 - 3.8.5 to effect or perfect the transfer to and assumption by AEL of any ALL Transferred Liability or ALL Residual Liability pursuant to this Scheme; and
 - 3.8.6 to effect or perfect the transfer to and assumption by AEL of any LGL Transferred Liability or LGL Residual Liability pursuant to this Scheme.
- 3.9 The Transferred Assets, Residual Assets, Transferred Liabilities and Residual Liabilities shall be allocated in accordance with Part C of this Scheme.
- 3.10 If at any time after the Relevant Date, the legal title to any Asset, Contract, Policy or Liability that:
 - 3.10.1 should have formed part of the Transferred Business is found not to have been transferred to AEL; or
 - 3.10.2 should have formed part of the Excluded Business is found to have been transferred to AEL,(a "**Wrong Pockets Item**"), if ALL or LGL (as applicable) agrees with AEL, this paragraph 3.10 shall apply to that Wrong Pockets Item and (subject to the other terms of this Scheme):
 - 3.10.3 such Wrong Pockets Item shall:
 - (a) in the case of a Wrong Pockets Item falling within paragraph 3.10.1, transfer from ALL or LGL (as applicable) to AEL; or
 - (b) in the case of a Wrong Pockets Item falling within paragraph 3.10.2, transfer from AEL to ALL or LGL(as applicable),

in each case on the relevant Transfer Notice Date;

- 3.10.4 any related Asset, Liability or Contract which would have formed part of the:
- (a) the Transferred Business, had the Wrong Pockets Item formed part of the Transferred Business, shall transfer from ALL or LGL (as applicable) to AEL; or
 - (b) the Excluded Business, had the Wrong Pockets Item formed part of the Excluded Business, shall transfer from AEL to ALL or LGL (as applicable);

in each case on the relevant Transfer Notice Date;

- 3.10.5 such Wrong Pockets Item shall otherwise be treated as though it had been originally designated as part of the Transferred Business (in the case of a Wrong Pockets Item falling within paragraph 3.10.1) or the Excluded Business (in the case of a Wrong Pockets Item falling within paragraph 3.10.2) save that the transfer of any interest in such Wrong Pockets Item shall take place on the relevant Transfer Notice Date, and all provisions of this Scheme applying to the transfer of the Transferred Business or any part thereof from ALL and LGL to AEL shall apply, *mutatis mutandis*, to the Wrong Pockets Item;

- 3.10.6 this paragraph 3.10 shall not apply to:

- (a) any Wrong Pockets Item unless and until ALL or LGL, as applicable (in the case of a Wrong Pockets Item referred to at paragraph 3.10.1) or AEL (in the case of a Wrong Pockets Item referred to at paragraph 3.10.2) has given a Transfer Notice, such notice to be given not less than 30 days before the Transfer Notice Date; and
- (b) any Wrong Pockets Item that is a Policy unless and until ALL or LGL (as applicable) and AEL have given the PRA, FCA and DNB notice of the intended transfer of such Wrong Pockets Item, such notice to be given not less than 30 days before the Transfer Notice Date; and

- 3.10.7 ALL or LGL (as applicable) and AEL shall take such steps as are reasonably necessary to give effect to the provisions of this paragraph 3.10, except in each case, to the extent otherwise agreed between ALL or LGL (as applicable) and AEL.

4. CONTINUITY OF PROCEEDINGS

- 4.1 Subject to paragraph 4.4, on and with effect from the Effective Date, any Proceedings by, against or in relation to and/or in respect of which ALL or LGL is a party (or, in the case of future proceedings, would have been a party but for this Scheme) (including, without limitation, as the plaintiff, claimant, applicant, defendant, respondent, pursuer, defender or petitioner) to the extent connected with the Transferred Business, the Transferred Policies, the Transferred Assets or the Transferred Liabilities shall be commenced or continued by or against AEL and AEL shall be entitled to all defences, claims, counterclaims, settlements, rights of set-off and any other rights that would have been available to ALL or LGL in relation to the Transferred Business, the Transferred Policies, the Transferred Assets, the Transferred Liabilities and such Proceedings.

- 4.2 Subject to paragraph 4.4, on and with effect from the Subsequent Transfer Date applicable thereto, any Proceedings by, against or in relation to and/or in respect of which ALL or LGL is a party (or, in the case of future proceedings, would have been a party but for this Scheme) (including, without limitation, as the plaintiff, claimant, applicant, defendant, respondent, pursuer, defender or petitioner) to the extent connected with the Residual Assets or the Residual Liabilities which are to be transferred on such Subsequent Transfer Date shall be commenced or continued by or against AEL and AEL shall be entitled to all defences, claims, counterclaims and rights of set-off that would have been available to ALL or LGL in relation to the Residual Assets and the Residual Liabilities and such Proceedings. Until such Subsequent Transfer Date, the relevant Proceedings shall be

continued by or against ALL or LGL provided that ALL or LGL (as applicable) shall consult with AEL and take account of any reasonable comments made by AEL in relation to such Proceedings.

4.3 Any judgment, settlement, order or award obtained by or against ALL or LGL to the extent that it relates to any part of the Transferred Business, the Transferred Policies, the Transferred Assets, the Transferred Liabilities, the Residual Assets or Residual Liabilities and which is not fully satisfied before the Relevant Date shall, on that date and to the extent to which it was enforceable by or against ALL or LGL immediately prior to such date, become enforceable by or against AEL (to the exclusion of ALL or LGL, as applicable).

4.4 In respect of any Proceedings in relation to the Transferred Policies which are (a) commenced but not settled before the Effective Date, or (b) commenced after the Effective Date in respect of acts or omissions of ALL or LGL prior to the Effective Date, AEL undertakes to comply with:

4.4.1 the relevant provisions of DISP that would apply to the handling of any complaints brought to the Financial Ombudsman Service that fall under the jurisdiction of the Financial Ombudsman Service; and

4.4.2 any valid judgment, settlement, order or award (or relevant part thereof) of the Financial Ombudsman Service, made under its jurisdiction as set out in DISP 2,

to the extent that such compliance is compatible with any Regulatory Requirements.

5. **RIGHTS AND OBLIGATIONS UNDER TRANSFERRED POLICIES AND CONTRACTS**

5.1 On and with effect from the Effective Date, AEL shall become entitled to all the rights, benefits and powers of ALL whatsoever subsisting on the Effective Date under or by virtue of the ALL Transferred Policies.

5.2 On and with effect from the Effective Date, AEL shall become entitled to all the rights, benefits and powers of LGL whatsoever subsisting on the Effective Date under or by virtue of the LGL Transferred Policies.

5.3 Subject to paragraph 5.7, any person who is a holder of any of the Transferred Policies or is a party to, or has the benefit of, any of the Transferred Contracts shall on and with effect from the Effective Date become entitled, in succession to, and to the exclusion of, any rights which he may have had against ALL or LGL under any of the Transferred Policies or any of the Transferred Contracts, to the same rights against AEL, subject to the terms of this Scheme, as were available to him against ALL or LGL under such Policy or Transferred Contract and (as regards Transferred Policies under which premiums or other sums attributable or referable thereto continue to be payable) shall on and with effect from the Effective Date account to AEL for any further or additional premiums or other sums attributable or referable thereto as and when the same become due and payable.

5.4 Subject to paragraph 5.7, all references in any Transferred Policy or Transferred Contract:

5.4.1 to ALL, the ALL Board, the ALL Chief Actuary, or officers, employees or agents of ALL; or

5.4.2 to LGL, the LGL Board, the LGL Chief Actuary, or officers, employees or agents of LGL,

shall on and with effect from the Effective Date be read as references to AEL, the AEL Board, the AEL Actuary, or officers, employees or agents of AEL.

5.5 AEL shall on and with effect from the Effective Date, as principal, take over from ALL the administration and negotiation of proposals for insurance which would be ALL Transferred Policies if ALL had determined to accept them (but whether or not AEL does so determine). AEL shall on and with effect from the Effective Date bear all expenses and liabilities in relation thereto. Nothing contained herein shall oblige AEL to accept any proposal for insurance received by or on behalf of ALL before the Effective Date but not accepted by ALL by then.

- 5.6 AEL shall on and with effect from the Effective Date, as principal, take over from LGL the administration and negotiation of proposals for insurance which would be LGL Transferred Policies if LGL had determined to accept them (but whether or not AEL does so determine). AEL shall on and with effect from the Effective Date bear all expenses and liabilities in relation thereto. Nothing contained herein shall oblige AEL to accept any proposal for insurance received by or on behalf of LGL before the Effective Date but not accepted by LGL by then.
- 5.7 The provisions of paragraphs 5.1, 5.2, 5.3 and 5.4 shall apply, mutatis mutandis on and with effect from the Subsequent Transfer Date applicable thereto, to any Contract comprising part of the Residual Assets.
6. **RESIDUAL POLICIES**
- 6.1 Subject to paragraphs 6.2, 6.3 and 6.4, the Residual Policies shall not be transferred to AEL by this Scheme at the Effective Date and all Investment Assets and Liabilities attributable to the Residual Policies shall remain Investment Assets and Liabilities of ALL or LGL (as applicable).
- 6.2 If all consents, permissions or other requirements for the transfer of an ALL Residual Policy from ALL to AEL, are obtained on the Relevant Date:
- 6.2.1 such ALL Residual Policy shall promptly be transferred to AEL, and shall thereafter be treated in all respects, as if it were an ALL Transferred Policy;
- 6.2.2 any ALL Investment Asset attributable to such ALL Residual Policy shall promptly be transferred to AEL and shall thereafter be treated in all respects as if it were an ALL Transferred Asset; and
- 6.2.3 any Liability attributable to such ALL Residual Policy shall promptly be transferred to AEL and shall thereafter be treated in all respects as if it were an ALL Transferred Liability.
- 6.3 If all consents, permissions or other requirements for the transfer of an LGL Residual Policy from LGL to AEL, are obtained on the Relevant Date:
- 6.3.1 such LGL Residual Policy shall promptly be transferred to AEL, and shall thereafter be treated in all respects, as if it were an LGL Transferred Policy; and
- 6.3.2 any LGL Investment Asset attributable to such LGL Residual Policy shall promptly be transferred to AEL and shall thereafter be treated in all respects as if it were an LGL Transferred Asset; and
- 6.3.3 any Liability attributable to such LGL Residual Policy shall promptly be transferred to AEL and shall thereafter be treated in all respects as if it were an LGL Transferred Liability.
- 6.4 If any Residual Policy is novated to AEL, the Investment Assets and Liabilities relating to such Policy shall, to the extent not previously transferred, be transferred to AEL upon novation of the relevant Residual Policy and such Policy shall thereafter be dealt with by AEL under the provisions of this Scheme in all respects as if such Residual Policy were a Transferred Policy.
7. **PREMIUMS, MANDATES AND OTHER PAYMENTS**
- 7.1 All premiums attributable or referable to the Transferred Policies or the Residual Policies shall on and after the Relevant Date be payable to AEL and shall be receivable and received by AEL, and any such premiums which are received by ALL or LGL on or after the Relevant Date shall be paid by ALL or LGL (as applicable) to AEL.
- 7.2 Any mandate or other instruction in force on the Relevant Date (including, without limitation, any instruction given to a bank by its customer in the form of a direct debit or standing order) and providing for the payment by a banker or other intermediary of premiums payable to ALL or LGL under or in respect of any of the Transferred Policies or the Residual Policies shall thereafter take effect as if it had provided for and authorised such payment to AEL.

7.3 Any mandate or other instruction in force on the Relevant Date as to the manner of payment of any sum payable by ALL or LGL under any of the Transferred Policies or the Residual Policies shall, on and with effect from the Relevant Date, continue in force as an effective authority to AEL.

8. **DECLARATION OF TRUST BY ALL**

8.1 If:

8.1.1 any Asset comprised in the ALL Transferred Business is not, or is not capable of being, transferred to and vested in AEL by the Order on the Effective Date by reason of such Asset being an ALL Residual Asset or outside the jurisdiction of the Court or otherwise;

8.1.2 any ALL Residual Asset is not, or is not capable of being, transferred to and vested in AEL by the Order on the Subsequent Transfer Date applicable thereto; or

8.1.3 in any circumstances AEL shall decide before the Effective Date (or, in the case of any ALL Residual Asset, before the Subsequent Transfer Date applicable thereto) that it is expedient not to effect a transfer of any Asset comprised in the ALL Transferred Business,

then ALL shall from the Relevant Date hold any Asset or ALL Residual Asset referred to in this paragraph 8.1 (as the case may be) as trustee for AEL.

8.2 ALL shall be subject to AEL's directions in respect of any Asset or ALL Residual Asset referred to in paragraph 8.1 from the Effective Date until the relevant Asset is transferred to or otherwise vested in AEL or is disposed of (whereupon ALL shall account to AEL for the full amount of the proceeds of sale thereof), and AEL shall have authority to act as the attorney of ALL in respect of such Asset for all such purposes.

8.3 In the event of any payment being made to, Asset being received by or right being conferred upon ALL after the Effective Date in respect of the ALL Transferred Business, any ALL Transferred Asset, any ALL Residual Asset or any other Asset referred to in paragraph 8.1, ALL shall, as soon as is reasonably practicable after its receipt, pay over the full amount of such payment or (to the extent to which it is able to do so) transfer such Asset or right to, or in accordance with the directions of, ALL and AEL shall indemnify ALL on demand against any reasonable costs incurred in making any such payment or transfer.

9. **DECLARATION OF TRUST BY LGL**

9.1 If:

9.1.1 any Asset comprised in the LGL Transferred Business is not, or is not capable of being, transferred to and vested in AEL by the Order on the Effective Date by reason of such Asset being an LGL Residual Asset or outside the jurisdiction of the Court or otherwise;

9.1.2 any LGL Residual Asset is not, or is not capable of being, transferred to and vested in AEL by the Order on the Subsequent Transfer Date applicable thereto; or

9.1.3 in any circumstances AEL shall decide before the Effective Date (or, in the case of any LGL Residual Asset, before the Subsequent Transfer Date applicable thereto) that it is expedient not to effect a transfer of any Asset comprised in the LGL Transferred Business,

then LGL shall from the Relevant Date hold any Asset or LGL Residual Asset referred to in this paragraph 9.1 (as the case may be) as trustee for AEL.

9.2 LGL shall be subject to AEL's directions in respect of any Asset or LGL Residual Asset referred to in paragraph 9.1 from the Effective Date until the relevant Asset is transferred to or otherwise vested in AEL or is disposed of (whereupon LGL shall account to AEL for the full amount of the

proceeds of sale thereof), and AEL shall have authority to act as the attorney of LGL in respect of such Asset for all such purposes.

- 9.3 In the event of any payment being made to, Asset being received by or right being conferred upon LGL after the Effective Date in respect of the LGL Transferred Business, any LGL Transferred Asset, any LGL Residual Asset or any other Asset referred to in paragraph 9.1, LGL shall, as soon as is reasonably practicable after its receipt, pay over the full amount of such payment or (to the extent to which it is able to do so) transfer such Asset or right to, or in accordance with the directions of, AEL and AEL shall indemnify LGL on demand against any reasonable costs incurred in making any such payment or transfer.

10. INDEMNITIES IN FAVOUR OF ALL

- 10.1 On and with effect from the Effective Date, AEL shall discharge on ALL's behalf or, failing that, shall indemnify ALL against:

10.1.1 all ALL Transferred Liabilities and/or all ALL Residual Liabilities (excluding, for the avoidance of doubt, any ALL Residual Liabilities which relate to any ALL Residual Policies), which are not, or are not capable of being, transferred by this Scheme or by a vesting order pursuant to section 112(1) of FSMA (whether made before, on or after the Effective Date) (other than Liabilities which are the subject of paragraph 10.1.2 or paragraph 10.2) until the relevant Liability is transferred to or becomes a Liability of AEL; and

10.1.2 any amount paid by ALL in respect of any ALL Transferred Liabilities or ALL Residual Liabilities referred to in paragraph 10.1.1 that are, whether wholly or in part, the subject of a policy of indemnity insurance or a claim or right of recovery against a third party that, in each case, has not effectively transferred to AEL, but only to the extent that ALL, having made a claim under such a policy or against such third party, shall have failed to fully recover any such amount pursuant to rights it may have under such policy, claim or right of recovery (having used all reasonable endeavours to do so).

- 10.2 AEL shall indemnify ALL against any reasonable costs and/or expenses which it may properly incur in pursuing any claim under any such policy of indemnity insurance or against any such third party as is referred to in paragraph 10.1.2. Subject thereto, ALL shall take such steps as AEL shall reasonably require in order to pursue the rights it may have against any such third party (including under any applicable contract of insurance). AEL shall be entitled to have conduct of all litigation or other proceedings in respect of any such claim (including taking such action in the name of and on behalf of ALL as AEL shall determine). In that connection, ALL shall give all such assistance as AEL may reasonably require in conducting all such litigation or other proceedings.

- 10.3 Where ALL is entitled to receive an amount pursuant to the indemnities contained in paragraphs 8.3, 10.1 and 10.2 it shall be entitled to receive such amount on the basis that in calculating the amount payable by AEL pursuant to such obligation (the "**AEL ALL Payment**"), the amount so payable shall be adjusted upwards or downwards, as the case may be, so as to take into account:

10.3.1 any Taxation which is required to be deducted or withheld from such amount, or is chargeable on such amount on receipt of the same by ALL (including any increased or additional amount); and

10.3.2 any Tax Relief which is available to ALL solely as a result of the matter giving rise to the obligation or as a result of receiving the AEL ALL Payment,

(which Taxation and Tax Relief is to be determined, taking into account its value, certainty of its availability and timing of its utilisation, by ALL in its absolute discretion but acting in good faith and is to be certified as such to AEL).

11. INDEMNITIES IN FAVOUR OF LGL

- 11.1 On and with effect from the Effective Date, AEL shall discharge on LGL's behalf or, failing that, shall indemnify LGL against:
- 11.1.1 all LGL Transferred Liabilities and/or all LGL Residual Liabilities (excluding, for the avoidance of doubt, any LGL Residual Liabilities which relate to any LGL Residual Policies), which are not, or are not capable of being, transferred by this Scheme or by a vesting order pursuant to section 112(1) of FSMA (whether made before, on or after the Effective Date) (other than Liabilities which are the subject of paragraph 11.1.2 or paragraph 11.2) until the relevant Liability is transferred to or becomes a Liability of AEL; and
 - 11.1.2 any amount paid by LGL in respect of any LGL Transferred Liabilities or LGL Residual Liabilities referred to in paragraph 11.1.1 that are, whether wholly or in part, the subject of a policy of indemnity insurance or a claim or right of recovery against a third party that, in each case, has not effectively transferred to AEL, but only to the extent that LGL, having made a claim under such a policy or against such third party, shall have failed to fully recover any such amount pursuant to rights it may have under such policy, claim or right of recovery (having used all reasonable endeavours to do so).
- 11.2 AEL shall indemnify LGL against any reasonable costs and/or expenses which it may properly incur in pursuing any claim under any such policy of indemnity insurance or against any such third party as is referred to in paragraph 11.1.2. Subject thereto, LGL shall take such steps as AEL shall reasonably require in order to pursue the rights it may have against any such third party (including under any applicable contract of insurance). AEL shall be entitled to have conduct of all litigation or other proceedings in respect of any such claim (including taking such action in the name of and on behalf of LGL as AEL shall determine). In that connection, LGL shall give all such assistance as AEL may reasonably require in conducting all such litigation or other proceedings.
- 11.3 Where LGL is entitled to receive an amount pursuant to the indemnities contained in paragraphs 9.3, 11.1 and 11.2 it shall be entitled to receive such amount on the basis that in calculating the amount payable by AEL pursuant to such obligation (the "**AEL LGL Payment**"), the amount so payable shall be adjusted upwards or downwards, as the case may be, so as to take into account:
- 11.3.1 any Taxation which is required to be deducted or withheld from such amount, or is chargeable on such amount on receipt of the same by LGL (including any increased or additional amount); and
 - 11.3.2 any Tax Relief which is available to LGL solely as a result of the matter giving rise to the obligation or as a result of receiving the AEL LGL Payment,
- (which Taxation and Tax Relief is to be determined, taking into account its value, certainty of its availability and timing of its utilisation, by LGL in its absolute discretion but acting in good faith and is to be certified as such to AEL).

PART D – MISCELLANEOUS PROVISIONS

12. EFFECTIVE DATE

- 12.1 Except as provided in this paragraph and paragraph 12.2, this Scheme shall become effective at 22:59 GMT (23:59 CET) on 2 November 2020 or such other time and date as the parties (acting reasonably) may agree (being a date and time falling after the making of the Order sanctioning this Scheme) and in any case no later than the date referred to in paragraph 12.2.
- 12.2 Unless this Scheme shall have become effective on or before 22:59 GMT (23:59 CET) on 31 March 2021 or such later date and/or time, if any, as the parties may approve and the Court may allow, the Scheme shall lapse.

13. MODIFICATIONS, AMENDMENTS OR ADDITIONS

- 13.1 Each party may consent for and on behalf of themselves and all other persons concerned (other than the PRA, FCA and the DNB) to any modification of or addition to this Scheme or to any further condition or provision affecting the same which, prior to its sanction of this Scheme, the Court may approve or impose.
- 13.2 Subject to paragraph 13.4, AEL shall at any time after the sanction of this Scheme be at liberty to apply to the Court for consent to amend its terms, provided that the DNB shall be notified of, and have the right to be heard at, any hearing of the Court at which such application is considered. Each of ALL and LGL shall be notified of such application, and shall have the right to be heard at any hearing of the Court at which such application is considered. If such consent is granted, AEL may amend the provisions of this Scheme in accordance with such consent.
- 13.3 If ALL or LGL receives notice under paragraph 13.2 of an application to amend the terms of the Scheme:
- 13.3.1 it shall provide a copy of such notice to the PRA and FCA as soon as is reasonably practicable and in any event at least 28 days in advance of any hearing of the Court at which such application is considered; and
- 13.3.2 the PRA and the FCA shall have the right to be heard at any hearing of the Court at which such application is considered.
- 13.4 The consent of the Court shall not be required in relation:
- 13.4.1 to any amendment to this Scheme for which specific provision is made elsewhere in this Scheme, provided that such specific provision is fully complied with;
- 13.4.2 to minor and/or technical amendments to the provisions of this Scheme (including amendments to correct manifest errors), provided that:
- (a) (in the case of any amendments that may affect any Transferred Policies that are subject to the law and regulation of the United Kingdom) the PRA and FCA; and
- (b) the DNB,
- has been notified of the same by AEL and has not objected thereto within 30 days of such notification and the AEL, where appropriate, has in relation to the amendments taken appropriate actuarial and/or legal advice, as relevant; or
- 13.4.3 to amendments to the provisions of the Scheme which are reasonably considered by the AEL Board to be necessary in circumstances where the provision to which the proposed amendment applies will be materially affected by a variation of Regulatory Requirements in particular, as a result of any amendment or modification of such Regulatory

Requirements in anticipation of or as a result of Brexit (in this paragraph 13.4.3 "**Regulatory Change**"), provided that:

- (a) (in the case of any amendments that may affect any Transferred Policies that are subject to the law and regulation of the United Kingdom) the PRA and FCA; and
- (b) the DNB,

has been notified of the proposed amendments and has not objected thereto within 30 days of such notification.

13.5 AEL shall give each of ALL, LGL, the DNB, the PRA and the FCA (as appropriate) no less than 40 days' prior written notice of any proposed amendments to this Scheme to which this paragraph 13 shall apply.

14. **EFFECT OF TRANSFER**

14.1 Unless and to the extent otherwise provided in the Order:

14.1.1 the transfer of any rights, benefits, Liabilities and obligations under or in connection with any Transferred Policy, Transferred Asset, Residual Asset, Transferred Liability or Residual Liability pursuant to this Scheme shall take effect and shall be valid and binding on all parties having any interest in the same notwithstanding any restriction on transferring, assigning or otherwise dealing with the same and such transfer shall be deemed to take effect on the basis that it does not contravene any such restriction and does not give rise to any right to terminate, modify, acquire or claim an interest or right, or to treat an interest or right as terminated or modified; and

14.1.2 any entitlement which, but for section 112A of FSMA, would or might arise to terminate, modify, acquire or claim an interest or right to treat an interest or right as terminated or modified as a result of anything done or pursuant to the Scheme will not be enforceable.

14.2 Unless and to the extent otherwise provided in the Order, neither the transfer and vesting under this Scheme of any Transferred Policy, Transferred Asset or Transferred Liability relating to any part of the Transferred Business nor this Scheme nor anything done or omitted to be done in connection with the transfer of such Transferred Policy, Transferred Asset, Transferred Liability or the Transferred Business or this Scheme shall, in relation to any Transferred Policies, Residual Policies, Transferred Assets, Residual Assets, Transferred Liabilities or Residual Liabilities or any other Contract, asset, property, liability or business of AEL whether before or after the Relevant Date:

14.2.1 invalidate, discharge or result in the termination of any Transferred Policy, Transferred Contract, other Contract, Encumbrance, right, interest, benefit, power, obligation or title;

14.2.2 constitute a breach of or default, event of default, potential event of default, termination event, mandatory prepayment event, enforcement event, perfection event or other similar event or condition (however described) under, or allow any person to terminate, any Transferred Policy, Transferred Contract, Contract, Encumbrance, right, interest, benefit, power, obligation or title;

14.2.3 require any registration, re-registration or filing of any amendment to any existing registration or filing in respect of any Transferred Policy, Transferred Contract, Contract, Encumbrance, right, interest, benefit, power, obligation or title;

14.2.4 require any person to perform any new or additional obligation or take any new or additional step or action, including the giving of any notice, the obtaining of any consent, approval or determination, the accession to any agreement, the payment of any fee, cost, expense, interest or other amount, the granting of any new or additional Encumbrance or the transfer of any asset or property;

14.2.5 entitle or require any person to exercise any right or remedy, to reduce, suspend, delay, alter or discharge its rights or obligations, to accelerate, terminate, suspend, delay, alter or discharge the performance of any rights or obligations or otherwise to vary, amend, disclaim, repudiate or terminate any Transferred Policy, Transferred Contract, Contract or Encumbrance; or

14.2.6 affect the enforceability, priority or ranking of any Encumbrance.

15. **COSTS AND EXPENSES**

All costs and expenses incurred in connection with the preparation and implementation of this Scheme including, without limitation, the fees and disbursements of legal and financial advisers and accountants, the costs and expenses of the Independent Expert and the fees of the PRA, the FCA and the DNB shall be borne in manner determined by ALL, LGL and AEL. For the avoidance of doubt, no such costs or expenses will be borne directly by any Policyholder of ALL, LGL or AEL.

16. **EVIDENCE OF TRANSFER**

The production of a copy of the Order with any modifications, amendments and/or additions made under paragraph 13, shall for all purposes be evidence of the transfer to, and vesting in, AEL:

16.1 on and with effect from the Effective Date, of the Transferred Business, the Transferred Assets, the Transferred Liabilities and the Transferred Policies; and

16.2 with effect from each relevant Subsequent Transfer Date, of the Residual Assets, the Residual Liabilities and the Residual Policies.

17. **SUCCESSORS AND ASSIGNS**

This Scheme will bind, and enure to the benefit of, the successors and assigns of ALL, LGL and AEL.

18. **NOTICES**

18.1 Any notice or other communication in connection with this Scheme (each a "**Notice**") shall be:

18.1.1 in writing in English; and

18.1.2 delivered by hand, email, recorded delivery or courier using an internationally recognised courier company.

18.2 A Notice to ALL shall be sent to the following address, or such other person or address as ALL may notify to AEL and LGL from time to time:

Address: Emerald Buildings, Westmere Drive, Crewe, Cheshire, CW1, 6UN, United Kingdom

Telephone: 01270 413000

For the attention of: Claude Sarfo

Email: claude.sarfo@assurant.com

18.3 A Notice to LGL shall be sent to the following address, or such other person or address as LGL may notify to AEL and ALL from time to time:

London General Life Limited

Address: Twenty Kingston Road, Kingston Road, Staines-Upon-Thames, Surrey, TW18 4LG, United Kingdom

Telephone: 01270 413000

For the attention of: Claude Sarfo

Email: claudesarfo@assurant.com

- 18.4 A Notice to AEL shall be sent to the following address, or such other person or address as AEL may notify to LGL and ALL from time to time:

Assurant Europe Life Insurance N.V.

Address: Paasheuvelweg 1, 1105 BE Amsterdam, the Netherlands

Telephone: +31(0) 20 754 3750

For the attention of: Ingo Soesman, Chief Executive Officer

Email: Ingo.Soesman@assurant.com

- 18.5 A Notice shall be effective upon receipt and shall be deemed to have been received:

18.5.1 60 hours after posting, in the case of recorded delivery;

18.5.2 at the time of delivery, if delivered by hand or courier; or

18.5.3 at the time of transmission in legible form, if delivered by fax or e-mail.

19. **THIRD PARTY RIGHTS**

- 19.1 Subject to paragraphs 19.2 and 19.3, it is not intended that any person who is not a party to this Scheme may enforce any of its terms, whether by virtue of the Contracts (Rights of Third Parties) Act 1999 or otherwise.

- 19.2 Holders of Transferred Policies (and the holders of any Residual Policies, following their transfer to AEL pursuant to the terms of this Scheme) may enforce the provisions of paragraph 4.4 against AEL.

- 19.3 None of ALL, LGL or AEL shall require the consent of any of those Policyholders referred to in paragraph 19.2 in order to amend this Scheme pursuant to paragraph 13.

20. **GOVERNING LAW**

This Scheme shall be governed by and construed in accordance with English law.

Dated this [] day of [] 2020.

SCHEDULE 1

Part 1

ALL TRANSFERRED POLICIES

Insurance Product Lines	Description of cover provided by ALL
Mortgage Protection and Creditor Insurance	Policies under which ALL has provided long term insurance cover in one or more of class I (life and annuity) and class IV (permanent health) as set out in Part 2 of Schedule 1 to the RAO in respect of mortgage payment obligations of the policyholder.

Part 2

ALL TRANSFERRED CONTRACTS

1. Client / Intermediary agreements

All agreements relating to the following clients and scope of business as at the Effective Date and including all supplemental agreements, revisions and addenda in force for the time being in relation to the client and product lines.

Client	Product Lines	Territory/Territories	Date of principal agreement
CM-CIC Euro-Information Telecom (421 713 892 RCS Paris) ("Telecom")	Creditor (PPI)	France	16/01/2017
Assicra Assi.Cra. Veneto S.r.l.	Creditor (PPI)	Italy	01/10/2008
RGA RGA Mediacion Operador Banca Seguros Vinculado, S.A.	Creditor (PPI) / Personal Accident	Spain	24/05/2010

2. Reinsurance Contracts

All reinsurance agreements relating to the following clients and scope of business as at the Effective Date and including all supplemental agreements, revisions and addenda in force for the time being in relation to the client and product lines.

Reinsurer	Scope - Client	Country	Date of principal agreement
Hannover Rückversicherung AG Succursale Française	RGA	Spain	08/04/11
General Cologne Re	Assicra	Italy	25/0/2008

SCHEDULE 2

Part 1

LGL TRANSFERRED POLICIES

Insurance Product Lines	Description of cover provided by LGL
Creditor Insurance (including the LGL EEA Creditor Policies)	Policies under which LGL has provided long term insurance cover in one or more of class I (life and annuity) and class IV (permanent health) as set out in Part 2 of Schedule 1 to the RAO in respect of payment obligations of the policyholder under finance, credit, mortgage or similar agreements.

Part 2

LGL TRANSFERRED CONTRACTS

1. Client / Intermediary agreements

All agreements relating to the following clients and scope of business as at the Effective Date and including all supplemental agreements, revisions and addenda in force for the time being in relation to the client and product lines.

Client	Product Lines	Territories	Date of principal agreement
Liventy platform intermediaries	Creditor / PPI	Netherlands and Belgium	Various

IN THE HIGH COURT OF JUSTICE

BUSINESS AND PROPERTY COURTS OF
ENGLAND AND WALES

COMPANIES COURT

IN THE MATTER OF ASSURANT LIFE LIMITED

-and-

IN THE MATTER OF LONDON GENERAL LIFE
COMPANY LIMITED

-and-

IN THE MATTER OF ASSURANT EUROPE LIFE
INSURANCE N.V.

-and-

IN THE MATTER OF PART VII OF
THE FINANCIAL SERVICES AND MARKETS ACT 2000

SCHEME

Pursuant to Part VII of, and Schedule 12 to, the Financial
Services and Markets Act 2000

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