

EXECUTION VERSION

Dated 27 MARCH 2019

DEED POLL OF IRREVOCABLE UNDERTAKING (HWPF)

Relating to the transfer to
Standard Life International DAC
of certain insurance business of
Standard Life Assurance Limited
pursuant to a transfer under
Part VII of the Financial Services and Market Act 2000

This deed poll of irrevocable undertaking ("Deed Poll") is made on 27th April 2019 2019 by Standard Life International DAC, a company incorporated under the law of Ireland, having its registered office at 90 St. Stephen's Green, Dublin 2, Ireland and registered under number 408507 ("**SL Intl**"), and is entered into for the benefit of each Covered Policyholder. This Deed Poll is to be construed as an additional commitment of SL Intl supplementing its commitments under the Covered Policies.

Whereas:

- (A) It is currently envisaged that certain policies of long-term insurance conducted by Standard Life Assurance Limited ("**SLAL**") will be transferred to SL Intl pursuant to an insurance business transfer scheme approved under Part VII of the Financial Services and Markets Act 2000 of the United Kingdom (the "**Scheme**").
- (B) Under the Scheme, it is anticipated that the Covered Policies will transfer from SLAL to SL Intl.
- (C) In conjunction with the transfer referred to in (B) above, SL Intl will reinsure certain policy liabilities, including those under the Covered Policies, to SLAL under the HWPf Reinsurance Agreement.
- (D) In connection with the Scheme, SL Intl wishes to offer an irrevocable undertaking to the Covered Policyholders.
- (E) In connection with the Scheme, SL Intl will undertake to the Court of Session in Scotland in respect of this Deed Poll, including that it will perform its obligations under this Deed Poll.

This Deed Poll is addressed to the Covered Policyholders and provides as follows:

1. Definitions and interpretation

1.1 **Definitions:** in this Deed Poll, unless the context requires otherwise, capitalised terms shall have the meaning given thereto in Schedule 1 (*Definitions*).

1.2 **Interpretation:** Unless a contrary indication appears:

- (A) **Headings:** headings shall be ignored in construing this Deed Poll;
- (B) **Documents:** references in this Deed Poll to this Deed Poll or any other document are to this Deed Poll or those documents as amended, supplemented or replaced from time to time and include any document that amends, supplements or replaces them;
- (C) **Clauses:** references to Clauses are to Clauses of this Deed Poll;

- (D) **Statutes:** references to a statute or statutory provision include:
- (i) that statute or provision as from time to time modified, re-enacted or consolidated whether before or after the Effective Time; and
 - (ii) any subordinate legislation made from time to time under that statute or statutory provision; and
- (E) **Singular and plural:** references to the singular include the plural and *vice versa*.

2. Irrevocable Undertaking

- 2.1 Subject to the terms of this Deed Poll, and with effect from the Effective Time, SL Intl undertakes as an additional commitment of SL Intl supplementing its commitments under the Covered Policies to pay each Covered Policyholder the Covered Amounts in respect of each Covered Policy held by that Covered Policyholder.
- 2.2 Nothing in this Deed Poll shall entitle any Covered Policyholder or other person to recover any amounts that they have already received or which they have or will become entitled to receive from SL Intl (or any other person) under the terms of the relevant Covered Policy.

3. Enforcement by Covered Policyholders

- 3.1 This Deed Poll creates the right for each Covered Policyholder to demand performance by SL Intl under this Deed Poll in respect of any Covered Policy held by that Covered Policyholder, and to otherwise invoke this Deed Poll against SL Intl with effect from the Effective Time.

4. Amendment

- 4.1 Subject to clauses 4.2 and 4.3, SL Intl may not amend, vary or terminate this Deed Poll or its obligations under it.
- 4.2 Notwithstanding clause 4.1, SL Intl may amend or vary this Deed Poll:
- (A) to correct manifest errors;
 - (B) if the amendment or variation is of a minor nature;
 - (C) to ensure that the provisions of this Deed Poll operate in the intended manner in circumstances where the provision to which the proposed variation applies will, or is likely to, be materially affected by variation or proposed variation to applicable laws and/or the requirements of any governmental or regulatory body of competent jurisdiction; or

- (D) if the amendment or variation is required to protect the rights and reasonable expectations of the Policyholders;

provided that:

- (i) the CBI has been notified in writing of the same and has not objected thereto within a period of three (3) months commencing from the date of the relevant notification;
- (ii) SL Intl has taken appropriate actuarial advice; and
- (iii) notice of such change is published in each Relevant Publication.

4.3 Notwithstanding clause 4.1, this Deed Poll shall automatically terminate upon the early termination or the natural expiry of the HWPF Reinsurance Agreement.

4.4 In the event that the HWPF Reinsurance Agreement terminates prior to its natural expiry, SL Intl shall confirm the termination of the HWPF Reinsurance Agreement and of this Deed Poll by publishing notice of such termination in each Relevant Publication.

4.5 The right of a Covered Policyholder to enforce any amount payable under this Deed Poll shall arise at the time at which the payment concerned falls due. For the avoidance of doubt:

- (A) if more than one amount falls due to a Covered Policyholder under a Covered Policy; and/or
- (B) amounts fall due to Covered Policyholders under their respective Covered Policies at different times,

then the right to enforce payment in respect of any particular amount shall arise at the time at which that particular amount becomes due.

5. Governing Law and Jurisdiction

5.1 **Governing Law:** This Deed Poll and any non-contractual obligations arising out of, or in connection with, it shall be governed by and construed in accordance with the laws of Ireland.

5.2 **Jurisdiction:** The courts of Ireland shall have jurisdiction to settle any disputes that may arise out of or in connection with this Deed Poll and accordingly any legal action or proceedings arising out of, or in connection with, this Deed Poll in relation to any such other aspect may be brought in such courts.

In witness whereof Standard Life International DAC has duly executed and delivered this Deed Poll on the day and year first above mentioned.

THE COMMON SEAL OF)
STANDARD LIFE INTERNATIONAL DAC)
was affixed to this Deed Poll in the)
presence of:)
_____)
Director)
_____)
Director / ~~Secretary~~)

Schedule 1

Definitions

In this Deed Poll:

"2006 Scheme" means the insurance business transfer scheme approved under Part VII of the Financial Services and Markets Act 2000 of the United Kingdom pursuant to which substantially all of the long-term insurance business of The Standard Life Assurance Company was transferred to SLAL, which was sanctioned by the Court of Session on 9 June 2006, and which became effective on 10 July 2006 (as varied from time to time by supplementary orders of the Court of Session);

"CBI" means the Central Bank of Ireland and any successor or replacement body regulating the conduct of business by insurance undertakings;

"Covered Amount" means, in respect of an in-force Covered Policy, if and providing such amount is a positive amount, an amount equal to:

- (i) such amounts as SLAL determines, in accordance with its established principles and practices from time to time, would become due in respect of SLAL's With Profits Liabilities from SLAL to a SLAL HWPF Equivalent Policyholder under a SLAL HWPF Equivalent Policy which corresponds to the relevant Covered Policy; **less**
- (ii) such amounts as become due in respect of SL Intl's With Profits Liabilities from SL Intl to the Covered Policyholder under the relevant Covered Policy;

"Covered Policy" means any With Profits Policy which is allocated either:

- (i) to the SL Intl HWPF; or
- (ii) to the SL Intl Euro PBF and where a WP Investment Element is allocated to the SL Intl HWPF,

but only for so long as such With Profits Policy satisfies one or other of these criteria;

"Covered Policyholder" means holder of a Covered Policy;

"Deed Poll" has the meaning given in the introductory paragraph above;

"Effective Time" means the date and time at which the Scheme shall become effective;

"HWPF Reinsurance Agreement" means the agreement headed "HWPF Reinsurance Agreement" between SL Intl and SLAL;

"Relevant Publication" means each of Iris Oifigiúil in the Republic of Ireland, Frankfurter Allgemeine Zeitung in Germany, and Amtsblatt Zur Wiener Zeitung in Austria (or, if any such publication is no longer published, such successor, replacement or equivalent publication as SL Intl may determine);

"**Scheme**" has the meaning given in the Recitals above;

"**SLAL**" has the meaning given in the Recitals above;

"**SLAL HWPF**" means the fund of SLAL known as the "Heritage With Profits Fund" (and referred to in the 2006 Scheme as the "With Profits Fund"), or any successor thereof;

"**SLAL HWPF Equivalent Policy**" means, in respect of a Covered Policy, a notional equivalent policy issued by SLAL which is (i) identical to the Covered Policy, and (ii) allocated to (or the WP Investment Element is allocated to) the SLAL HWPF in the same proportion as the Covered Policy (or the WP Investment Element of the Covered Policy) is allocated to the SL Intl HWPF;

"**SLAL HWPF Equivalent Policyholder**" means the holder of a SLAL HWPF Equivalent Policy;

"**SL Intl**" has the meaning given in the introductory paragraph to this Deed Poll;

"**SL Intl Euro PBF**" means the non profit fund of SL Intl known as the "*SL Intl Euro Proprietary Business Fund*", or any successor thereof;

"**SL Intl HWPF**" means the fund of SL Intl known as the "SL Intl Heritage With Profits Fund", or any successor thereof;

"**Unitised With Profits Policy**" means any policy, or a part of any policy, in each case in relation to which the value of the benefits is measured by reference to WP Units allocated to that policy;

"**With Profits Liabilities**" means the liabilities attributable to a With Profits Policy but only to the extent they relate directly to: (i) the relevant policyholder participating in an established surplus (where the value of the policy is not measured by WP Units); or (ii) WP Units;

"**With Profits Policy**" means: (i) any Unitised With Profits Policy; or (ii) any other policy in respect of which the relevant policyholder is eligible to participate in any part of any established surplus (but excluding any policies in respect of which such eligibility arises solely as a result of the application of the mortgage endowment promise set out in Schedule 4 to the 2006 Scheme);

"**WP Investment Element**" means, in relation to a policy that is or becomes a Unitised With Profits Policy, (i) that part of any premium (including any amount derived from a rebate of charges or a switch from another type of unit) as has been applied or is applicable to the allocation of WP Units to the policy, after any adjustment in accordance with the terms of the relevant policy (including any policy charges or bid/offer spread), and (ii) all property, transactions and liabilities attributable to such WP Units (other than in respect of costs of guarantees); and

"**WP Units**" means notional units (i) whose value or number vary, by reference to premiums paid and bonuses declared or surpluses distributed, for the purposes of calculating benefits payable under policies; or (ii) which can have a smoothed price on cancellation.