

FINAL NOTICE DATED 16 April 2008

SUMMARY OF THE MATTER TO WHICH THE NOTICE RELATES

Date of issue: 17 April 2008

Change of control under Part XII FSMA 2000

Pearl Group Limited
Hera Investments One Limited
Sun Capital Investments Limited
Sun Capital Investments (No 2) Limited
Hera Investments (No 2) Limited
Impala Holdings Limited
(together, the 'Controllers')

Phoenix & London Assurance Limited
Phoenix Life Limited
Scottish Mutual Assurance Limited
Scottish Provident Limited
(together, the 'life firms')

In line with their obligation to do so under section 178 of the Financial Services and Markets Act 2000 (FSMA), the Controllers submitted a Notice of Control (the Notice) received by the FSA on 19 March 2008, notifying the FSA of a proposed change in control of the following authorised persons:

Phoenix Life Limited
Phoenix Life Assurance Limited
Phoenix Pensions Limited
Phoenix & London Assurance Limited
BA (GI) Limited
PA GI Limited
Scottish Provident Limited
Scottish Mutual Assurance Limited
Scottish Mutual Investment Managers Limited
Scottish Mutual PEP & ISA Managers Limited
Resolution Fund Managers Limited
Resolution Investment Services Limited
Resolution Management Services Limited
Argonaut Capital Partners LLP
Cartesian Capital Partners LLP
Hexam Capital Partners LLP
(together, the 'Target Firms')

The Notice set out that the transaction entailed the Controllers acquiring control of the Target Firms through a scheme of arrangement under s.425 of the Companies Act 1985 (the Scheme). The Scheme will cancel the entire existing issued share capital of Resolution plc (a parent undertaking of each of the Target Firms), and then immediately issue new shares in Resolution to Impala Holdings Limited (Impala). As a result:

- Impala will become a controller and parent undertaking of the Target Firms by virtue of acquiring 100% of the shares in Resolution plc (sections.179(2)(c) and (g) of FSMA);
- Pearl Group Limited becomes a controller and parent undertaking of the Target Firms by virtue of holding 75% of the shares in Impala Holdings Limited (sections.179(2)(c) and (g) of FSMA);
- Sun Capital Investments Limited and Hera Investments One Limited will each become controllers of the Target Firms by virtue of each holding 50% of the shares in Pearl Group Limited (sections.179(2)(c) and (g) of FSMA); and
- Sun Capital Investments No. 2 Limited and Hera Investments No. 2 Limited will each become controllers of the Target Firms by virtue of each holding 12.5% of the shares in Impala Holdings Limited (sections.179(2)(c) and (g) of FSMA).

The FSA decided on 9 April 2008 to approve the Controllers' acquisition of control of the Target Firms, but with certain conditions to ensure that the interests of consumers would not be threatened. The main condition is that the capital management policies currently in place for the life firms will be maintained, and will not be amended without prior written agreement of the FSA. The FSA requires that the conditions remain in place until 31 December 2016.

The Controllers and life firms chose not to exercise their rights under section 387 of FSMA or otherwise to make representations to the FSA as to the imposition of conditions, or under section 185(7)(a) of FSMA or otherwise to refer the matter to the Financial Services and Markets Tribunal. The Controllers and the life firms accepted the conditions on 16 April 2008.