

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

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In re : Chapter 11

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SCOTTISH HOLDINGS, INC., *et al.*,¹ : Case No. 18-10160 (LSS)

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Debtors. : (Jointly Administered)

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**DECLARATION OF JAMES DALOIA OF PRIME CLERK LLC
REGARDING THE SOLICITATION OF VOTES AND TABULATION
OF BALLOTS CAST ON THE SECOND AMENDED JOINT CHAPTER 11
PLAN OF REORGANIZATION OF SCOTTISH HOLDINGS, INC., AND
SCOTTISH ANNUITY & LIFE INSURANCE COMPANY (CAYMAN) LTD.**

I, James Daloia, declare, under the penalty of perjury:

1. I am a Director, Solicitation and Public Securities at Prime Clerk LLC (“Prime Clerk”), located at 830 Third Avenue, 9th Floor, New York, New York 10022. I am over the age of eighteen years and not a party to the above-captioned case. Unless otherwise noted, I have personal knowledge of the facts set forth herein.

2. I submit this Declaration with respect to the solicitation of votes and the tabulation of ballots cast on the *Second Amended Joint Chapter 11 Plan of Reorganization of Scottish Holdings, Inc., and Scottish Annuity & Life Insurance Company (Cayman) Ltd.*, dated June 28, 2018 [Docket No. 382] (as amended, supplemented, or modified from time to time, the

¹ The Debtors, along with the last four digits of their federal tax identification numbers, are as follows: Scottish Holdings, Inc. (4408) and Scottish Annuity & Life Insurance Company (Cayman) Ltd. (3285). The Debtors’ mailing address for purposes of these Chapter 11 Cases is 14120 Ballantyne Corporate Place, Suite 300, Charlotte, NC 28277.

“Plan”)². Except as otherwise noted, all facts set forth herein are based on my personal knowledge, knowledge that I acquired from individuals under my supervision, and my review of relevant documents. I am authorized to submit this Declaration on behalf of Prime Clerk. If I were called to testify, I could and would testify competently as to the facts set forth herein.

3. This Court authorized Prime Clerk’s retention as the administrative advisor to the above-captioned debtors and debtors in possession (collectively, the “Debtors”) pursuant to the *Order Authorizing Employment and Retention of Prime Clerk LLC as Administrative Advisor Nunc Pro Tunc to May 3, 2018*, dated May 22, 2018 [Docket No. 284] (the “Retention Order”). The Retention Order authorizes Prime Clerk to assist the Debtors with, among other things, the service of solicitation materials and tabulation of votes cast to accept or reject the Plan. Prime Clerk and its employees have considerable experience in soliciting and tabulating votes to accept or reject chapter 11 plans.

Service and Transmittal of Solicitation Packages and the Tabulation Process

4. Pursuant to the *Order: (I) Approving the Disclosure Statement; (II) Scheduling Confirmation Hearing and Related Deadlines; (III) Establishing Procedures for Solicitation, Temporary Allowance of Claims and Vote Tabulation; (IV) Approving Forms of Ballot; (V) Approving Form, Manner and Sufficiency of Notice of Confirmation Hearing and Related Deadlines; and (VI) Granting Related Relief*, dated June 29, 2018 [Docket No. 380] (the “Disclosure Statement Order”), the Court established procedures to solicit votes from and tabulate ballots submitted by holders entitled to vote on the Plan (the “Solicitation Procedures”). Prime Clerk adhered to the Solicitation Procedures outlined in the Disclosure Statement Order

² All capitalized terms used by not otherwise defined herein have the meanings ascribed to them in the Plan or Disclosure Statement Order (as defined below).

and the ballots, which were distributed to parties entitled to vote on the Plan. I supervised the solicitation and tabulation performed by Prime Clerk's employees.

5. The Disclosure Statement Order established June 28, 2018, as the record date (the "Voting Record Date") for determining which holders were entitled to vote on the Plan. Pursuant to the Plan and the Solicitation Procedures, only holders as of the Voting Record Date in the following classes were entitled to vote to accept or reject the Plan (the "Voting Classes"):

Plan Class	Class Description
4	SHI TruPS Claims
5	SHI General Unsecured Claims
6	SALIC TruPS Claims & SFL Claims
7	SALIC General Unsecured Claims

6. In accordance with the Solicitation Procedures, Prime Clerk worked closely with the Debtors and its advisors to identify the holders entitled to vote in the Voting Classes to coordinate the distribution of the applicable solicitation materials to these holders. In addition, Prime Clerk coordinated the distribution of solicitation materials to holders of public securities in the Voting Classes in accordance with procedures commonly used to serve solicitation materials on holders of public securities. A detailed description of Prime Clerk's distribution of solicitation materials is set forth in Prime Clerk's *Affidavit of Service of Solicitation Materials*, dated July 9, 2018 [Docket No. 395].

7. Further, in accordance with the Solicitation Procedures, Prime Clerk received, reviewed, determined the validity of, and tabulated the ballots submitted to vote on the Plan. Each ballot submitted to Prime Clerk was date-stamped, scanned, assigned a ballot number, entered into Prime Clerk's voting database, and processed in accordance with the Solicitation Procedures. To be included in the tabulation results as valid, the ballot must have been (a)

properly completed pursuant to the Solicitation Procedures, (b) executed by the relevant holder entitled to vote on the Plan (or such holder's authorized representative), (c) returned to Prime Clerk via an approved method of delivery set forth in the Solicitation Procedures and (d) unless otherwise agreed in writing by the Debtors, received by Prime Clerk by 4:00 p.m. (prevailing Eastern Time) on August 13, 2018 (the "Voting Deadline")³.

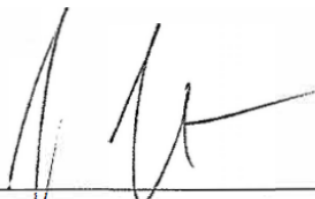
8. All valid ballots cast by holders entitled to vote in the Voting Classes and received by Prime Clerk on or before the Voting Deadline were tabulated pursuant to the Solicitation Procedures.

9. The final tabulation of votes cast by timely and properly completed ballots received by Prime Clerk is attached hereto as **Exhibit A**.

10. A report of all ballots excluded from the final tabulation prepared by Prime Clerk, and the reasons for exclusion of such ballots, is attached hereto as **Exhibit B**.

To the best of my knowledge, information and belief, I declare under penalty of perjury that the foregoing information is true and correct.

Dated: August 17, 2018



James Daloia
Director, Solicitation and Public Securities
Prime Clerk LLC

³ Prime Clerk received ballots in Class 4 and Class 6 after the Voting Deadline. In accordance with the Solicitation Procedures, the Debtors waived this late defect and directed Prime Clerk to include these ballots in the final vote tabulation.

Exhibit A

Scottish Holdings, Inc., *et al.*
Exhibit A - Tabulation Summary

Class	Class Description	Number Accepting	Number Rejecting	Amount Accepting	Amount Rejecting	Class Voting Result
		%	%	%	%	
4	SHI TruPS Claims	6	0	\$79,500,000.00	\$0.00	ACCEPTS
		100%	0%	100%	0%	
5	SHI General Unsecured Claims	1	0	\$1.00	\$0.00	ACCEPTS
		100%	0%	100%	0%	
6*	SALIC TruPS Claims & SFL Claims	9	0	\$129,500,000.00	\$0.00	ACCEPTS
		100%	0%	100%	0%	
7	SALIC General Unsecured Claims	2	0	\$26,536.00	\$0.00	ACCEPTS
		100%	0%	100%	0%	

*Pursuant to paragraph 34 of the Disclosure Statement Order and the Stipulation between the Debtors and the SFL Receiver, dated August 15, 2018, the SFL Receiver is deemed to have voted the entire SFL Note Claim as a Class 6 Claim to accept the Plan.

Exhibit B

Scottish Holdings, Inc., *et al.*
 Exhibit B1 - Report of Non-Securities Ballots Excluded from Tabulation

Plan Class	Plan Class Description	Creditor Name	Received Date	Voting Amount	Accept/Reject	Reason(s) for Exclusion
7	SALIC General Unsecured Claims	Lincoln National Life Insurance Company	8/8/2018	\$26,535.00	Accept	SUPERSEDED BY LATER RECEIVED VALID BALLOT INCLUDED IN FINAL TABULATION

Scottish Holdings, Inc., et al.
 Exhibit B2 - Report of Public Securities Ballots Excluded from Tabulation

Plan Class	Plan Class Description	Participant Number	Participant Name	CUSIP	Principal Amount	Accept / Reject	Reason(s) for Exclusion
4	SHI TruPS Claims	418	CITIGROUP GLOBAL	81013Z9Z2	\$12,858,000.00	Accept	SUPERSEDED BY LATER RECEIVED VALID BALLOT INCLUDED IN FINAL TABULATION
6	SALIC TruPS Claims & SFL Claims	418	CITIGROUP GLOBAL	81013Z9Z2	\$4,642,000.00	Accept	SUPERSEDED BY LATER RECEIVED VALID BALLOT INCLUDED IN FINAL TABULATION