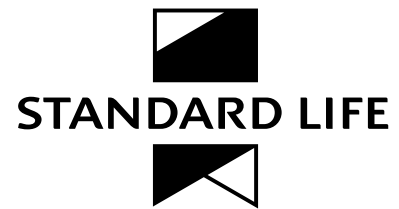


Lifetime Protection Series from Standard Life Protecting your mortgage



For financial adviser use only, not be relied upon by anyone else.

SUITABILITY

Before giving advice to your clients, you will have carefully considered their financial needs, their attitude to risk and their own individual circumstances, as all these factors will influence the recommendations that you make to them.

This document contains some factual information you may find of use when drafting your suitability letters. The headings and layout are only examples and should not be taken as a guide for how your suitability letter should look or what it should include.

You are solely responsible for making sure that the content of your letter is current, appropriate, tailored for each client and meets regulatory requirements. We are not providing advice where you use any of this wording to contact your clients.

No responsibility is accepted by Standard Life for your reliance on, or use of, this information which is supplied at your own risk.

What benefits does Mortgage Protection offer to your client?

This section is for Level Protection Plans and Mortgage Protection Plans

1) Peace of mind

If your client dies or suffers a terminal illness, the Level Protection Plan will pay out a lump sum that can be used to repay an outstanding mortgage. This gives your client peace of mind knowing that their family or dependents will be provided for in the event of their death.

OR

If your client dies or suffers a terminal illness, the Mortgage Protection Plan will pay out a lump sum (equal to the value of the plan at the time of claim) that can be used to repay an outstanding mortgage. This gives your client peace of mind knowing that their family or dependents will be provided for in the event of their death.

Note: Terminal illness is defined as diagnosis of a projected life expectancy of 12 months or less. Terminal Illness cover is not available if you are over age 69 at the start of the plan and it stops on the earlier of age 70 or 12 months before your plan ends.

2) Free cover

Buying a home can take several months and there is usually a delay between the moment your client is committed to buying and the completion date (the date when the house becomes legally owned and also when the plan usually starts).

If the plan is for a mortgage on your clients main residence and we have accepted the terms of their plan, they are automatically covered even before they have started making payments. They are covered for the amount of the loan for up to 6 months from the exchange of contracts (conclusion of missives in Scotland) until the completion date (when the house becomes legally theirs and the plan starts). Cover will last up to six months from the exchange of contracts (in Scotland, the conclusion of missives) until the completion date of the mortgage. The plan will then start on the completion date.

If a claim is made just before completion, we will pay the relevant benefits. This means that the plan could pay a benefit before any payment(s) have been made.

3) Free Accidental Death Benefit

We will provide Free Accidental Death Benefit (equal to the benefit selected under the Mortgage Protection Plan/Level Protection Plan) if your client dies as a result of an accident. The cover begins when we receive the application and lasts until the earliest of their application being accepted, the application being turned down and the date 30 days after we receive the application. This benefit is subject to a maximum of £250,000.

4) Mortgage Assurance Option

This option is automatically included in the Mortgage Protection Plan. It monitors mortgage interest rates and if they approach the rate we assume (currently 10%) we will contact your client. They should then check that the sum assured is still sufficient to pay off the mortgage, based on the interest rate they are paying. If it is not, they can ask us to change the rate at which the benefit reduces. The new rate will be the same as we are using in new plans we are selling at that time.

5) Optional benefits

Your client may have chosen one of the following optional benefits:

Critical Illness Benefit

Critical Illness Benefit is paid if your client is diagnosed as suffering from one of the defined critical illnesses covered. Once a claim is paid, the plan will stop. We cover one of the widest ranges of critical illnesses in the market. For details of these critical illnesses, please refer to the leaflet GEN200.

Waiver of Premium

If your client becomes ill or disabled and is unable to work, Waiver of Premium gives the added peace of mind of knowing that your payments to Standard Life are covered. We will make the payments for your client after the first six months of illness or disability and will continue to do so until they are fit to return to work. If they do not recover, the cost of the payments will be met until the end of the plan or age 65 whichever is earlier.

Total Permanent Disability Benefit

Total Permanent Disability Benefit is paid if your client becomes totally and permanently disabled, and (depending on the definition shown in the plan documents) they are unable to carry out their own occupation, or they cannot perform at least three of the eight Activities of Daily Working (ADW). Full details of ADW can be found in the leaflet GEN200. Once a claim is paid, the plan will stop.

Accidental Death Benefit

If your client dies within 90 days of an accident, we will pay the basic death benefit plus an additional Accidental Death Benefit that will equal the basic benefit (up to a maximum Accidental Death Benefit of £250,000). This cover will stop on the earlier of the plan's expiry date and the final anniversary date before your client's 60th birthday.

Future Insurability Option and Term Extension Option

The Future Insurability Option and Term Extension Option allows your client to increase the level of benefit and/or extend the term of the plan in line with any increase or extension to the associated mortgage, without providing medical evidence. It is only available for six months from the date the loan is increased or extended. The expiry date for using this option is the earlier of the anniversary date before your client's 55th birthday and the plan's expiry date.

6) Guaranteed payments

Payments are guaranteed to stay the same during the term of the plan unless your client makes any changes to the plan.

This section is for Critical Illness Protection Plans – Level Benefit and Decreasing Benefit

1) Peace of mind

If your client is diagnosed with one of the defined critical illnesses covered, the Critical Illness Protection Plan – Level Benefit will pay out a lump sum that can be used to repay an outstanding mortgage. This gives your client peace of mind knowing that they will be provided for, if they become critically ill.

OR

If your client is diagnosed with one of the defined critical illnesses covered, the Critical Illness Protection Plan – Decreasing Benefit will pay out a lump sum (equal to the value of the plan at the time of claim) that can be used to repay an outstanding mortgage. This gives your client peace of mind knowing that they will be provided for, if they become critically ill.

2) Mortgage Assurance Option

This option is automatically included in the Critical Illness Protection Plan – Decreasing Benefit. It monitors mortgage interest rates and if they approach the rate we assume (currently 10%) we will contact your client. They should then check that the sum assured is still sufficient to pay off their mortgage, based on the interest rate they are paying. If it is not, they can ask us to change the rate at which the benefit reduces. The new rate will be the same we are using in new plans we are selling at that time.

3) Optional benefits

Your client may have chosen one of the following optional benefits:

Waiver of Premium

If your client becomes ill or disabled and is unable to work, Waiver of Premium gives the added peace of mind knowing that payments to Standard Life are covered. Standard Life will make the payments for your client after the first six months of illness or disability and will continue to do so until they are fit to return to work. If they do not recover, the cost of payments will be met until the end of the plan or age 65 whichever is earlier.

Future Insurability Option and Term Extension Option

The Future Insurability Option and Term Extension Option allows your client to increase the level of benefit and/or extend the term of the plan in line with any increase or extension to the associated mortgage, without providing medical evidence. It is only available for six months from the date the loan is increased or extended. The expiry date for using this option is the earlier of the anniversary date before your clients 55th birthday and the plan's expiry date.

4) Reviewable payments

Payments are reviewable. This means payments may increase or decrease during the plan's term. We will review the cost of payments after five years, and then every five years thereafter. We cannot change the payments at any other time unless your client make changes to the plan.

Why Standard Life?

Standard Life has been looking after its customers for over 180 years, and approximately 7 million worldwide rely on them for their financial needs.

Like most people, your clients will want to know that their financial future is in good hands. Standard Life places a great deal of importance on getting their money to work hard for them; that's why they believe your clients can have confidence in them.

Service

Standard Life is a company which believes in providing good service to all its customers. This means that they are committed to providing a good quality of service locally, and to dealing with your queries or documentation with the minimum of fuss or delay.

Standard Life was presented the Company of the Year award in the Money Marketing Awards in 1999, 2000, 2001, 2002, 2003, 2004, 2005 and 2007.

Standard Life was voted '5 Star Life and Pensions Provider' at the Financial Adviser Service Awards 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005 and 2006.