

Savings and Investment and Protection Contracts

A look at
Standard Life's
remuneration

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Savings and Investment Products

Capital Investment Bond (CIB)

This is a whole life, single payment, non-qualifying, investment-linked contract.

Distribution Bond (DB)

This is a whole life, single payment, non-qualifying, investment-linked contract that is invested entirely within the Distribution Fund.

With Profits Bond (WPB)

This is a whole life, single payment, non-qualifying contract that is invested entirely within the With Profits Fund.

Mutual Funds

Available for both single and regular payments. They can be used with either the OEIC or ISA wrapper.

Savings and Investment Products – Remuneration Terms

| PRODUCTS | Charging Structure | Payment Type | Single Premium Initial | Fund Based | Chargeable Fund Based | Mix of Single Premium Initial and Fund Based | Additional Single Premium Initial | Additional Single Premium Fund Based | Mix of Additional Single Premium Initial and Fund Based | Commission Give Up | Commission Gift | Clawback* Yr 1 | Clawback* Yr 2 |
|-------------------------------|----------------------|------------------------------|------------------------|------------|-----------------------|--|-----------------------------------|--------------------------------------|---|-----------------------------------|---------------------------------------|--|--|
| Capital Investment Bond (CIB) | Stepped Option | Single Payment Only | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | × | × |
| | Level Option | Single Payment Only | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | Maximum allocation cannot exceed 100% | ✓ Up to 3% on both new monies and increments initial commission only | ✓ Up to 1.5% on both new monies and increments initial commission only |
| Distribution Bond (DB) | Stepped Option | Single Payment Only | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | × | × |
| | Level Option | Single Payment Only | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | Maximum allocation cannot exceed 100% | ✓ Up to 3% on both new monies and increments initial commission only | ✓ Up to 1.5% on both new monies and increments initial commission only |
| With Profits Bond (WPB) | Stepped Option | Single Payment Only | ✓ | ✓ | × | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | × | × |
| | Level Option | Single Payment Only | ✓ | ✓ | × | ✓ | ✓ | ✓ | ✓ | ✓ | Maximum allocation cannot exceed 100% | ✓ Up to 3% on both new monies and increments initial commission only | ✓ Up to 1.5% on both new monies and increments initial commission only |
| Mutual Funds | Initial Charge + AMC | Lump Sum and regular payment | ✓ | ✓ | × | ✓ | N/A | N/A | N/A | ✓ Initial Commission Give-Up only | × | ✓ Regular investment only | × |

* The above clawback terms are not comprehensive and we reserve the right to reclaim all or part of commission paid at our discretion.

Please refer to leaflet GEN357 for full details of commission clawback on investment bond products.

N/A = Not Applicable

Combinations of Chargeable Fund Based Commission (CFBC): 1) Initial and CFBC or 2) Initial, Fund Based and CFBC

Protection Products

Standard Life no longer writes protection business unless this arises from options on existing contracts.

Protection Products – Remuneration Terms

| PRODUCTS | Initial | Level | Spread | Commission Give Up | Clawback* |
|----------------------------------|---------|-------|--------|--------------------|-----------|
| LIFETIME PROTECTION SERIES (LPS) | ✓ | ✓ | ✓ | ✓ | ✓ |

* We reserve the right to reclaim all or part of commission paid at our discretion.

Glossary of Terms

Initial and Renewal Commission – Initial can be taken as either:

Non-Indemnity Commission – This is a regular fixed commission payment which is payable for every payment received within the initial period of the contract, or

Indemnity Commission – This is a one off lump sum payment at the start of the contract.

If either Non-Indemnity or Indemnity Commission is taken, Renewal Commission is also paid.

Renewal Commission – This is a regular commission payment, paid to intermediaries for servicing the contract. It is payable for every payment made from the end of the initial period, for as long as the contract remains in force.

Spreading Commission – Within the initial commission shape is the facility to spread initial commission for increased renewal amounts.

As an alternative to initial and renewal commission, level commission is also available.

Level Commission – This is a level commission payment, which is payable for every payment received throughout the whole term of the contract.

Commission Give Up (Protection) – This is when a percentage of commission is given up to reduce the payment or enhance the sum assured. Any percentage between 0% and 100% can be selected.

Commission Give Up (Savings & Investment) – This is when a percentage of the commission is given up to enhance the investment content of the initial investment.

Clawback – Your remuneration is dependent on policy conditions and terms being met. Where these conditions are not met, for example if the business submitted to us does not meet the expectation you set as to term, payment level or frequency we may take back all or part of the commission that has been paid.

Fund Based Commission – This is when commission is paid out over regular periods as a percentage of the fund's value.

Chargeable Fund Based Commission (CFBC) – This is trail commission that is paid by the client on a one for basis through the cancellation of units in the bond. The level of CFBC can range from 0.01% to 0.50%.

Commission Gift – This is when a monetary amount of the commission is given up to enhance the value of the initial investment.

OEIC – Open-Ended Investment Company

ISA – Individual Savings Account

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