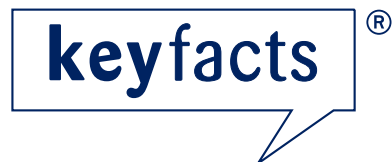


This is an important document.
Please read it and keep for future reference.



Key features of the

active money self invested personal pension



keyfacts[®]

The Financial Services Authority is the independent financial services regulator. It requires us, Standard Life, to give you this important information to help you to decide whether our active money self invested personal pension (SIPP) is right for you. If you're a new customer you should read this document carefully so that you understand what you're buying. If you're an existing customer you should read this document to help you with any changes you might be making to your plan. Please keep it safe for future reference.

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Helping you decide

This key features document will give you information on the main features, benefits and risks of the active money self invested personal pension.

A personal illustration is also enclosed. It will show you the benefits you may get in the future.

Your key features document and personal illustration should be read together.

You can only buy this product through a financial adviser. Your financial adviser can give you advice and answer any questions you have.

Our SIPP Customer Centre will always be happy to answer any of your questions or give you more information but they can't give you financial advice. Our contact details can be found on page 19.

Other documents you should read

Your guide to an active money SIPP with Standard Life (SLSIP10)

A comprehensive guide showing you the main features and benefits of our active money SIPP.

Investor's guide (SLSIP5a)

A guide which gives you details of the types of investments you can choose from.

SLIP – Fund list (SLSIP5c)

Provides details of all the pension funds you can invest in and their charges.

***sigma* mutual – Fund List (SLSIP5d)**

Provides details of all the ***sigma*** mutual funds you can invest in and their charges.

FundZone – Fund List (SLSIP5e)

Provides details of all the FundZone mutual funds you can invest in and their charges.

Your guide to active money SIPP charges & discounts (SLSIP20)

Provides details of all the charges & discounts that may apply (except commercial property charges).

Terms & conditions (SLSIP62)

Provides full details of the terms & conditions that apply to this plan.

Your financial adviser can provide you with these documents.

1. Its aims

To provide a tax efficient way to save for your retirement.

To give you control over your investments.

To give you choice over how and when you take your benefits.

To allow you to take a regular income from your fund, while still remaining invested.

To provide you with a pension, and a tax-free lump sum.

To provide benefits for your dependant(s) on your death.

2. Your commitment

To make payments to your pension plan, within the limits set by HM Revenue & Customs and our product limits.

To tell us if you stop being entitled to receive tax relief on your payments.

To wait until you're at least age 50 before taking your benefits (this is changing to age 55 from 6 April 2010).

To take your tax-free lump sum and income within the limits set by HM Revenue & Customs.

To regularly review your plan to check it's meeting your needs now and for the future.

3. Risks

This section is designed to tell you about the key product risks that you need to be aware of at different stages of the plan.

At the start of the plan

If you change your mind and want to cancel the plan you may get back less than you paid in. See 'Can I change my mind?' on page 17 for more information.

If you're transferring benefits from another pension scheme, there is no guarantee that what you'll get back from the active money SIPP will be higher. You may get back less. You may also be giving up certain rights in the other pension scheme that you'll not have with the active money SIPP.

Investment

Investments available can vary in their level of risk and their value can go down as well as up. What you'll get back depends on the investment performance and is not guaranteed. You may not get back as much as you pay in.

You should consider investing in a variety of asset classes and a range of investments within those asset classes. By investing in this way, you are spreading the risk and not relying on the performance of a single investment or asset class.

Some investments (such as property) may take longer to sell. You'll need to take this into account when you're reviewing your investments or planning to take your benefits. The valuation of property is generally a matter of a valuer's opinion rather than fact.

The sterling value of overseas assets may rise and fall as a result of changes in the exchange rate. Overseas assets can be subject to additional risk from the economic and political situation in other countries.

There are specific risks and information relating to investing in investment-linked pension funds that you need to be aware of. Please see 'Investor's guide' (SLSIP5a) for details.

An example of one such risk is that, in order to maintain fairness between unitholders remaining in and those leaving a fund, we may, in exceptional circumstances, delay transferring or switching all or part of your funds. The delay could be for up to one month, or up to 6 months for those funds which invest directly or indirectly in buildings or land, because property can be difficult to sell. The delay could be much longer if a fund is linked to the fund of an external fund manager and that fund allows a longer delay. If we delay transferring or switching, we will use the

unit prices that apply on the day on which the transfer or switch actually takes place. The prices on that day could be very different from the prices on the day that you made your request.

External fund managers are responsible for the management of their funds. Standard Life is not responsible for the investment performance or availability of these funds.

Taking an income

Taking an income is usually only suitable if you have a pension plan worth at least £100,000, or have other assets or income to live on. However, regardless of the size of your plan, you still need to decide if this is the right choice for you.

How your investments perform can have an impact on the amount of income you can take. Your maximum income limit will be recalculated at least every 5 years and will be based on a number of factors including the value of your investments. See 'Income drawdown' on page 10 for details of how the limit is calculated.

Taking an income will reduce the value of your plan, especially if investment returns are poor and a high level of income is being taken. In extreme circumstances the value of your plan could reduce to zero.

If you are already taking an income and start a new phase of income drawdown, your maximum income limit must be recalculated. The new limit could be significantly higher or lower than the previous maximum.

Buying a pension (annuity)

Your pension may be lower than shown in your personal illustration. This could happen for a number of reasons, for example if:

- investment performance is lower than illustrated
- the cost of buying an annuity when you retire is higher than illustrated, for example due to interest rates being lower
- tax rules and legislation change
- plan charges increase above those illustrated
- payments into the plan are lower than illustrated
- you buy your pension at a different age from the age you asked us to use in your illustration
- you decide to take a level of income which is higher than we have illustrated.

4. Questions & answers

This section will help answer questions you may have. We start with some general questions and then cover payments, investment choices, benefits at retirement, tax, charges & discounts, and ways for you to pay your adviser. We end the section with 'Other important questions' on page 16.

What is an active money SIPP ?

An active money SIPP is a personal pension. However unlike most traditional personal pensions it offers a greater choice of investments, more control over your pension fund, and more choice over how and when you take your benefits.

How flexible is it?

Flexibility is one of the main attractions of an active money SIPP, in particular:

Investments

You have a wide range of investments to choose from: pension and mutual funds, stocks and shares, commercial property, and many more. You can also change your investments at any time. See page 8 for more information.

Taking your benefits

You'll have lots of choices when you're ready to take your benefits. You can choose from an income, or a pension, or a combination of these. You can also take a tax-free lump sum. See page 9 for more information.

Can I take out an active money SIPP?

You can take out an active money SIPP if you're under age 75, and resident in the UK.

If you're resident overseas, you may be eligible to make a transfer payment from a UK scheme into this plan but it all depends on the country in which you're resident. Speak to your financial adviser for more details.

If you're 75 or older you can only join if you're transferring from another pension scheme.

Is this a Stakeholder pension?

This plan is not a Stakeholder pension. Our minimum payment is higher and charges can be higher than the government Stakeholder standards. Stakeholder pensions may meet your needs at least as well as this active money SIPP.

Your financial adviser will be able to advise which pension plan is better for you.

Who will administer my pension plan?

By taking out an active money SIPP you'll become a member of the Standard Life Self Invested Personal Pension Scheme ('the scheme'). Standard Life Assurance Limited is the provider and administrator of the scheme and Standard Life Trustee Company Limited is the trustee of the scheme.

What should I consider if I'm transferring benefits from another pension scheme?

You need to think about things such as:

- can this match the benefits you're giving up?
- are there any early retirement or ill health considerations?
- what level of benefits do you want to provide for your dependants?

Block transfers

A block transfer is where you and at least one other person transfer from the same scheme to our active money SIPP.

A block transfer can protect any rights you have to a tax-free lump sum greater than 25% or to an early retirement age. But if you make more than one block transfer to our active money SIPP, HM Revenue & Customs only allow your rights under one of your block transfers to be protected.

Speak to your financial adviser to ask whether transferring is the right choice for you.

Can I cash in my plan?

You can't cash in your plan at any time.

Should I seek advice?

Standard Life recommends that you take advice when buying a SIPP and continue to do so during the lifetime of the plan.

4.1 What payments can be made?

How much can be paid into a pension plan?

HM Revenue & Customs have set limits on the total amount that can be paid into a pension.

In each tax year, if you're a 'relevant UK individual' you can pay:

- up to £3,600 (including basic-rate tax relief) regardless of your earnings, or
- up to 100% of your relevant UK earnings for that year (including basic-rate tax relief). If your earnings exceed the annual allowance then a tax charge may apply (see page 11).

Relevant UK earnings means –

- If you are employed, the income you receive from your employer in a tax year (including any bonuses, commission or benefits in kind that you receive), or
- If you are self-employed the income you receive in a tax year from carrying out your trade, profession or vocation, or from patent rights.

This income must be taxable in the UK.

The above limits apply to the total payments made by you and any third party, to all your pension plans. They don't apply to payments made by your employer or to transfer payments.

You're a 'relevant UK individual' if:

- you're resident in the UK for tax purposes, or
- you have relevant UK earnings, or
- you were a UK resident sometime in the previous five tax years and when you joined, or
- you have, or your spouse or civil partner has, earnings from overseas Crown employment subject to UK tax.

What are the active money SIPP minimum payments?

To set up a plan the minimum payments are:

- £300 a month, or
- £3,000 a year, or
- £10,000 for single or transfer payment(s).

For customers with a plan value greater than £50,000, the minimum regular payments are:

- £100 a month, or
- £1,000 a year.

There is no minimum amount for any additional single or transfer payments to an existing plan.

Overall, payments must not exceed the limits set by HM Revenue & Customs.

What payment options do I have?

You can:

- make payments, change the amount of regular payments, stop payments, take a payment break or restart payments at any time (stopping or reducing payments will reduce your future pension and/or tax-free lump sum).
- choose to have your payments increased automatically each year, either in line with the National Average Earnings Index or by a percentage chosen by you (between 1% and 10%).

Payments should be made using the following methods:

- direct debit (regular payments)
- cheque (single payments)
- telegraphic transfer (single and transfer payments)
- direct credit (single and transfer payments).

Can I transfer my contracted-out benefits to the active money SIPP?

Yes, since 1 October 2008 it's been possible to transfer your contracted-out benefits to the active money SIPP.

By contracted-out benefits we mean Protected Rights, Guaranteed Minimum Pension and Section 9(2B) Rights. Guaranteed Minimum Pension and Section 9(2B) Rights must be converted to Protected Rights by the transferring scheme. They all become Protected Rights once they are paid into the active money SIPP.

Other information about payments

After age 75, only transfer payments will be accepted.

Any payments made will be paid to Standard Life Assurance Limited.

Enhanced protection was introduced on 6 April 2006 to help protect customers with large pension funds. If any payments (excluding transfer payments) are made to your plan on or after this date the protection could be lost. Speak to your financial adviser for more information.

4.2 What are my investment choices?

Standard Life Investment Policy (SLIP)

SLIP is a master policy which Standard Life has issued to the trustee of the scheme. We don't issue an individual SLIP to you.

Within this policy we offer a wide range of investment-linked pension funds to choose from. We also offer a range of externally managed funds to increase this choice. You can also choose to invest in our 'Lifestyle' profiles. Lifestyle profiles are an option that automatically change the funds you are investing in depending on the length of time until your selected retirement date. As you get closer to retirement, they move the emphasis away from growth funds to funds that prepare your pension investments for your pension benefits at your selected retirement date.

If you invest in a Lifestyle profile, you cannot combine it with another Lifestyle profile or with any other SLIP fund. But you can combine it with the SIPP Bank Account or any other additional investments.

If you decide to take any benefits immediately, you cannot invest in a Lifestyle profile.

Investment-linked funds are made up of 'units':

- Your payments are used to buy units in the funds you choose.
- The price of one unit in each fund depends on the value of the underlying investments.
- The value of your investment is based on the total number of units you have in each fund. If the unit prices rise or fall, so will the value of your investment.

You can switch your payments in and out of various funds to change the mix of investments. We may delay switching in some circumstances. You can only invest in 12 of our SLIP funds at any one time (or 11 if you have any other investments).

SIPP Bank Account

The bank account is owned and used by Standard Life Trustee Company Limited, the scheme trustee. The trustee will keep a record of how much you have invested in this account. It's used to provide:

- any money required to purchase any investments
- any tax-free lump sum or income required immediately
- any money that's required to pay any charges (see page 12)

- a facility to hold cash on deposit.

For more information on all investment options please see 'Investors guide' (SLSIP5a), or speak to your financial adviser.

Additional investments

One of the main attractions of an active money SIPP is the wide range of investment opportunities available to you:

FundZone Mutual funds

You can choose from over 1500 funds provided by a range of fund managers, through the mutual funds platform – FundZone.

sigma Mutual funds

Over 100 mutual funds for you to choose from, managed by Standard Life Investments and external fund managers.

Any other investments

Any other investments describes any investments other than our range of pension and mutual funds, such as:

- other insurance company investment-linked funds
- a range of shares listed on the stock markets in the UK and abroad
- government securities
- commercial property
- authorised unit trusts, Open-Ended Investment Companies and Investment Trust Companies
- deposit accounts.

These investments are all subject to our scheme and HM Revenue & Customs rules.

Who will manage my investments?

You can make investment decisions on your own, with a financial adviser, or with a financial adviser and investment manager (they must all be authorised by the appropriate regulatory body).

Other information about investments

It's important to regularly review your investments.

You can change investments at any time.

If any payments are received without an investment instruction, the money will be held in a suspense account.

If you decide to invest payments to your active money SIPP with another investment provider, your financial adviser should provide you with the documents you need to read for that investment.

4.3 What benefits can I take at retirement?

You can:

- buy a pension (known as an annuity), or
- take an income (known as income drawdown), or
- take a combination of both.

With these options you'll also have the opportunity to take a tax-free lump sum.

Whatever option, or combination of options you choose, the income and tax-free lump sum taken can't be more than the limits set by HM Revenue & Customs.

Taking your retirement benefits

You can start taking retirement benefits from age 50 (changing to age 55 from 6 April 2010).

Normally, retirement benefits will only be payable before age 50 on grounds of ill health. If your current state of health gives you cause for concern you should speak to your financial adviser before making any decisions about your retirement benefits.

You can take all your retirement benefits on the same day or take them in stages. To take them all at once, you apply a single 'pension date' to your whole plan and it all becomes 'post pension date'.

To take your benefits in stages, you only apply a pension date to part of your plan at a time. That part becomes 'post pension date' and the rest of your plan remains 'pre pension date'. Your plan is made up of one or more accounts and you can apply a pension date to all or part of an account.

Tax-free lump sum

At a pension date you can normally take up to 25% of the new post pension date account as a tax-free lump sum. But you don't have to take a tax-free lump sum if you don't want to. You'll then use the rest of the new post pension date account to buy a pension or to take income drawdown.

Any tax-free lump sum must be taken before age 75 or you'll lose this option.

Buy a pension (annuity)

This means that you pay some, or all, of your pension fund to an insurance company of your choice, who will in return pay you a pension for the rest of your life.

If you buy a pension and decide to use your Protected Rights benefits, you must use all of your Protected Rights to buy that pension. Your Protected Rights benefits cannot be split up. And if you are married or in a civil partnership, you must buy a Protected Rights pension that will continue at half the rate to your spouse or civil partner after you die.

When you decide to buy a pension it will be bought using the annuity rates at that time.

Take an income (income drawdown)

As an alternative to buying a pension, you can take an income from your fund. Careful consideration should be taken before you take an income (see risks on page 5).

To start taking an income from your plan, the plan value must be at least:

- £50,000 if you haven't taken your tax-free lump sum.
- £37,500 if you have taken your tax-free lump sum.

For customers who have our Pension Fund Withdrawal Plan (PFWP) it's the combined values of both the active money SIPP and PFWP plans that the above minimums apply to.

At age 75

To take an income at age 75, the minimums are:

- For existing active money SIPP customers there is no minimum.
- For new customers the plan value must be at least £40,000.

Income drawdown

With this option you'll have the freedom to choose, and change, the level of income you take.

You can choose an income anywhere between the minimum and maximum limits allowed (it's HM Revenue & Customs that set the minimum and maximum income limits).

You can even choose to take an income of £0 (until age 75) and just take your tax-free lump sum.

The limits that apply will depend on your age, sex and the returns from Government securities, and are calculated from the Government Actuary's Department's (GAD) tables.

We recalculate the limits that apply to you at least once every five years.

Income drawdown options

There are three income drawdown options to choose from:

- Full drawdown
- Phased drawdown
- Dripfeed drawdown

Full Drawdown

You can use this option to take up to 25% of your plan as a tax-free lump sum and take an income subject to the minimum and maximum limits.

Phased Drawdown

You can use this option to take your income and tax-free lump sum in stages.

You might want to use phased drawdown to:

- ease back gradually on work by starting to replace salary with pension income
- provide more flexible death benefits (accounts that you haven't used to buy pensions can be used to provide an income, a pension or a lump sum for dependants).

If you're younger than age 55 at 6 April 2010, and you have already started to take your benefits, you'll not be able to take any additional benefits from a different part of your plan until you reach age 55.

Dripfeed Drawdown

(This is available if you're currently age 55 or older, or if you'll be age 55 or older on 6 April 2010)

You can use this option to take a specific amount of income and tax-free lump sum automatically.

It can also be used to maximise death benefits or reduce the tax you pay on your pension income from the plan.

If you exceed your Lifetime Allowance (see page 11) you can no longer use this feature.

Each time we make a payment to you that includes a tax-free lump sum, we'll have created a new post pension date account for you. We'll keep doing this until you:

- have no pre pension date accounts left, or
- ask us to pay your income in another way, or
- buy an annuity, or
- reach your 75th birthday.

We explain about pre and post pension date accounts in 'Taking your retirement benefits' on page 9.

Taking an income – after age 75 (Alternatively Secured Pension)

You can continue to take an income after age 75, while leaving your fund invested.

However you need to be aware that the minimum and maximum income limits change at age 75. Speak to your financial adviser for details.

4.4 What about tax?

Tax relief – pension payments

You'll get basic-rate tax relief on any regular and single payments that you make.

If you're a higher-rate taxpayer you'll need to reclaim the extra tax relief through your tax return.

With effect from 6 April 2011, some higher-rate taxpayers may stop being eligible to receive extra tax relief. They may also suffer a tax penalty if they try to increase the payments they make to their pension before this date. For further information, please read our fact sheet 'Tax changes to pension plans announced in the 2009 budget' (GEN658), or speak to your financial adviser.

Capital Gains Tax

The funds you invest in are not liable for UK Capital Gains Tax.

Annual Allowance

HM Revenue & Customs has an Annual Allowance for the total payments that you, your employer and any third party can make to all your pension plans (excluding transfer payments).

This allowance is £245,000 for the 2009/10 tax year and £255,000 for the tax years 2010/11 to 2015/16. You may have to pay a 40% tax charge on any payments that exceed this limit.

Lifetime Allowance

HM Revenue & Customs has a Lifetime Allowance on the total funds in pension plans that can be used to provide benefits for you.

This allowance is £1.75 million for the tax year 2009/10, and £1.8 million for the tax years 2010/11 to 2015/16.

Any funds over this allowance will be liable to a tax charge of 55% for a lump sum, or 25% if taken as a pension.

If you registered for primary or enhanced protection with HM Revenue & Customs before 6 April 2009 then you may have a higher personal allowance or the lifetime allowance may not apply. Speak to your financial adviser for more details.

Tax-free lump sum

You can normally take up to 25% of your plan as a tax-free lump sum.

However you could face a tax charge if you 'recycle' your tax-free lump sum. See our fact sheet 'Recycling of lump sums' (GEN449) for more information.

Income Tax – pension & income payments

Any income you take from the fund, or pension you buy, will be taxed as earned income under normal pay-as-you-earn (PAYE) rules.

Tax – death benefits

If you die before 75, your dependants do not normally need to pay tax on the lump sum paid from your pre pension date accounts. However if any part of the lump sum exceeds your remaining Lifetime Allowance, that part will be taxed at 55%.

Any lump sum paid from your post pension date accounts will be taxed at 35%.

We explain about pre and post pension date accounts in 'Taking your retirement benefits' on page 9.

Please ask your financial adviser to talk you through our 'A Guide to Death Benefits' (SLSIP11).

Other information about tax

A tax year runs from 6 April in one year to 5 April in the next year.

Tax rules and legislation may change.

The value of tax relief may change and will depend on your financial circumstances.

The information we have given is based on our understanding of law and HM Revenue & Customs practice when we published this document in February 2010.

4.5 What are the charges & discounts?

This section shows you the main charges & discounts that apply. It should be read together with 'Your guide to active money SIPP charges & discounts' (SLSIP20), and your personal illustration. It may also be helpful for you to refer back to page 8 for a reminder of investment terms used in this section.

Charges under the active money SIPP vary depending on the type of investment you choose. If you have a combination of different investment types then more than one charge may apply.

Standard Life Investment Policy (SLIP)

The following charges apply to our range of investment-linked pension funds:

Fund Management Charge

This is for the management of your funds and for our administration costs. The charge varies depending on the funds you choose to invest in.

Additional Expenses

Fund managers may charge an additional expense to cover costs such as fees for trustees, registrars, auditors, and regulators. This charge is likely to vary.

We describe the fund management charge and additional expenses as a yearly rate but they're taken each day.

Details of both the current fund management charge & additional expenses for each SLIP fund can be found in our SIPP fund list – SLIP pension funds (SLSIP5c).

Switch charge for SLIP funds

Changing the funds you're invested in is called 'switching'. If you make more than 20 switches in any 12-month period, we reserve the right to charge for these additional switches and also reserve the right to charge if an external fund manager charges us for a switch you make.

Additional investments

The following charges apply if you invest in 'additional investments':

Fund Charges for mutual funds

You can find details of the fund charges that apply to **sigma** mutual funds in our 'SIPP client fund list – **sigma** mutual funds' (SLSIP5d) and to FundZone mutual funds in our 'SIPP fund list – FundZone' (SLSIP5e).

Switch charge for mutual funds

This charge is applied when you switch from one **sigma** mutual fund to another **sigma** mutual fund or from one FundZone mutual fund to another FundZone mutual fund.

Initial Administration Charge

We make a one-off charge when you first invest in additional investments (excluding **sigma** and FundZone mutual funds and the SIPP Bank Account).

Yearly Administration Charge

This charge is collected on each anniversary of when the plan started (known as the 'yearly charge date') and still applies if you have been invested in any additional investments in the previous 12 months.

Transaction Charge

We make a charge each time you buy or sell an asset, or ask us to transfer the ownership of an asset to another pension scheme (known as an 'in-specie' transfer).

Investment Manager Charge

We make a charge each year for each investment manager that you appoint from our panel.

Commercial Property charges

Charges for investment in commercial property can be found in our 'Commercial property charges sheet' (SLSIP81).

Yearly Charge for pension fund withdrawal

This charge applies each year if you have chosen pension fund withdrawal (income drawdown) and, at any time in the previous 12 months, you have been invested in any additional investments. The charge applies even if you have taken £0 income in the previous 12 months. This charge does not apply if your only additional investments are **sigma** or FundZone mutual funds.

It's collected on the yearly charge date, which is the anniversary of the date your plan started. This charge is payable in addition to the yearly administration charge.

active money self invested personal pension

Other charges that may apply

Administration Charge (at age 75)

If you have a pension fund remaining at age 75 we'll take a one-off charge. This is for setting up your plan to allow income to be taken after age 75.

Valuation Charge

We'll deduct this charge from your plan if you ask us to obtain an up to date valuation from another provider and we incur a charge. We won't charge you when we give you your standard yearly valuation or when you ask for a valuation and we don't have to contact external providers.

Other information about charges

Our charges are not guaranteed. We regularly review them and they may be increased to reflect increases in overall costs and/or changes in the assumptions made. Any increases in charges will not increase Standard Life's profit margins above reasonable levels.

Your personal illustration shows our charges and the effect they have on reducing the value of your investments over the term of your plan.

SIPP Bank Account

As charges are due at the time they are incurred (for example when you join the active money SIPP or complete a transaction), you must keep sufficient money in this account to pay any of these charges.

If there's not enough money we reserve the right to sell investments to cover these costs.

The rate of interest is normally 1% below the Bank of England base rate. You can check the rate by contacting us or your adviser. The interest is accrued daily and applied on a monthly basis.

Large Fund Discounts – SLIP and FundZone Mutual Funds

If you decide to invest in SLIP pension funds and/or FundZone mutual funds, you may receive a discount. The discount is based on the combined fund values of both SLIP funds and FundZone mutual funds. The table below gives details:

Combined fund values of SLIP & FundZone	SLIP pension funds discount %	FundZone mutual funds Large Fund Discounts
Fund value: < £50,000	0	0
Fund value: £50,000 - £249,999	0.3% a year	0.25% a year
Fund value: £250,000 - £499,999	0.4% a year	0.30% a year
Fund value: £500,000 +	0.5% a year	0.35% a year

How the discounts are applied

The above table shows the yearly rate of the discounts. We divide them by 12 when working out the monthly discount.

SLIP Pension Funds

In any month where you're eligible for a discount, we'll add extra units to any SLIP fund you're invested in which has a standard Fund Management Charge (FMC) of 1% or more. We

won't apply any discount to a SLIP fund with a standard FMC that's less than 1%. But any investment you have in that type of fund will still count towards your total plan investment in SLIP funds when we work out the discount percentage that applies to you.

FundZone Mutual Funds

In any month where you're eligible for a discount, a cash payment will be made into the SIPP Bank Account.

4.6 How can I pay my financial adviser?

This section shows you the commission and fee options available to pay your financial adviser. You can pay your adviser a combination of commission and fees.

Your personal illustration will show the commission and/or fee options you have chosen. It will also show what charges may apply and the effect they could have on reducing the value of your investment(s) over time. You should speak to your financial adviser in the first instance if you have any questions.

When we talk about the 'current value' below, we mean the value of your payment(s) at the time we collect the charge.

Commission payable

Commission – for transfer and single payments

Initial Commission (for which we make an Initial Charge)

You can choose up to a maximum of 5% of the payment you're making.

We'll take a charge of 0.1% for each 0.1% of commission we pay and this will be deducted from the payment after it's been invested.

Funded Initial Commission (for which we make an Additional Charge)

You can choose up to a maximum of 3% of the payment you're making.

We'll take a monthly charge, at a yearly rate of 0.2% for every 1% of commission we pay, from the current value of the payment. We'll do this over a period of 6 years from the date the payment is made.

You can choose up to a combined maximum for Initial Commission and Funded Initial Commission of 5%.

Funded Initial Commission is not available if you're 69 or over.

Fund Based Renewal Commission (for which we make a Regular Charge)

You can choose up to a yearly maximum of 1% of the current value of the payment.

We'll take a charge at a yearly rate of 0.01% for every 0.01% of commission we pay and will deduct this from your plan.

Commission – for regular payments

Level Commission (for which we make an Initial Charge)

You can choose up to a maximum of 5% for each regular payment made.

We'll take a charge of 0.1% for each 0.1% of commission we pay and this is deducted from each payment after it's invested.

Initial Commission (for which we make an Additional Charge)

You can choose up to a maximum of 25% of the first year's expected regular payments.

We'll take a charge from your plan, equal to the commission payment, in 12 to 48 monthly instalments. You tell us over how many months you wish to pay this charge. We'll collect the charge even if regular payments stop in the first year.

Fund Based Renewal Commission (for which we make a Regular Charge)

You can choose up to a yearly maximum of 1% of the current value of the regular payments.

We'll take a charge at a yearly rate of 0.01% for every 0.01% of commission we pay and will deduct this from your plan.

Commission payable on Income Drawdown

You can pay your adviser commission when you choose income drawdown for the first time.

Initial Commission (for which we make an Initial Charge)

You can choose up to a maximum of 5% of the value of your plan.

We'll take a charge of 0.1% for each 0.1% of commission we pay and will deduct this from your plan.

If we pay a tax-free lump sum and this commission on the same day, we'll calculate the tax-free lump sum before deducting the charge.

Funded Initial Commission (for which we make an Additional Charge)

You can choose up to a maximum of 3% of the value of your plan, excluding any accounts from which we're still collecting an Additional Charge for commission paid out when the transfer, single, or regular payments were made.

We'll take a monthly charge, at a yearly rate of 0.2% for every 1% of commission we pay, from the current value of your plan less the excluded accounts. We'll do this over a period of 6 years from the date you choose income drawdown.

Funded Initial Commission is not available if you're 69 or over.

Fund Based Renewal Commission (for which we make a Regular Charge)

You can choose up to a yearly maximum of 1% of the current value of your plan. If your adviser is already receiving this type of commission, you can change the percentage up to this limit.

We'll take a charge at a yearly rate of 0.01% for every 0.01% of commission we pay and will deduct this from your plan.

Other information about Commission

Additional charge

We'll apply a transfer charge if you transfer out, or buy a pension with any part of your plan that is subject to an 'additional charge'. This charge can also increase if you take a tax-free lump sum, or choose Initial Commission.

Commission after age 75

Fund Based Renewal Commission can continue on existing payments and can start on any new transfer payments.

Initial Commission can be paid on new transfer payments.

Charges for commission

If you're invested in the Standard Life Investment Policy (SLIP) then charges can be taken by cancelling units held for you in SLIP, or by taking them from the SIPP Bank Account, or by doing both in line with how much is invested in SLIP and other assets.

Fees

You can pay your financial adviser a fee, either by your own separate arrangement or through your plan. The fee can be paid through the plan as an initial payment and/or as an ongoing fee that's paid monthly, quarterly, half-yearly or yearly.

For regular payments up to 25% of the first year's expected regular payments can be paid as an initial fee in addition to any commission. For single or transfer payments up to 8% of the payment (less any initial or funded initial commission) can be paid as an initial fee.

The fee can be paid by cancelling units held for you in your funds or by taking it from the SIPP Bank Account. If you ask us to pay any fees from the SIPP Bank Account you need to make sure you have enough money in this account to pay them. If you do not have enough money in the SIPP Bank Account the fee will be paid by cancelling units held in your funds.

4.7 Other important questions

What happens to my active money SIPP when I die?

You can use your active money SIPP to provide benefits for your dependants.

This is a complex area and should be considered carefully. This section gives you a short summary, for full details you should ask your financial adviser to talk you through our 'A Guide to Death Benefits' (SLSIP11).

At death, it's the status of your plan, and your age, that determine the death benefits that are payable. We explain about pre and post pension date accounts in 'Taking your retirement benefits' on page 9.

If you die before age 75

Pre Pension Date Accounts:

We'll normally pay out your pre pension date accounts as a tax-free lump sum.

If the lump sum exceeds the Lifetime Allowance (see page 11) it will normally be liable to a tax charge of 55%.

Alternatively, if the beneficiary is a dependant we can pay them a pension instead of a lump sum.

Post Pension Date Accounts:

Your nominated dependants will have a choice of:

- taking a lump sum (liable to 35% tax), or
- withdrawing an income, or
- buying a pension (annuity).

If you have not named a dependant to receive pension benefits, we'll pay out your post pension date accounts as a lump sum, but this will be liable to 35% tax.

If you die on or after your 75th birthday

Your dependants will have a choice of:

- withdrawing an income, or
- buying a pension (annuity).

If you have no dependants, we'll pay the fund to a charity. We'll choose the charity if you have not nominated one.

The payment to the charity will not be liable for any tax.

Annuity death benefits

The death benefits payable from the annuity depend on the choices you make when you buy the annuity.

Contracted-out death benefits

Protected Rights legislation dictates the death benefits that must be paid from your contracted-out benefits.

No surviving spouse/civil partner

If you die before age 75 and have no surviving spouse/civil partner, we must use any contracted-out benefits still in your active money SIPP to pay a lump sum according to your instructions, or to your estate if you have not given any instructions. If you die aged 75 or older and have no surviving spouse/civil partner, we must use any contracted-out funds to provide an income or pension to one or more of your nominated dependants or, if you have no dependants, to provide a lump sum to your nominated charity.

Surviving spouse/civil partner

If you are survived by your spouse/civil partner, we must use any contracted-out funds in your active money SIPP to pay an income or pension to them.

Can I transfer my plan?

You can transfer your plan to another pension scheme. It's important that you check with the administrator of the scheme you want to transfer to that they will accept the transfer.

This is particularly important if you have any contracted-out benefits as you can only transfer these if the receiving scheme is able to accept them.

Can I change my mind?

You have a legal right to cancel your payment if you change your mind. You have 30 days, from the date you receive your plan documents, to cancel.

At the end of the 30 day period you'll be bound by the terms and conditions of the plan and any money received by Standard Life will not be refundable under the cancellation rule.

Transfer payments

Before we can return any transfer payment, you must speak to the transferring scheme to get their agreement to accept the money back.

If they will not accept it back, and you still want to cancel, then you must arrange for another pension provider to accept the payment.

The transferring scheme may charge you for taking the payment back.

Regular payments

It's only the first payment that you choose to make that will have cancellation rights. If you decide to increase the level of payment in the future you'll not have a right to cancel that payment. However you can reduce or stop future payments at any time.

Single payments

A cancellation right applies to any single payment if we pay commission on it that's different to the commission we're paying on your regular payments.

What will I get back?

We'll refund payments to the person(s) who made them.

Transfer payments will be returned to the transferring scheme.

The amount we'll return depends on:

- any fall in the value of your investment before we receive your instruction to cancel. If this happens we may deduct an equivalent amount from the refund
- any charges or expenses you may have to pay for 'additional investments' (as explained on page 8)
- the administration costs of setting up your plan.

The costs at the start of your plan can't be specified because of the wide range of investment options that are available under our active money SIPP.

Precise amounts deducted on cancellation will be restricted to our costs and your own investment choices.

There is no 'penalty charge' for cancelling your plan.

Taking an income (income drawdown)

When you first decide to take income from your plan, you'll have a right to change your mind.

You have 30 days, from the date you receive your income drawdown documents, to cancel.

Within 30 days of us receiving your request to cancel, you'll need to return any tax-free lump sum and income we've already paid you. If you fail to return all the monies to us within 30 days you'll lose the right to cancel.

You won't have a right to cancel any later decisions you make about taking your income from your plan, apart from the amount and/or frequency of income you take.

There are no cancellation rights once you have chosen to take an income after age 75.

How do I cancel?

If you decide you want to cancel you should write to us. See 'How to contact us' on page 19.

How will I know how my active money SIPP is doing?

Online

We'll automatically register you for our online service (you'll get a user id and password when we set up your plan).

You can then check your plan details on our website: www.standardlife.co.uk

Yearly statement

We'll send you a yearly statement to show how your plan is doing.

You can also get a valuation or illustration by calling our SIPP Customer Centre. See 'How to contact us' on page 19.

If you're withdrawing an income, we'll send you a review pack every five years before age 75, and then every year after age 75. This pack will include up-to-date information about your plan and any changes to the income limits.

5. Other information

How to complain

We have a leaflet that summarises our complaints handling procedures. If you would like to see a copy please contact us.

If you need to complain, write to us at the address shown in 'How to contact us' on page 19.

If you aren't satisfied with our response you may be able to complain to:

The Financial Ombudsman Service
South Quay Plaza,
183 Marsh Wall
London E14 9SR

Call: **0845 080 1800**

e-mail: complaint.info@financial-ombudsman.org.uk

Website: www.financial-ombudsman.org.uk

Complaining to the Ombudsman won't affect your legal rights.

Plan terms and conditions

For a full summary you should read 'The terms and conditions for your active self invested personal pension' (SLSIP62).

We have the right to change some of the plan terms and conditions. We'll write to you and explain if this happens.

Law

The law of Scotland will decide any legal dispute.

Language

The English language will be used in all documents and future correspondence.

Compensation

The Financial Services Compensation Scheme (FSCS) has been set up to deal with compensation if firms are unable, or likely to be unable, to meet claims against them.

The amount of compensation available from the FSCS depends on the type of business and the circumstances of the claim. Further information is available from the FSCS website at www.fscs.org.uk

If an external fund is linked to another insurer in addition to Standard Life Assurance Limited, the fund may not be covered under FSCS provision.

Please speak to your financial adviser for more information.

6. How to contact us

Call

0845 0845 000 (call charges may vary)

Please have your plan number ready when calling.

Fax

0131 245 3221

e-mail

SIPP_CustomerCentre@standardlife.com

There is no guarantee that any e-mail sent to us will be received, or will not have been tampered with. You should not send personal details by e-mail.

Write

SIPP Customer Centre
Standard Life
Dundas House,
20 Brandon Street,
Edinburgh,
EH3 5PP,
United Kingdom.

Advice, questions and help

Your financial adviser should be your first point of contact, as our SIPP Customer Centre can't give any financial advice.

If you have any questions or would like to make any changes to your plan, please contact us. Your queries will be dealt with during business hours.

7. About Standard Life

Standard Life's product range includes pensions and investments.

Standard Life Assurance Limited is on the Financial Services Authority Register. The registration number is 439567.

Pensions
Savings
Investments
Healthcare
Insurance

Speak soon.

If you'd like further information on this or any of our other products, or if there's anything more about Standard Life we can help you with, just call us on this number, or visit our website. Call charges may vary and your call may be recorded or monitored to improve our service.

0845 0845 000

www.standardlife.co.uk

Products provided by subsidiaries of Standard Life plc or other specified providers.

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