

Please read and keep for future reference

This document explains the legal terms and conditions of your Onshore Bond contract with Standard Life Assurance Limited.

Policy Provisions for the

Onshore Bond for Wrap



Introduction to your Onshore Bond for Wrap Policy Provisions

The document attached to this Introduction to your Onshore Bond for Wrap Policy Provisions contains the legal terms and conditions that govern our relationship when **you** purchase the Onshore Bond for Wrap from **us** via the **wrap platform**. Please note that this document does not cover the tax rules that apply to your Onshore Bond for Wrap and that **you** should obtain independent tax advice.

You should read these **policy provisions** with the **client terms and conditions for wrap services** and your **policy schedule**. These three documents, together with the **product confirmation schedule**, and the **investment declaration form** if there is more than one **bondholder** applying to take out an Onshore Bond for Wrap, form together the full terms and conditions of your Onshore Bond for Wrap.

Before applying for an Onshore Bond for Wrap **you** should also consider carefully the following documents:

- **key features document**; and
- **charging schedule**.

In case of conflict between these **policy provisions** and the **client terms and conditions for wrap services**, the provisions relevant to your Onshore Bond for Wrap contained in these **policy provisions** will take precedence over the **client terms and conditions for wrap services**.

Terms in bold in this document are words which have a particular meaning (defined words) when **we** use them in these **policy provisions** and in documentation **you** receive from **us** regarding your **policies** within the **bond**. The meaning of these terms can be found in the Glossary section in Annex 1, which begins at page 21. Words which **we** define in the singular form will also include the plural and words which **we** define in the plural will also include the singular.

Your Onshore Bond for Wrap is a single **premium**, “non-qualifying life assurance contract” (please refer to your **financial adviser** if **you** wish to have more information on what this term means). It is made up of one or more separate **policies**, each one identified by its own reference number.

Each separate **policy** is identical at the **start date** and is evidence of a contract of assurance between **you** and **Standard Life Assurance**.

We will pay the **death benefits** of the **policies** within the **bond** to **you** or any other person who is entitled to receive them subject to the terms of these **policy provisions**, and any extra terms and conditions in your **policy schedule** or in any **endorsement**.

Signed at Edinburgh on the **start date** shown in your **policy schedule** for and on behalf of **Standard Life Assurance Limited**.



AM Crombie
Chief Executive

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1. Administration of your policies within the bond

- 1.1 **You** can only apply to open **policies** if:
- (i) **you** have a **financial adviser**;
 - (ii) **you** are between 18 and 89;
 - (iii) **you** are habitually resident in the **UK**; and
 - (iv) **you** are investing at least £10,000 in your **policies** within the **bond** (unless **you** hold assets worth £100,000 or more in your **wrap account**). If **you** ask **us** to pay **funded initial commission** to your **financial adviser**, the minimum investment limit is £10,000.
- 1.2 If **you** want to open **policies** within the **bond**, your **financial adviser** must send **us** an application via the **wrap platform** on your behalf.
- 1.3 Your **policies** within the **bond** will only be opened once:
- (i) **you** have accepted these **terms** (which is done when your **financial adviser** sends **us** an application via the **wrap platform** on your behalf); and
 - (ii) **we** have accepted your application.
- 1.4 If **we** accept your application **we** will send **you** and your **financial adviser** a **product confirmation schedule** confirming the details on your application and requiring **you** to confirm your agreement to these **policy provisions**.
- 1.5 Subject to the **FSA rules**, **we** have full discretion to accept or not to accept an application and **we** reserve the right to reject your application and not to give **you** any reason for doing so.
- 1.6 Once **we** have accepted your application, **we** will:
- (i) open your **policies** within the bond in your name (or names if **we** receive a joint application from up to six people) and administer it in accordance with these **policy provisions**; and
 - (ii) issue **you** with a **bond number**.
- 1.7 (i) **You** will have 30 days from the date on which **you** receive your **important information document** informing **you** that your **bond** has been opened to change your mind.
- (ii) Please send your request to cancel to the **platform customer centre** (please see provision 20 (How to contact us)).
- (iii) If **you** change your mind within the 30 day cancellation period **we** will return the **premium you** paid, minus any loss which has been caused by market movements to the sums that were invested, according to your instructions, between the date **we** invested your **premium** and the next available **pricing point** after the date **we** receive your instruction to cancel. Any initial charges (to pay **initial commission** to your **financial adviser**) which have been deducted from your **premium** will be refunded. Some **investment managers** may also apply exit charges to their funds. If **you** cancel your **policies** within the **bond**, **we** will deduct any charges applied by **investment managers** from the amount refunded to **you**. Your **financial adviser** can confirm whether an individual investment is subject to any early withdrawal charge or exit charge. Therefore, the **premium** returned by **us** to **you** after your **policy** is cancelled could be less than the original **premium you** paid to **us**.
- 1.8 Please ensure that **you** and your **financial adviser** include this **bond number** in all communication with **us**.
- 1.9 **We** will not advise **you** about the suitability of any financial products that **you** may decide to direct **us** to hold in your **policies** within the **bond**, nor will **we** be responsible for any advice given to **you** by your **financial adviser**.
- 1.10 If your **financial adviser** no longer acts for **you** (for any reason) and **you** do not appoint another **financial adviser** who has access to the **wrap platform**, **you** will need to contact the **platform customer centre** (please see provision 20 (How to contact us)) by telephone or write to the **platform customer centre** to transact on your **wrap account**. The full details of our procedure for **you** to follow, to operate your **wrap account**, during any period when **you** do not have a **financial adviser**, are set out in the **client terms and conditions for wrap services**.

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- 1.11 The contract between **you** and **us** will be concluded on the day **you** receive your **important information document** informing **you** that your **bond** has been opened.
- 1.12 (i) **You** can cash-in your **policies** within the **bond** (please see provision 10 (Cashing-in all or some of your policies within the bond)) by giving notice to this effect in writing to the **platform customer centre** (please see provision 20 (How to contact us)) at any time. Your **policies** within the **bond** will only be closed and these **policy provisions** will only terminate once all the **units you** selected for your **policies** within the **bond** have been sold and **you** have paid all charges (which are set out in provision 6 (Charges and rebates)). The value **you** will receive from **us** will be the **cash-in value** of your **policies within the bond** and **we** will pay the **cash-in value** into your nominated account.
- (ii) **We** may terminate these **policy provisions** and close your **policies** within the **bond** if:
- (a) **you** fail to comply with these **policy provisions** and fail to remedy this within 20 **business days** of being asked by **us** to do so, or:
- (b) **you** fail to make any payments due to **us** after **we** notified **you** of the amount **you** owe **us** and have given **you** a further 30 **business days** to make the required payments.
- (iii) If **you** do not sell your **units** out of your **policies** within the **bond** within one month of being notified by **us** of our intention to close your **policies** within the **bond**, **we** will sell all your **units** and transfer the proceeds to your nominated account.
- (iv) In closing your **policies** within the **bond**, **we** reserve the right to reimburse ourselves for any losses or expenses that **we** have suffered by having to close your **policies** within the **bond**.

2. Funds

2.1 How the funds work

- (i) **You** can select a number of **funds** for your **policies** within the **bond**. **You** can obtain a list of the **funds** available to hold in your **policies** within the **bond** by contacting your **financial adviser**. For more information on the **funds you** can ask your **financial adviser** for our leaflet 'Understanding unit-linked funds with Standard Life'.
- (ii) **We** divide each **fund** into **units**. All the **units** in a **fund** have the same **unit price** and that **unit price** varies with the value of the assets held by that **fund**.
- (iii) **Standard Life Assurance** is the legal owner of the assets (and cash) held in each **fund**. As our obligation to **you** under your **policies** within the **bond** is to pay **you** a sum of money at the appropriate time, **you** have no legal rights to any particular asset in any **fund**. **We** calculate the sum payable to **you** under your **policies** within the **bond** by using the value of the **units we** hold on your behalf in the **funds you** selected for your **policies** within the **bond**.
- (iv) **We** set the investment objectives for each **fund** and make the investment decisions for each **fund** within those objectives. **We** will provide **you** and your **financial adviser** with 30-days notice (according to the process described in provision 15 (Notices)), if **we** intend to make a material alteration to the investment objectives of a **fund** in which **you** are invested. During the notice period, **you** can switch to any other available **insured funds** in accordance with the terms of provision 8 (Switching funds) and no switching charge will apply. **We** may borrow money on behalf of a **fund** and use the assets of that **fund** as security.
- (v) **We** may reinsure all or part of our liability for these **funds** with another insurance company in the **Standard Life group** or, if **we** give **you** at least three months' notice that **we** are doing so, directly or indirectly with an external insurance company. During the notice period, **you** can switch to any other available **funds** in accordance with the terms of provision 8 (Switching funds) and no switching charge will apply.

- (vi) We may also offer **funds** which invest in **funds** managed by an **external investment manager** including another company within the **Standard Life group** (an **externally linked fund**). In **externally linked funds**, we will buy **units** in the **external investment manager's funds**. When you select an **externally linked fund**, you do not invest directly in the **external investment manager's fund** but, by selecting such a **fund**, you have access to the services of an **external investment manager** without taking out another contract. When you instruct us to invest in **externally linked funds**, **units** in these **externally linked funds** will be purchased (and subsequently held) and sold subject to the terms contained in the relevant **fund's prospectus and/or fund factsheet**. For full details please refer to the relevant **fund's prospectus and/or fund factsheet** which is available from your **financial adviser**. Where you have selected a **fund** that is an **externally linked fund** and the **external investment manager**:
- (a) makes any changes to their fund as set out in the **external investment manager's fund prospectus and/or fund factsheet** (for example, those changes set out in sub-provision 2.1(viii)); or
 - (b) fails to administer their fund in accordance with their fund's **prospectus and/or fund factsheet**
- we will not make good all or any part of any loss that arises.
- (vii) To protect the interests of existing unitholders in a **fund**, we may temporarily stop, accepting new investment instructions to apply **premiums** to that **fund** or instructions to switch existing investments into that **fund**. For more details please see sub-provision 8.5 (Switching funds).
- (viii) For commercial reasons, including running **funds** efficiently and those specified below, it is necessary that we are able to:
- (a) introduce new **funds**;
 - (b) close an existing **fund** to any new investments (so that no new **units** in the **fund** are sold to investors);
 - (c) wind up an existing **fund** (so that it no longer exists) for example, where the **fund** is no longer commercially viable or beneficial to its unitholders;
 - (d) combine two or more **funds** into one **fund**;
 - (e) divide an existing **fund** into one or more new **funds** (so that the new **funds** are easier to manage);
 - (f) divide the existing **units** of any **funds** into new **units** which will be priced at a lower price (so that it is easier for investors to invest in these **funds**); or
 - (g) combine the existing **units** of any **funds** into new **units** which will be priced at a higher price (to avoid an impractically low **unit price** in these **funds**).
- (ix) Where we intend to close or wind up or divide a **fund** that you have selected for your **policies** within the **bond**, we will give you at least three months' notice. You may receive less notice (or, in exceptional circumstances, no notice) if you have invested in an **externally linked fund** and an **external investment manager** closes or winds up his **fund**, or a shorter period (or no notice) if necessary to protect the interests of the investors with **units** in that **fund**.
- (x) When you are given notice that a **fund** is being wound-up, you will be able to notify us, via your **financial adviser**, of any alternative **fund(s)** into which you would like to switch your existing investment. If we have not heard from your **financial adviser** by the end of the notice period, we will switch any existing **units** invested in that **fund** into another available **fund** that has, in our opinion, the closest investment objectives to the original **fund**.
- (xi) Where you have selected a **fund** that is an **externally linked fund**, we will give you as much notice as is reasonably practical if any actions (for example, the actions listed in sub-provision 2.1(viii) of the **external investment manager** in relation to their **funds** that materially affect the **externally linked fund** which you selected. You may also receive less notice (or no notice) if we take any action in relation to an **externally linked insured fund** you selected.

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- (xii) **We** will add the income (after any tax deducted) generated by the assets of a **fund** to the assets of that **fund**.
- (xiii) **We** will deduct from the assets of a **fund**:
 - (a) the expenses, duties and other charges for buying and selling the assets of that **fund**;
 - (b) any interest on any money that **we** borrow for that **fund**;
 - (c) any other expenses or charges that **we** reasonably expect to arise from our operation of that **fund** (or, where **we** expect them to arise from the operation of a number of **funds**, an appropriate share of those expenses or charges);
 - (d) an amount that **we** calculate as being the tax, if any, that **we** would pay on capital gains on the assets in the **fund** if it were the sole **fund** that **we** operate; and
 - (e) the **management charges** described in provision 6 (Charges and rebates).
- (xiv) Where, as explained above in sub-provision 2.1(vi), a **fund** is an **externally linked fund**, the **external investment managers** will pay fees and expenses out of the assets of their **funds**. These fees and expenses are reflected in the **unit price** of these funds and therefore the **unit price** of our **externally linked funds**.

2.2 How to buy, sell or switch funds

In order to select **funds** for your **policies** within the **bond you** will need to use the dealing services available from the **wrap platform**. Please refer to section 12 (Dealing services) of the **client terms and conditions for wrap services** for more information on how our dealing services work.

3 Valuing funds

3.1 Calculating the value of a fund

- (i) Each day, **we** will determine the maximum and minimum values of each **fund** so that **we** can set the **unit price** for each **fund** as specified in provision 4 (Unit prices). **We** may however suspend the valuation of a **fund** in order to maintain fairness between unitholders remaining in and unitholders leaving that **fund**. This could occur where, for example, prices are not available from a relevant stock market (or an **external investment manager**) or one of our suppliers does not provide prices in time, or as a result of difficulties in valuing a particular asset held by a **fund** (for example, because there is no active market in that asset). Where the valuation of a **fund** is suspended, **we** will take our **management charges** (described in sub-provision 6.1 (Charges and rebates)) for the days during which the valuation of that **fund** was suspended on the day when prices are available again and **we** resume valuing the **fund**.
- (ii) The maximum value of a **fund** is based on the following:
 - (a) the maximum value of all the assets held in that **fund** (please see sub-provision 3.2(i) (Valuing the assets held in a fund) for more information on the maximum value of an asset);
 - (b) plus the value of any cash that has not been invested;
 - (c) plus an estimate of the income earned but not yet received by the assets held in the **fund**;
 - (d) less any money which **we**, as **investment manager**, have borrowed on behalf of the **fund**;
 - (e) less an estimate of charges incurred by the **fund** but not yet paid;
 - (f) plus the expenses of purchasing all the assets of the **fund**;
 - (g) less an appropriate allowance for the effect of any taxes which may be applicable.
- (iii) The minimum value of a **fund**, is based on the following:
 - (a) the minimum value of all the assets held in that **fund** (please see sub-provision 3.2(ii) (Valuing the assets held in a fund) for more information on the minimum value of an asset);
 - (b) plus the value of any cash that has not been invested;
 - (c) plus an estimate of the income earned but not yet received by the assets held in the **fund**;
 - (d) less any money which **we**, as **investment manager**, have borrowed on behalf of the **fund**;
 - (e) less an estimate of charges incurred by the **fund** but not yet paid;

- (f) less the expenses of selling all the assets of the **fund**;
- (g) less an appropriate allowance for the effect of any taxes which may be applicable.

3.2 Valuing the assets held in a fund

- (i) The maximum value of an asset will not be greater than the market price at which it could be bought allowing for the expenses of purchasing that asset.
- (ii) The minimum value of an asset will not be less than the market price at which it could be sold allowing for the expenses of selling that asset.
- (iii) When **we** value the assets in a **fund**, **we** will do so on a basis that is fair to unitholders remaining in and unitholders leaving that **fund**. **We** will base the value of –
 - (a) quoted securities (such as stocks and shares) on the prices quoted on the relevant stock market;
 - (b) **funds** managed by **external investment managers** on the prices available from the relevant **external investment managers**; and
 - (c) investments in buildings or land (other than investments in buildings or land held in **externally linked funds**) on valuations prepared and certified by independent valuers appointed by **us** and then adjusted by **us** to take account of changes in prices, where material, since the last valuations.
 - (d) **We** will determine values of all other assets (e.g. unquoted securities) on a fair basis.
- (iv) Where **we** require values for assets in a **fund** on a day when the price is not available, for instance because the relevant stock exchange is not open or the **external investment manager** is not open for business, **we** will use the values determined at the last valuation.

4 Unit prices

4.1 General principle

- (i) Each day, **we** will set the **unit price** for a **fund** based on the value of the assets in that **fund** at its **pricing point** for the previous day as explained in provision 3 (Valuing funds). **We** will set the **unit price** at an amount that maintains fairness between unitholders remaining in that **fund** and unitholders leaving that **fund**. In doing so, **we** can set the price as the maximum or minimum **unit price** described in sub-provisions 4.1(ii) and 4.1(iii) or at a price between those amounts. **We** use the maximum **unit price** where **we** expect the **fund** to grow in size, so it is fair that **we** allow for the costs of buying assets when allocating **units**. **We** use the minimum **unit price** where **we** expect the **fund** to shrink in size, so it is fair that **we** allow for the costs of selling assets when cancelling **units**. **We** use a **unit price** between those amounts when **we** expect the **fund** to stay about the same size.
- (ii) The maximum **unit price** (the ‘creation’ or ‘offer’ basis) of a **unit** in a **fund** for a particular day is:
 - (a) the maximum value of the **fund** as calculated on the previous day in accordance with the method described in sub-provisions 3.1 (Calculating the value of a fund) and 3.2 (Valuing the assets held in a fund), less
 - (b) the **management charge** set out in provision 6.1 (Charges and rebates) due on that day, divided by
 - (c) the number of **units** in that **fund**; and
 - (d) rounded up to six decimal places.However, as explained in sub-provision 4.1(i), **we** may set the actual **unit price** below the maximum **unit price** in order to maintain fairness between unitholders remaining in that **fund** and unitholders leaving that **fund**.
- (iii) The minimum unit price (the ‘cancellation’ or ‘bid’ basis) of a unit in a fund for a day is:
 - (a) the minimum value of the **fund** as calculated on the previous day in accordance with the method described in sub-provisions 3.1 (Calculating the value of a fund) and 3.2 (Valuing the assets held in a fund), less
 - (b) the **management charge** set out in provision 6.1 (Charges and rebates) due on that day, divided by

- (c) the number of **units** in that **fund**; and
- (d) rounded up to six decimal places.

However, as explained in sub-provision 4.1(i), **we** may set the actual **unit price** above the minimum **unit price** in order to maintain fairness between unitholders remaining in that **fund** and unitholders leaving that **fund**.

4.2 Unit price in particular circumstances

- (i) (a) For the purposes of provision 5 (How we allocate and cancel units), **we** use the **unit price** that is set for the **business day** on which the **units** are allocated to your **policies** within the **bond**.
- (b) To operate our **funds** efficiently for the overall benefit of unitholders, **we** can choose to allocate **units** on the following **allocation date**–
 - (1) the **business day** when **we** receive the **premium** or, if later, on the **business day** when **we** receive all the information that **we** need to accept the **premium** (an ‘historic price’); or
 - (2) one or two **business days** after the **business day** when **we** received the **premium** or, if later, the **business day** when **we** received all the information that **we** need to accept the **premium** (a ‘forward price’).
- (c) In deciding the **business day** on which **we** allocate **units** to your **policies** within the **bond** in sub-provision 4.2(i)(b), **we** can take account of the following factors –
 - (1) the method by which the **premium** was paid and therefore the **business day** when the **premium** will be available to be invested;
 - (2) the **start date**;
 - (3) the **fund(s)** concerned;
 - (4) whether or not **we** receive your instruction to invest the **premium** before or after the **dealing cut-off point**; and
 - (5) any other reasonable factors.

To maintain fairness, **we** will however use the same factors for all unitholders in the same situation.

- (ii) (a) For the purposes of provision 8 (Switching funds), if **you** want to switch **units** out of a **fund** and into **units** of another **fund**, **we** will cancel **units** in the **fund(s)** **you** want to switch out of and allocate units in the fund(s) **you** want to switch into two **business days** after the **business day** on which **we** received your switch instructions if **we** received your instructions before the **dealing cut-off point**, and three **business days** later if **we** received your instructions after the **dealing cut-off point**. **We** can however delay a switch between **funds** in accordance with sub-provision 8.5 (Switching Funds).
- (b) As explained in sub-provision 2.1(vii) (How the funds work), **we** may temporarily stop accepting instructions to switch existing investments into or out of a **fund** in order to protect the interests of existing unitholders. If **we** do so the **unit price** used will be that set for the day **we** resume accepting switch instructions.
- (iii) (a) For the purposes of provision 9 (Taking regular withdrawals) the **unit price** will be the **unit price** set on the date of each **regular withdrawal**.
- (b) As explained in sub-provision 2.1(vii) (How the funds work), **we** may temporarily stop accepting instructions to sell existing investments out of a **fund** in order to protect the interests of existing unitholders. If **we** do so the **unit price** used will be that set for the day **we** resume accepting sale instructions.
- (iv) (a) For the purposes of provision 10 (Cashing-in all or some of your policies within the bond), the **unit price** for each of the **funds** **you** select is the **unit price** set two **business days** after the **business day** on which **we** receive your instructions if **we** receive those instructions before the **dealing cut-off point** and three **business days** later if **we** received your instruction after the **dealing cut-off point**.
- (b) **We** can however delay processing your request in accordance with sub-provision 10.6 (Cashing-in all or some of your policies within the bond). If **we** do so the **unit price** used will be that set for the day **we** resume processing sale instructions.

- (v) For the purposes of provision 12 (What we pay on death), the **unit prices** are the ones set for the **business day** after the **business day** on which **we** are notified of the death of the **life assured** (or, if more than one **life assured** is covered by your **policies** within the **bond**, the last surviving **life assured**) unless **we** have to delay the sale for the reasons described in sub-provision 8.5 (Switching funds). If **we** do so the **unit price** used will be that set for the day **we** resume processing sale instructions.
- (vi) **We** will use the same pricing basis for all unitholders in a **fund** to maintain fairness.
- (vii) When **we** create or cancel **units** in a **fund**, **we** will ensure that the creation/cancellation of these **units** does not materially affect the **unit price** of a **unit** in that **fund**. **We** will therefore not create **units** in any **fund** unless assets equivalent in value to the value of the **units** created are added to the **fund** at the time of the creation of the **units**. Nor will **we** cancel **units** in any **fund** unless assets equivalent in value to the value of the **units** cancelled are withdrawn from the **fund** at the time of the cancellation of the **units** (except to meet the **management charges** described in provision 6 (Charges and rebates)).

5 How we allocate and cancel units

- 5.1 When **you** pay a **premium**, **we** will use its **investment content** to allocate **units** in the **fund(s)** of your choice. If **you** have chosen more than one **fund**, **we** will split the **investment content** of the **premium** in accordance with your instructions before **we** allocate **units** in each **fund**.
- 5.2 **We** calculate the number of **units** to allocate to the **fund** which **you** selected by dividing the amount that **we** are to apply to that **fund** by that **fund's unit price** for the appropriate **business day** determined in accordance with sub-provision 4.2(i) (Unit price in particular circumstances).
- 5.3 Where **you** ask **us** to switch **funds** in accordance with provision 8 (Switching funds), **we** will cancel the **units** in the **fund(s)** **you** want to switch out of and allocate the **units** in the **fund(s)** **you** want to switch to on the same **business day** which is determined in accordance with sub-provision 4.2(ii) (Unit price in particular circumstances).
- 5.4 **We** calculate the number of **units** to cancel as a result of your switch instruction by dividing the amount that **you** instructed **us** to switch out of one or more **funds** by the **unit price** of those **funds**. **We** then calculate the number of **units** to allocate to the **fund(s)** **you** want to switch into by dividing the amount that **you** instructed **us** to switch into one or more **funds** by the **unit price** of those **funds**.
- 5.5 **We** allocate **units** in each **fund** to the nearest 1/1000th of a **unit**. (**We** will round up a 5/10000th of a **unit**.)
- 5.6 **We** will meet the cost of rounding up and keep any money left over after rounding down.
- 5.7 Where **we** cancel **units** in any **fund** on your behalf, it is usually on the basis that **you** have instructed **us** that **you want to take regular withdrawals** under provision 9 (Taking regular withdrawals) or to cash-in all or some or part of your **policies** within the **bond** under provision 10 (Cashing-in all or some of your policies within the bond).
- 5.8 **We** calculate the amount raised by cancelling **units** in any **fund** by multiplying the number of **units** cancelled by that **fund's unit price** for the appropriate **business day** determined in accordance with sub-provision 4.2 (Unit price in particular circumstances) as appropriate.
- 5.9 Where sub-provision 5.8 applies, **we** cancel **units** from each **fund** to the nearest 1/1000th of a **unit**. (**We** will round down a 5/10000th of a **unit**.)
- 5.10 **We** will meet the cost of rounding down and keep any money left over after rounding up.

6 Charges and rebates

The charges payable by **you** depend on the **funds** **you** choose to invest in and direct **us** to hold in your **policies** within the **bond** and the commission **we** pay to your **financial adviser**. The charges will be shown in your **personal illustration** and will be made up of some or all of the types of charges described in this provision 6, depending on the **funds** in your **policies** within the **bond**. **You** can obtain information on the current level of these charges in the **charging schedule** which is Annex 1 to the **client terms and conditions for wrap services** and is also available from your **financial adviser**. In this provisions 6 'we' can mean **Standard Life Assurance, Standard Life Savings** or both companies acting together.

Administration Charges

6.1 Annual management charge

- (i) This is a charge levied by **us** on each **fund** to pay for the services it provides. This charge is applied each day after the **fund** has been valued and before the **unit price** is set. When **you** pay a **premium** into your **policies** within the **bond**, the **personal illustration we** provide to **you** will include details of the current annual management charge that applies to the **funds you** have chosen. **You** can find out the annual management charge which applies to a particular **fund** in the relevant **fund factsheet** which **you** can obtain from your **financial adviser**.
- (ii) **We** will not be responsible for any increase in the annual management charge levied by any **external investment manager**.
- (iii) **Standard Life** group has the right to increase the annual management charge which it applies to the **funds** which it manages. Increases will reflect increases in the **Standard Life group's** overall costs of managing and operating these **funds** or any other reasonable grounds described in sub-provision 6.14 (How we set our charges). Any increases in the annual management charge levied by **Standard Life group** will not increase the profit margins of the **Standard Life group** above reasonable levels. **Standard Life group** will give **you** 30 days' notice (in accordance with provision 15 (Notices)) before it increases the annual management charge of a **fund** that **you** invest in.

6.2 Additional expenses

We may deduct additional expenses from the value of the assets in the **funds** when **we** calculate the **unit price** of each **fund** (to cover costs incurred by the **funds** such as regulatory expenses). The deduction of additional expenses is over and above the annual management charge that applies. Additional expenses include (but are not limited to):

- (i) auditors' costs;
- (ii) custodians' costs;
- (iii) any depository or trustee's fees; and
- (iv) regulatory expenses.

When **you** pay a **premium** into your **policies** within the **bond**, the **personal illustration we** provide to **you** will include details of the current additional expenses that are applied. Please speak to your **financial adviser** for more information on additional expenses.

6.3 Switch charge

We currently do not impose a switch charge unless:

- (i) in our reasonable opinion, **you** are using the switch option to attempt to make short term gains on your investments; or
- (ii) the **fund** that **you** are switching into or out of is an **externally linked fund** (i.e. a **fund** which invests in **funds** managed by **external investment managers**), in which case **we** will pass on to **you** any charge levied by any **external investment managers** in respect of the transaction.

However, this is a charge which **we** reserve the right to impose on all switches, if it becomes necessary for **us** to recover the costs **we** reasonably incur, as a result of carrying out switches between **funds** on your behalf, or for any other reasonable grounds mentioned in sub-provision 6.14 (How we set our charges). This charge would be set in line with the factors explained in sub-provisions 6.10 to 6.15 (How we set our charges). If **we** do introduce such a charge **we** will give **you** 30-days prior notice, in accordance with provision 15 (Notices).

Rebates and discounts

- 6.4 If the value of certain investments in all your **wrap products** including the **bond** is above a certain level as set out in the **charging schedule**, **we** will pay a wrap fund based administration rebate by allocating **units** proportionally across all of your **policies** within the **bond**.

- 6.5 **You** may qualify for a wrap family discount based on the value of certain investments in your **wrap products** and the **wrap products** of certain members of your family that your **financial adviser** has confirmed fall within our definition of ‘close family’ as set out in the **charging schedule**. If **you** qualify for a wrap family discount and your **financial adviser** asks **us** to apply it to your **wrap account**, **you** will be paid the wrap family discount instead of the wrap fund based administration rebate’ in respect of your **policies** within the **bond**.
- 6.6 The investments that will be considered to determine your eligibility for the wrap fund based administration rebate and the wrap family discount include:
- (i) the **funds** traded on the **wrap platform**;
 - (ii) the **mutual funds** traded on the **wrap platform**; and
 - (iii) any equities held in a stocks and shares Wrap ISA or a Wrap Personal Portfolio.
- 6.7 **We** use the value of those investments listed in sub-provision 6.6 in all the **wrap products** that **you** (or when relevant, your close family) own to set the rate of the wrap fund based administration rebate or the wrap family discount for each of your **wrap products**. Each **wrap product** can have a different rate.)
- 6.8 **We** then apply the rate determined as explained in sub-provision 6.7 for your **policies** within the **bond** and apply that rate (which is a percentage) to the value of your **funds** held in your **policies** within the **bond** that have been traded on the **wrap platform**. **You** can obtain details of our current basis for calculating the wrap fund based administration rebate and the wrap family discount by consulting the **charging schedule** or from your **financial adviser**.
- 6.9 **We** may provide an ‘insured fund rebate’ by allocating extra **units** to the ones held for **you** in the **funds you** selected. When **we** set up your **policies** within the **bond**, **we’ll** give **you** details of the insured fund rebate, if any, that applies to **you**. When **you** make an investment into your **policies** within the **bond**, the **personal illustration we** provide to **you** will include details of the insured fund rebates that are applied. **You** can obtain more information about the insured fund rebate from your **financial adviser**.

How we set our charges

- 6.10 Our charges under the **bond** are intended to cover our overall costs in providing the **bond** (including an appropriate proportion of the costs of the **wrap platform**) and to provide reasonable margins for profit. These costs include:
- (i) expenses incurred at the start of your **policies** within the **bond**;
 - (ii) expenses incurred during the term of your **policies** within the **bond**;
 - (iii) expenses incurred when your **policies** within the **bond** end; and
 - (iv) expenses incurred by **us** in providing the **funds** to **you** to hold within your **policies** within the **bond**.
- 6.11 Our charges are expressed as a proportion of your **holdings** within your **policies** in the **bond** (a ‘fund-based charge’). Some or all of the charges **we** require to cover our administration costs may be met by payments from **investment managers**.
- 6.12 At least once a year, **we’ll** review our assumptions and our overall costs in providing the **bond** (including an appropriate proportion of the costs of the **wrap platform**) and our costs in providing the particular options and services under the **bond**. These costs are unknown when your **policies** within the **bond** start and **we** need to make assumptions about future costs when setting our charges.
- 6.13 As a result of our review of our assumptions and overall costs, **we** may adjust the balance in the level of and mix of charges (and rebates) for existing customers. **We** will only make these adjustments if **we** have reasonable grounds to do so and the resulting balance is a reasonable balance of charges for customers who are using the **wrap platform** for different types of investments and/or products.
- 6.14 For the purposes of sub-provision 6.13 ‘reasonable grounds’ include:
- (i) adjusting the charging structure for existing and new customers;
 - (ii) making reasonable adjustments to set an appropriate level of charges for **bondholders** who are using different options and services;

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- (iii) reflecting increases in our costs of providing the **bond** (including an appropriate proportion of the costs of the **wrap platform**);
- (iv) reflecting increases in our costs (including salary costs) in providing particular options and services (including providing the range of **funds**) available under the **bond** and the **wrap platform**;
- (v) reflecting reasonable changes in the assumptions that **we** make about the future costs in providing the **bond** and the **wrap platform**;
- (vi) reflecting reasonable changes in the assumptions that **we** make about the future costs in providing particular options or services available under the **bond** and the **wrap platform**; and
- (vii) responding to changes in the **wrap platform**, including the services offered via the **wrap platform** and its use.

Any increases in our charges will not increase our profit margins above reasonable levels.

6.15 The adjustments to our charges mentioned in sub-provisions 6.13 and 6.14 may include changes to the charges as well as changes to the level of the insured fund rebate, the wrap fund based administration rebate and to the wrap family discount. **We'll give you 30 days' notice** before the adjustments become effective.

Fund based charges

6.16 The fund based charges on **funds** (including **externally linked funds**) are described in sub-provisions 6.1 (Annual management charge) and 6.2 (Additional expenses).

6.17 Where, as a result of a review under sub-provision 6.12 (How we set our charges), **we** decide to increase the charges that **we** receive in respect of **insured funds** traded on the **wrap platform**, **we'll give you 30 days' notice** of the level of the increase before the change becomes effective.

Insured fund rebate

6.18 **We** can reduce (or stop applying) the insured fund rebates to reflect increases in our overall costs or changes in the assumptions that **we** make in providing the **insured funds** which attract the insured fund rebate. Any reduction or withdrawal of the insured fund rebate will not increase our profits above reasonable levels. **We will give you 30 days' notice** before reducing (or stopping) an insured fund rebate for **insured funds** that **you** invest in.

Wrap fund based administration rebate/wrap family discount

6.19 Where, as a result of a review under sub-provision 6.12 (How we set our charges), **we** reduce the wrap fund based administration rebate/wrap family discount, **we'll give you 30 days' notice** before the change becomes effective. (If the change is matched by an equivalent increase in the fund manager rebate (or a decrease in the additional administration charge), the change can be effective immediately).

Charges for your financial adviser's commission

You can pay for the services of your **financial adviser** in a number of ways. Firstly **you** can agree to pay a fee directly to your **financial adviser** or, secondly ask **us** pay this fee to your **financial adviser** on your behalf. If **you** choose the second option **we** will deduct the fee from the **wrap cash account**. **You** can also agree that **we** should pay commission to your **financial adviser** in relation to your **policies** within the **bond**. Provisions 6.20 to 6.25 below explain how the commission which **you** ask **us** to pay to your **financial adviser** will impact upon your **policies** within the **bond**.

6.20 Initial charge

We make an 'initial charge' from each **premium** if **you** ask **us** to pay **initial commission** to your **financial adviser** in order to remunerate him for his initial services. The amount of the initial charge is the same as the amount of the **initial commission** **we** pay to your **financial adviser**. **We'll show the level of the initial charge in the personal illustration we give you.**

6.21 Additional charge

- (i) **You** can ask **us** to pay **funded initial commission** to your **financial adviser**. Where **we** agree to do so, **we** make an **additional charge**. **We** express the **additional charge** as a percentage of the greater of the current value of your **policies** within the **bond** and the original **premium** paid. **We** deduct the **additional charge** by cancelling **units** proportionally across all of your **policies** within the **bond** during the **charging period**.

- (ii) If **you** pay more than one **premium** (please see provision 7 (Paying additional premiums)), the **additional charge** will only apply to the part of your **policies** within the **bond**, which corresponds to the **premium(s)** on which **you** requested **us** to pay **funded initial commission** to your **financial adviser**.

6.22 Outstanding additional charge

- (i) If, during the **charging period**, **you** make a **full cash-in**, **you** will be charged the **additional charge** which would have applied to your **policies** within the **bond** had **you** kept them until the end of the **charging period**. **We** call this amount the outstanding **additional charge**. **We** will deduct this outstanding **additional charge** from the **cash-in value** **we** pay to **you**.
- (ii) If **you** make a **partial cash-in** during the **charging period** and the residual value of your **policies** within the **bond** is less than the amount of the **funded initial commission** that **we** paid to your **financial adviser** then **we** will deduct the amount of the outstanding **additional charge** from the **cash-in value** **we** pay to **you**.
- (iii) No outstanding **additional charge** will be payable on **regular withdrawals** taken within the limits described in provisions 9 (Taking regular withdrawals).
- (iv) The purpose of the outstanding **additional charge** is to allow **us** to recover the sums that **we** have paid to your **financial adviser** on your behalf (i.e. to recover money advanced by **us** on your behalf and the cost of funding that payment). The outstanding **additional charge** is therefore not a type of exit fee and cannot be considered as having the effect of an exit fee.

6.23 Regular charge

- (i) **We** will make a regular charge if **you** ask **us** to pay **fund based renewal commission** to your **financial adviser** to remunerate him for his ongoing services. **We** will deduct this charge by cancelling **units** proportionally across all of your **policies** within the **bond** at the same intervals at which **we** pay **fund based renewal commission** to your **financial adviser**. This may be annually, six monthly, quarterly or monthly. The amount of the regular charge is the same as the amount of **fund based renewal commission** and is based on the value of your **policies** within the **bond**.
- (ii) **We'll** continue making a regular charge if **you** dismiss your **financial adviser** and don't appoint a new **financial adviser** for your **policies** within the **bond**. For the consequences of dismissing your **financial adviser** and process by which **you** can appoint a new one, please see the **client terms and conditions for wrap services**, which are available from your **financial adviser** or the **wrap platform**.

6.24 Additional premiums and charges for commission

If **we** allow **you** to pay an additional **premium** to your **policies** within the **bond** (in accordance with the process set out in provision 7 (Paying additional premiums), **you** can ask **us** to pay a different type or rate of commission to your **financial adviser** in respect of the additional **premium**, from the type or rate of commission **you** asked **us** to pay to your **financial adviser** in respect of the original **premium** **you** paid. **We** will then apply the relevant commission charge described in sub-provisions 6.20 to 6.23 to the additional **premium**.

6.25 Collecting charges for commission

We'll collect the charges described in sub-provisions 6.20 to 6.24 in respect of the commission **we** paid to your **financial adviser** at your request by cancelling **units** proportionally across all of your **policies** within the **bond**.

7 Paying additional premiums

- 7.1 **We** will allow **you** to pay additional **premiums** to your **policies** within the **bond** as long as at least one **policy** within the **bond** is in force and **you** meet any maximum age limit (currently 89), any minimum investment limit (currently £10,000 where **you** ask **us** to pay **funded initial commission** to your **financial adviser** (please see sub-provision 8.35 (Additional charge)) any maximum investment (currently where additional **premium** would take the total value of your **units** in your **policies** in the **bond** above £1,000,000) and any other conditions which may apply when **you** decide to pay additional **premiums** to your **policies** within the **bond**. Please contact your **financial adviser** when **you** wish to pay any additional **premium** for information about the applicable criteria, as they might no longer be those indicated in this provision 7.

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- 7.2 Once we accept an additional **premium** we will use the **investment content** to allocate **units** in the **funds you** selected for your **policies** within the **bond** in accordance with your instructions, and following the process described in provision 5 (How we allocate and cancel units). We will then send you a **policy schedule** showing the additional **units** allocated to your **policies** within the **bond**.

8 Switching funds

- 8.1 You will be switching **funds** if you instruct us to sell **units** in a **fund** in order to re-invest the proceeds in another **fund**. The process we follow when you provide us with a switch instruction is described in details in sub-provisions 5.3 to 5.6 (How we allocate and cancel units).
- 8.2 One of the reasons that we maintain a range of **funds** is so that you can change your mix between **funds** from time to time as, for example, your circumstances change.
- 8.3 You may choose any **fund** that has not been withdrawn or closed or made subject to an investment restriction (as described in sub-provision 2.1(vii) (How the funds work)).
- 8.4 If, in our reasonable opinion, you are switching in and out of **funds** to attempt to make short-term gains on your investments, we reserve the right to:
- (i) refuse to accept your switch instruction; or
 - (ii) make a charge as set out in sub-provision 6.3 (Switch charge).
- 8.5 We may delay a switch involving **units** in the **funds you** selected if it is necessary to do so in order to maintain fairness between unitholders remaining in and unitholders leaving the **fund** concerned. For example, this could be necessary if it takes time to sell a particular type of investment in a **fund** or the markets are closed for an unforeseen reason. Where this applies, we may delay executing all or part of your switch instruction for up to one month or, in the case of **units** of a **fund** which invests directly or indirectly in buildings or land, for up to six months. If the switch involves an **externally linked fund**, we may delay executing your switch instruction until we receive the proceeds of the sale of the related **units** in the **fund** in which the **externally linked fund** is invested (which could be longer than one month or six months). If we delay executing your switch instruction, we will use the **unit prices** that apply on the **business day** on which the switch actually takes place.
- 8.6 Some **investment managers** may apply exit charges when you switch out of their funds. Your **financial adviser** can confirm whether an individual investment is subject to an exit charge.

9 Taking regular withdrawals

- 9.1 The information contained in this provision 9 tells you about what you are allowed to do under these **policy provisions** in relation to making **regular withdrawals**. However, as making **regular withdrawals** may have some tax consequences for you, you should obtain tax advice before making a decision.
- 9.2 From one month after the **start date** of your **policies** within the **bond**, you can ask us to pay **regular withdrawals** to you or any other person you nominate. **Regular withdrawals** reduce the capital invested in your **policies** within the **bond**.
- 9.3 Selling certain **funds** in order to cover **regular withdrawals** may incur exit charges. These exit charges are described in sub-provision 1.7 (Cancellation period).
- 9.4 If you decide to take **regular withdrawals**, we will take the corresponding payment by cancelling **units** proportionally across all the **funds you** selected for your **policies** within the **bond** according to the process described sub-provision 4.2(iii) (Unit price in particular circumstances).
- 9.5 **Regular withdrawals** can be expressed as a fixed amount or as a percentage of the original **premium**.
- 9.6 We can pay a **regular withdrawal** on any day of the month, except 29th, 30th or 31st. If on a particular payment date, the day you selected is not a **business day**, for instance because you have selected the 25th and the payment is due in December, we will make the payment on the next **business day**. You can choose to receive your **regular withdrawal** every:
- (i) month (monthly);
 - (ii) three months (quarterly);
 - (iii) four months (termly);
 - (iv) six months (bi-annually); or
 - (v) year (annually).

- 9.7 **You** can stop and re-start your **regular withdrawals**. Please speak to your **financial adviser** for more details on how **you** can stop and re-start your **regular withdrawals**.
- 9.8 The minimum amount for each **regular withdrawal** is £50.
- 9.9 The maximum limit for all the **regular withdrawals** taken during a year is 10% of the total original value of the **premium you** paid less any **partial cash-ins** you have made in accordance with provision 10 (Cashing-in all or some of your policies within the bond).
- 9.10 If **you** request a **regular withdrawal** in excess of the maximum limit **we** may allow **you** to make a **partial cash-in** to the value of the excess. See sub-provision 10.2 (Cashing in all or some of your policies within the bond).
- 9.11 **We** will pay your **regular withdrawals** into your nominated account.
- 9.12 At all times the value of each of your **policies** within the **bond** must be at least £500 and the value of all your **policies** must be at least £2,500. If the value of any **policy** within the **bond** falls below £500 **we** may sell your remaining **units** and include the proceeds in the last **regular withdrawal we** pay to **you** and cancel your **policies** within the **bond**.
- 9.13 Please note that if the sale of some **units** held in respect of your **policies** within the **bond** is delayed (as explained in sub-provision 2.1 (vii) (How the funds work) **we** will pay **you** a reduced amount in respect of the particular **regular withdrawal** in respect of which the sale was instructed, to be followed by a payment of the sum raised by the outstanding sale of the **units** as soon as the delayed sale is completed
- 9.14 If **you** request a **regular withdrawal** and the value of your **policies** within the **bond** is insufficient to cover the **regular withdrawal**, **we** will not process the **regular withdrawal** and **we** will contact your **financial adviser** to advise them.

10 Cashing-in all or some of your policies within the bond

- 10.1 The information contained in this provision 10 tells **you** about what **you** are allowed to do under these **policy provisions** in relation to cashing in all or some of your **policies** within the **bond**. However, as making withdrawals may have some tax consequences for **you**, **you** should obtain tax advice before making a decision.
- 10.2 **You** can cash-in all of your **policies** within the **bond** and therefore your entire **bond** (a **full cash-in**) or make a one-off withdrawal by cashing-in some or part of your **policies** within the **bond** (a **partial cash-in**). The value of the remaining holdings after a **partial cash-in** must be at least £2,500. If the value of your **policies** within the **bond** falls below £2,500 **we** may sell your remaining holdings and include the proceeds in the **partial cash-ins** and cancel your remaining **policies** within the **bond**.
- 10.3 **You** can do this by asking **us** at any time to cash-in:
- (i) all your **units** in all your **policies** within the **bond** (a **full cash-in**);
 - (ii) some of your **units** in all your **policies** within **bond** (a **partial cash-in**) by cancelling **units** proportionally across all of your **policies**;
 - (iii) all your units in some of your **policies** within the **bond** (a **partial cash-in**) by cancelling all your **units** in only some of your **policies**; or
 - (iv) a combination of (ii) and (iii).
- The value **you** will receive from **us** will be the **cash-in value** of your **policies** within the **bond** and this will be paid into your nominated account.
- 10.4 Selling certain **funds** in order to cover **full cash-ins** and **partial cash-ins** may incur exit charges. These exit charges are described in sub-provision 1.7 (Cancellation period).
- 10.5 For 10.3 (ii), (iii) and (iv) above, the total value of **units** cashed-in must be at least £125 and the total value of the remaining **units** within each **policy** within the **bond** must be at least £500 and the value of all your **policies** must be at least £2,500. **We** may need to change these minimum values from time to time to reflect any increase in our administrative or operational costs. If **we** do so **we** will notify **you** of the change (according to the process described in provision 15 (Notices)) 30 days before it becomes effective.
- 10.6 In order to maintain fairness both to unitholders remaining in a **fund** and unitholders leaving a **fund**, **we** may need to delay the cashing in of your **policies** within the **bond**. These delays will be the same as the delays described in sub-provision 8.5 (Switching funds).

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10.7 The tax treatment of the **cash-in value** of your **policies** within the **bond** will depend on your personal circumstances.

11 Notice of assignment / assignation

11.1 If **you** transfer your rights under some or all of your **policies**, or part of one or more of your **policies**, within the **bond**, to someone else (for example, by assignment (in England and Wales) or by assignation (in Scotland)), **we** must receive formal written notice that your **policies** within the **bond** have been assigned. This notice must be sent to the **platform customer centre** (please see provision 20 (How to contact us)).

12 What we pay on death

- 12.1 If there is more than one **life assured**, your **policies** within the **bond** will continue until the death of the last surviving **life assured** unless your **policies** are cashed in according to the process described in provision 10 (Cashing-in all or some of your policies within the bond).
- 12.2 When the last surviving **life assured** dies and **we** receive satisfactory proof of the death, such as a death certificate, **we** will calculate the value of your **policies** within the **bond**. Our calculation will value all the **units** in your **policies** within the **bond** in accordance with sub-provision 4.2(v) (Unit price in particular circumstances). **We** will then cancel all **units** in your **policies** within the **bond**. **We** will pay 100.1% of the value of your **policies** within the **bond**.
- 12.3 **We** will not pay any **death benefits** until **we** have received at the **platform customer centre**:
- (i) birth certificates or other satisfactory proof of the age of the **lives assured**; and
 - (ii) a death certificate or other satisfactory proof of death; and
 - (iii) satisfactory proof of who is entitled to collect and distribute the **death benefits** (for example, grant of probate, confirmation (which may take some time to process), or trust documents).
- 12.4 **We** may also require other documents or information that is relevant to the material facts the **life/lives assured** and that the **bondholder(s)** was required to provide to **us** before **you** took out your **policies** within the **bond**.
- 12.5 The tax treatment of the **death benefits** will depend on your personal circumstances. **You** should speak to your **financial adviser** to understand the tax treatment of the **death benefits**.

13 Changing or replacing these policy provisions

- 13.1 **We** can make reasonable and appropriate changes to these **policy provisions** (or issue a replacement set of **policy provisions**) at any time while your **policies** within the **bond** are in force if:
- (i) the legal or regulatory requirements applying to the **wrap account** or any **wrap products** (including the **bond**), or to **us** change; or
 - (ii) decisions of the Financial Ombudsman Service need to be reflected in these **policy provisions**; or
 - (iii) new industry guidance and codes of practice which are there to raise standards of consumer protection need to be reflected in these **policy provisions**; or
 - (iv) it becomes impossible or impractical, in our reasonable opinion, to carry out any of the provisions contained in these **policy provisions** as a result of changes in the law or regulation or other circumstances beyond our control; or
 - (v) the tax rules applicable to any **wrap product** (including the **bond**) or to **Standard Life Assurance** or to Onshore Bond products change or are due to change in a manner which has or would affect your **policies** within the **bond** in any way; or
 - (vi) **we** have to pay a government levy; or
 - (vii) to allow **us** to respond proportionately to changes in the Bank of England base rate, or to changes in other specified market rates or indices or tax rates; or
 - (viii) to reflect the increase of our reasonably incurred costs associated with providing and administering the **wrap platform** or any of the **wrap products** (including the **bond**); or
 - (ix) to reflect improvements to the **wrap platform** that technological, service or propositional enhancements have allowed **Standard Life group** to make.

- 13.2 Subject to sub-provision 13.1, **we**'ll give **you** 30 days' notice (as explained in provision 15 (Notices) before the change becomes effective and provide **you** with an amended version of these **policy provisions** by post or by posting them on the **wrap platform**, unless the amendments made to these **policy provisions** are immaterial, in which case **we** will notify your **financial adviser**.
- 13.3 Changes to these **policy provisions** that are outside of our control, (e.g. a change in legislation) will take effect immediately. All other changes will take effect 30 days from the date of our notification to **you** of the change. Each notification of change **we** provide to **you** will state the reasons for the change and the date the change will become effective.
- 13.4 Please see provision 6 (Charges and rebates) for details of the circumstances where **we** may amend our charges and the procedures **we** will follow.

14 Force majeure

- 14.1 The performance of our obligations under these **policy provisions** may be interrupted and shall be excused by the occurrence of a **force majeure event** affecting **us** or any of our key sub-contractors.

15 Notices

- 15.1 The notices that either **we** or **you** are required to serve on the other under these **policy provisions** must be in writing and can be served at the discretion of the party serving the notice, either (i) by e-mail, or (ii) by first class post to the last notified address of the recipient.
- 15.2 If a notice is served by email, it will be deemed delivered on the day it was sent provided no non-delivery message is received by the sender.
- 15.3 If a notice is served by first class post, it will be deemed delivered two **business days** after being posted and in proving such service it shall be sufficient to prove that such envelope was properly addressed, stamped and posted.
- 15.4 A copy of all the notices served to **you** regarding enhancements to your **policies** within the **bond** or the **wrap platform** will be sent to your **financial adviser** by email.

16 Governing law

- 16.1 These **policy provisions** are governed by the applicable **UK** law which is determined by where **you** live and is confirmed in the **policy schedule**.
- 16.2 **You** and **we** will submit to the exclusive jurisdiction of the courts of the country where **you** live in relation to any claim or dispute arising under these **policy provisions**.
- 16.3 If these **policy provisions** are governed by the law of England and Wales as determined above by sub-provision 16.1 then these **policy provisions** shall only be enforceable by **you** and **us** and no other persons. The rights of anyone else (third parties) provided by the Contracts (Rights of Third Parties) Act 1999 are excluded.
- 16.4 References to Acts of Parliament in these **policy provisions**, unless otherwise stated, are to Acts of Parliament applying to the **UK**.

17 Personal Data

- 17.1 **We** will collect personal information about **you** such as your name, address and age ("**personal data**") during the application process in order to consider your application for your **policies** within the **bond**. Your **personal data** will be used by **us** to set up and administer your **policies** within the **bond** which will include underwriting them, calculating valuations and considering and settling claims (for instance in case of death of the last remaining **life assured** or if **you** want to cash-in all or part of your **policies** within the **bond**). **We** will therefore act as "data controller" as that term is defined in the Data Protection Act 1998. If your application is successful, **we** will use your **personal data** to provide our services to **you** and manage our relationship and our business and services. If your application is submitted but does not proceed, your **personal data** will be held on our records for 6 years before it is deleted, in line with legislative requirements.
- 17.2 **We** will keep **personal data** **you** have supplied confidential, and will not disclose it unless it is lawful for **us** to do so. When **you** close your **policies** within the **bond** **we** will keep any **personal data** as long as required by the **FSA** and then delete it.

Onshore Bond for Wrap

- 17.3 **We** will give your **financial adviser** access to your **personal data**, including through secure access via the **wrap platform**, to enable them to give **you** advice.
- 17.4 Any medical information which **you** have provided or which **we** may require will be used for underwriting and/or claims handling purposes (please see provision 12 (What we pay on death)). This information is defined as “**sensitive data**” by the Data Protection Acts 1988 and **we** require your explicit consent before **we** can hold, use, retain or disclose it. **We** regret that if **you** do not consent as part of the application process to **us** holding, using, retaining or disclosing your sensitive personal data, **we** will be unable to process your application for your **policies** within the **bond**.
- 17.5 If required for the purposes mentioned in sub-provisions 17.1 and 17.4, **we** may disclose your **personal data** (and **sensitive data**) to: your professional advisers; other companies within the **Standard Life group** (or if necessary, to their respective sub-contractors present or future); our third party service providers; and, where **we** consider it appropriate and lawful to do so, to other organisations.
- 17.6 Your **personal data** and **sensitive data** may be held or disclosed in countries outside the European Economic Area which may not have the same [standard] of data protection laws. Where this occurs, **we** will take appropriate steps to adequately protect it.
- 17.7 If **you** would like to request a copy of the **personal data** and **sensitive data** we hold about **you**, please write to the Data Protection Co-ordinator at our **head office**. **We** may charge a fee for providing the information.

18 What to do if you have a complaint

- 18.1 **We** have an established complaints procedure in relation to your **policies** within the **bond** which conforms to the **FSA's** complaints procedure requirements. Our complaints procedure is available from the **wrap platform** and by contacting the **platform customer centre** (our contact details are in provision 20 (How to contact us)).
- 18.2 If **you** have a concern or complaint, please contact our Customer Services department at our **head office**. Please see provision 20 (How to contact us). **We** will discuss your issue with **you** and attempt to resolve it.
- 18.3 If **we** cannot resolve your complaint in this manner please write to **us** stating the nature of the complaint. Please quote any relevant dates and correspondence. Our contact details are in provision 20 (How to contact us).
- 18.4 **We** will record details of your complaint centrally and make sure your complaint is thoroughly investigated by someone who has been trained in complaint handling.
- 18.5 If **we** are unable to deal with your complaint within five **business days** we will issue **you** with an acknowledgement letter together with a copy of our Internal Complaint Handling Procedures and provide **you** with regular updates on our handling of your claim.
- 18.6 Within eight weeks of receiving your complaint **we** will send one of the following two responses:
- (i) a final response in which **we** either offer **you** a remedy, whether or not **we** accept your complaint; or **we** reject your complaint and give **you** our reasons for doing so. This letter will include a copy of the Financial Ombudsman Service standard explanatory leaflet and inform **you** that if **you** remain dissatisfied with our response, **you** may refer your complaint to the Financial Ombudsman Service within six months; or
 - (ii) an interim written response which will explain why **we** are not in a position to make a final response, and indicate when **we** expect to be able to provide **you** with one. This letter will also inform **you** that **you** can refer your complaint to the Financial Ombudsman Service and will include a copy of the Financial Ombudsman Service standard explanatory leaflet.
- 18.7 The Financial Ombudsman Service is an independent service set up by the **UK** parliament to resolve disputes between consumers and businesses providing financial services. This service is free to consumers. Further information about the Financial Ombudsman Service may be found at www.financial-ombudsman.org.uk.
- 18.8 Complaining to the Financial Ombudsman Service will not affect your rights. In general, **you** have 6 months from the date of our final response to refer your complaint to the Financial Ombudsman Service.

19 Financial Services Compensation Scheme

- 19.1 **Your** investment in your **policies** within the **bond** may be eligible for cover under the Financial Services Compensation Scheme (FSCS).
- 19.2 The FSCS has been set up to deal with compensation claims of customers of authorised financial services firms if a firm is unable or likely to be unable to meet claims against it.
- 19.3 For more information on the FSCS, please see the FSCS website at www.fscs.org.uk or call them on 020 7892 7300, please note call charges may vary, or contact your **financial adviser**.

20 How to contact us

- 20.1 If **you** have any questions or would like to make any changes to your **policies** within the **bond**, **you** should initially speak to your **financial adviser**. **You** can also contact **us** at our **head office**. Our **head office** telephone number is 0845 279 1001. Please have your **bond number** ready when calling. Calls may be recorded/monitored to help improve customer service. Call charges may vary.
- 20.2 Our address is: **Standard Life Assurance Limited, Platform Customer Centre**, Dundas House, 20 Brandon Street, Edinburgh, EH3 5PP. Email is not a secure method of transferring personal information, but if **you** are happy to send your details this way, please email **us** at: wrap_servicing@standardlife.com Our website can be found at: www.standardlife.com There is no guarantee that any email sent will be received or will not have been tampered with or intercepted during transmission. **You** may prefer to contact **us** by telephone or in writing. To improve the quality of **our** service, **we** may monitor and record telephone calls to help improve customer service. Call charges may vary.
- 20.3 The **platform customer centre** telephone number is 0845 279 1001. Please have your **bond number** ready when calling. Calls may be recorded/monitored to help improve customer service. Call charges may vary. Alternatively our Head Office address is: **platform customer centre**, Dundas House, 20 Brandon Street, Edinburgh EH3 5PP, United Kingdom. As mentioned above, email is not a secure method of transferring personal information but if **you** are happy to send your details this way, please email the **platform customer centre** at wrap_servicing@standardlife.com. Please note the **platform customer centre** cannot provide **you** with financial advice.

Annex 1 Glossary

additional charge is the charge we apply by cancelling **units** proportionally across all of your **policies** within the **bond** during the **charging period** if you ask us to pay **funded initial commission** to your **financial adviser** in respect of your **policies** within the **bond**. We express it as a percentage of the greater of the current value of your **policies** within the **bond** and the **premium** you paid when you applied for your **policies** within the **bond**.

adviser terms and conditions means the terms and conditions relating to the **financial adviser's** use of the **wrap services**, and the conditions under which they will be able to provide us with instructions on behalf of their customers, including you. We can amend the **adviser terms and conditions** from time to time.

allocation date is the date on which we allocate **units** in a **fund** in following your payment of a **premium** as explained in sub-provision 4.2(i)(b) (Unit price in particular circumstances).

bond is the collective name for the group of **policies** sold to you by **Standard Life Assurance** when you purchase the Onshore Bond for Wrap and which is identified by the **bond number**.

bondholder means the person or persons who own(s) the **policies** within a **bond** and agree(s) to pay the **premium**. For example, the person(s) who is/are the beneficiary/ies of an assignment of some or all of the **policies** within a **bond**, or the trustees of any trust under which the **policies** within a **bond** are held.

bond number is the reference number which identifies the **bond**.

business day means any day except for Saturdays, Sundays and public holidays in the **UK**. It would also not be a **business day** in the exceptional circumstances where the London Stock Exchange or the major clearing banks in the City of London or Edinburgh are not open for business on a non-scheduled basis.

cash-in value is the realisable value of the **units** we have cancelled if you instruct us to do so under provision 10 (Cashing-in all or some of your policies within the bond) The value of your investment under your **policies** within the **bond** is calculated by multiplying the number of **units** cancelled by their **unit price** less any (1) outstanding **additional charge** (described in sub-provision 6.22 (Outstanding additional charge), and/or (2) exit charges that are levied by certain **investment managers** in relation to their funds (described in sub-provision 1.7 (Cancellation period),

charging period means the six-year period notified to you during which we'll collect an **additional charge** by cancelling **units** proportionally across all of your **policies** within the **bond** because of the **funded initial commission** we've paid to your **financial adviser** at your request in respect of a **premium** paid to your **policies** within the **bond** as explained in sub-provision 6.21 (Additional charge).

charging schedule means the schedule of charges, rebates and discounts applicable to the **wrap products** which is contained in the **client terms and conditions for wrap services**. The **charging schedule** is also available from your **financial adviser**.

client terms and conditions for wrap services means the terms and conditions document issued to you by your **financial adviser** when you open your **wrap account**. We can amend the **client terms and conditions for wrap services** from time to time.

dealing cut-off point means the time on any **business day** by which we must have received your instructions relating to any **funds**. You can obtain information on what the current **dealing cut-off point** is by contacting your **financial adviser**. We may need to change the **dealing cut-off point**, in order to continue to operate the **funds** in an effective way. If we do so we will notify your **financial adviser**. Please note, the **dealing cut-off point** may be different for different transactions. Please speak to your **financial adviser** for more information.

death benefit is the realisable value of the **units** we have cancelled following the death of the last surviving **life assured**. This is calculated as explained in provision 12 (What we pay on death)).

endorsement means a variation to these **policy provisions** or to your **policy schedule**.

external investment manager is an **investment manager** which is not **Standard Life Assurance** but can be a company in the **Standard Life group**.

externally linked fund means a **fund** which invests in **mutual funds** managed by an **external investment manager**.

financial adviser means any financial intermediary who:

- (a) is authorised under **FSMA**;
- (b) provides **you** from time to time with financial and investment advice; and
- (c) has signed the **adviser terms and conditions** and is therefore authorised by **us** to use the **wrap platform**.

force majeure event literally means 'superior event'. It is an event that couldn't be predicted or if predicted its consequences are too drastic to plan for in a contract. In these **policy provisions** it means any of the following:

- (a) act of God, fire, earthquake, storm or flood;
- (b) explosion, nuclear accident or collision;
- (c) sabotage, riot, civil disturbance, insurrection, epidemic, national emergency (whether in fact or law) or act of war (whether declared or not) or terrorism;
- (d) requirement or restriction of or failure to act by any government, semi-governmental or judicial entity (other than a regulatory change);
- (e) unavoidable accident;
- (f) loss of supply of essential services including but not limited to electrical power, telecommunications, air conditioning and essential third party services;
- (g) any 'denial of service' or other targeted network attack; and
- (h) any other cause beyond our reasonable control; as a consequence of which **we** can no longer administer your **policies** within the **bond** for a given period.

FSA means the Financial Services Authority or any successor regulator which regulates our investment business. The **FSA** can be contacted at 25 The North Colonnade, Canary Wharf, London E14 5HS.

FSA rules means the Handbook of Rules and Guidance of the **FSA** or any successor regulator to the **FSA**, as amended from time to time.

FSMA means the Financial Services and Markets Act 2000 as amended from time to time and all regulations and orders under it.

full cash-in means cancelling all of the **units** in all of your **policies** within the **bond**. It is described in provision 10 (Cashing-in all or some of your policies within the bond).

fund is the collective name for the funds offered by **us** which may be **internal funds** or **externally linked funds** that **you** can select for your **policies** within the **bond** in via the **wrap platform**. **You** cannot select a **mutual fund** for your **policies** within the **bond**.

fund based renewal commission is the payment that is made by **us** at regular intervals, if **you** ask **us** to do so, to your **financial adviser** in order to pay for their continuous services.

fund factsheet means the **fund**-specific product disclosure document which is produced for each of the **funds** available to **you** on the **wrap platform**. **You** can obtain a copy of the **fund factsheet** by contacting your **financial adviser**.

funded initial commission is a one-off payment which is paid by **us** to your **financial adviser** when **we** issue your **policies** within the **bond** and that **we** recover by levying an **additional charge** (as explained in sub-provision 6.21 (Additional charge) during the **charging period**. It differs from **initial commission** which is deducted directly from your **premium** on the day when the **initial commission** is paid to your **financial adviser**.

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head office is the registered office of **Standard Life Assurance** at Standard Life House, 30 Lothian Road, Edinburgh, EH1 2DH.

important information document is the document which **we** will send **you** which provides an illustration of what **you** might get back from your investment and details of the charges and rebates which apply to your **policies** within the **bond**.

initial commission is a way **you** have of paying your **financial adviser** for their initial services. It is a one-off payment paid by **us** directly to your **financial adviser** if **you** instruct **us** to do so and for which **we** will deduct an initial charge (as explained in sub-provision 6.20 (Initial charge)) by deducting the amount of the commission from the **premium**. This means that the amount of the **premium** available for **you** to invest will be reduced accordingly.

internal funds are the **funds** which are available to **you** to invest in through your **policies** within the **bond** and have their assets managed, operated and priced by certain companies in the **Standard Life group**. **You** can get a list of these **internal funds** from your **financial adviser**.

investment content is the part of your **premium** which is used to purchase **units** in a **fund**. See provision 5 (How we allocate and cancel units) and provision 7 (Paying additional premiums).

investment declaration form is the form which is completed by **you** during the application process if there is more than one **bondholder** applying to take out an Onshore Bond for Wrap.

investment manager means the person responsible for managing **funds** such as the funds which **you** can select for your **policies** within the **bond**.

key features document is the document which sets out the high level aims and features of your **policies** within the **bond**. This will be given to **you** by your **financial adviser** when **you** request a **personal illustration** for your **policies** within the **bond**.

life assured means the person(s) whose life is covered under your **policies** within the **bond**. The **bond** will come to an end on the death of the last remaining **life assured**, unless **you** cash-in all your **policies** within the **bond** first.

management charges is the collective name for the annual management charge (please see sub-provision 6.1 (Annual management charge)) and the additional expenses (please see sub-provision 6.2 (Additional expenses)).

mutual fund means a fund operated by an **external investment manager** which raises money from investors and invests in a group of assets, in accordance with a stated set of objectives.

partial cash-in means cancelling some of the **units** in one or more of your **policies** within the **bond**. It is described in more detail in sub-provision 10.2 (Cashing-in all or some of your policies within the bond).

personal illustration means an illustration which reflects the terms of the particular **wrap product** (in this case your **policies** within the **bond**) and investments which **you** have decided to invest in, including the possible return that **you** could expect.

platform customer centre is, along with the **wrap platform** itself, your **financial adviser's** point of contact with **Standard Life Savings**. **You** should contact your **financial adviser** if **you** have any questions. However, if for any reason they are unavailable, **you** can contact the **platform customer centre**. The **platform customer centre** cannot give advice. Their contact details are in provision 20 (How to contact us).

policies are the separate parts of a **bond**. The **bond** will be divided into identical individual **policies** at the **start date**. Each separate **policy** within a **bond** is identified by its own **policy number**.

policy number is the reference number which identifies each separate **policy** and is made up of the **bond number** and a combination of letters and numbers.

policy provisions means this document. It contains the terms and conditions of your **policies** within the **bond**.

policy schedule is the document which describes the specific details of your **policies** within the **bond** such as the **start date**, the **bondholder(s)**, the **life (lives) assured**, the level of cover and governing law.

premium means a payment made by **you** to your **policies** within the **bond**.

pricing point means the time when the price of a **fund** is calculated. **Funds** are generally priced on each **business day**, although some **funds** are priced weekly or at other frequencies. Information on when each **fund** that is available from the **wrap platform** is priced, can be obtained by contacting the **platform customer centre** (see provision 20 (How to contact us)).

product confirmation schedule is a document which is sent to **you** after **we** have received an online application for a **bond**. The purpose of the **product confirmation schedule** is to provide **you** with an opportunity to confirm that the details on the application are correct. The **product confirmation schedule** also requires that **you** confirm your agreement to these **policy provisions**.

prospectus means the current **prospectus** or scheme particulars issued by the **external investment manager** of a **mutual fund** and which contains details about their **mutual fund**.

regular withdrawals are payments **we** make to your nominated account of a set amount or percentage of the original **premium** at regular intervals. **Regular withdrawals** may incur exit charges which may be levied by certain **investment managers** in relation to specific funds. These exit charges are described in provision 1.7 (Cancellation period).

Standard Life group means Standard Life plc and each of its subsidiaries, subsidiary undertakings and associated companies (whether direct or indirect) from time to time.

Standard Life Assurance means Standard Life Assurance Limited. It is authorised and regulated by the **FSA** in the conduct of its investment business. It is on the **FSA** Register with registration number 439567.

Standard Life Investments means Standard Life Investments Limited, 1 George Street, Edinburgh, EH2 2LL. It is authorised and regulated by the **FSA** in the conduct of its investment business. It is on the **FSA** Register with registration number 188406.

Standard Life Savings means Standard Life Savings Limited, Standard Life House, 30 Lothian Road, Edinburgh, EH1 2DH. **Standard Life Savings** is a wholly owned subsidiary of **Standard Life Assurance**. It is authorised and regulated by the **FSA** in the conduct of its investment business. It is on the **FSA** Register with registration number 188796.

start date will be shown on your **policy schedule** and will be the later of the date on which **we** receive your initial **premium** and the date on which **we** receive at our **platform customer centre** all the relevant signed documentation **we** require to start your **policies** within the **bond**. This will be the date on which your **policies** within the **bond** are set up on our internal computer systems.

UK means the United Kingdom of Great Britain and Northern Ireland excluding the Isle of Man or the Channel Islands.

units are fractions of **funds** which are available to invest in. **Funds** are divided into **units** specifically for this purpose. The legal structure of some **funds** means that the term “share” is more legally accurate than **unit**. However, for clarity, **we** have used the term “**unit**” throughout these **policy provisions**. In the context of your **policies** within the **bond**, **Standard Life Assurance** will invest in **units** on your behalf.

unit price is the price for each **unit**. See provision 4 (Unit prices).

Onshore Bond for Wrap

we and **us** mean **Standard Life Assurance**.

wrap account means the account which **Standard Life Savings** will open in your name and in which your **wrap products**, including the **bond**, will be held. Your **wrap account** is identified by an individual **wrap account** reference number.

wrap cash account means the interest-bearing which **Standard Life Savings** will operate as is the main cash account within your **wrap account**. The cash in this account can be used to purchase new **wrap products** and receive income and/or interest from your existing **wrap products**, including the **bond**.

wrap platform is the online dealing and registration system provided by **Standard Life Savings**.

wrap product means each of the Wrap SIPP, Onshore Bond for Wrap, International Portfolio Bond for Wrap, Wrap ISA, Wrap Personal Portfolio and any other products to be developed by the **Standard Life group** for holding within a **wrap account**.

you means the **bondholder(s)** named in your **policy schedule**. It also means your survivors and anyone to whom your **policies** within the **bond** have been assigned to by **you** or your survivors.

Pensions
Mortgages
Savings
Investments
Healthcare
Insurance

Speak soon.

Certain classes of product mentioned on this page are provided by other subsidiaries of Standard Life plc.

Standard Life Savings Limited*, provider of the Wrap platform, registered in Scotland (SC180203), Standard Life House, 30 Lothian Road, Edinburgh EH1 2DH (telephone number 0845 279 1001). Calls may be recorded and monitored.

Standard Life Assurance Limited*, registered in Scotland (SC286833), Provider and Scheme Administrator of the Standard Life Self Invested Personal Pension Scheme and Standard Life Trustee Company Limited, registered in Scotland (SC076046), Trustee, both at Standard Life House. Standard Life Investments (Mutual Funds) Limited*, registered in Scotland (SC123322) at 1 George Street, Edinburgh, EH2 2LL. Standard Life International Limited, provider of the International Portfolio Bond, registered in Ireland (408507) at 90 St Stephen's Green, Dublin 2 (authorised and regulated by the Irish Financial Regulator and regulated by the Financial Services Authority for the conduct of UK business). *Authorised and regulated by the Financial Services Authority.

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